

Raiffeisen Eastern European Equities

(Original German name: Raiffeisen-Osteuropa-Aktien)

annual fund report

financial year Feb 1, 2019 – Jan 31, 2020

Note:

The audit opinion issued by KPMG Austria GmbH only applies for the full German-language version.

Table of contents

General fund information	3
Fund characteristics.....	3
Legal notice	4
Fund details.....	5
Units in circulation.....	6
Development of the fund assets and income statement	6
Performance in financial year (fund performance)	6
Development of fund assets in EUR.....	8
Fund result in EUR.....	9
A. Realized fund result	9
B. Unrealized closing price	9
C. Income adjustment.....	10
Capital market report	11
Fund investment policy report	12
Makeup of fund assets in EUR	13
Portfolio of investments in EUR as of Jan 31, 2020	15
Calculation method for overall risk	22
Remuneration paid to the employees of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. in EUR (financial year 2018 of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.)	23
Audit opinion	26
Tax treatment	29
Fund regulations	30
Appendix	36

Report for the financial year from Feb 1, 2019 to Jan 31, 2020

General fund information

ISIN	Tranche	Income class	Currency	Launch date
AT0000936513	Raiffeisen Eastern European Equities (R) A	income-distributing	EUR	Feb 21, 1994
AT0000A1TVZ1	Raiffeisen Eastern European Equities (RZ) A	income-distributing	EUR	Apr 3, 2017
AT0000A13K38	Raiffeisen Eastern European Equities (I) T	income-retaining	EUR	Dec 2, 2013
AT0000805460	Raiffeisen Eastern European Equities (R) T	income-retaining	EUR	May 17, 1999
AT0000A1TVY4	Raiffeisen Eastern European Equities (RZ) T	income-retaining	EUR	Apr 3, 2017
AT0000A0EY50	Raiffeisen Eastern European Equities (I) VTA	full income-retaining (outside Austria)	EUR	Jan 4, 2010
AT0000785241	Raiffeisen Eastern European Equities (R) VTA	full income-retaining (outside Austria)	EUR	May 26, 1999
AT0000A1TW05	Raiffeisen Eastern European Equities (RZ) VTA	full income-retaining (outside Austria)	EUR	Apr 3, 2017

Fund characteristics

Fund currency	EUR
Financial year	Feb 1 – Jan 31
Distribution/payment/reinvestment date	Apr 1
Type of fund	Investment fund pursuant to § 2 of the Austrian Investment Fund Act, InvFG (UCITS)
Effective management fee for the fund	I-Tranche (EUR): 0.900 % R-Tranche (EUR): 2.000 % RZ-Tranche (EUR): 0.900 %
Custodian bank	Raiffeisen Bank International AG
Management company	Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Mooslackengasse 12, A-1190 Vienna Tel. +43 1 71170-0 Fax +43 1 71170-761092 www.rcm.at Companies register number: 83517 w
Fund management	Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
Auditor	KPMG Austria GmbH

Since the start of the accounting year, the management fee has been calculated for each calendar day based on the respective fund assets, while it had previously been calculated on the basis of the value at the end of each month. The calculation of the custodian bank fee (based on the fund assets) and the custody charge (based on the portfolio assets) has also been converted to a daily basis.

Legal notice

The software used performs calculations on the basis of more than the two decimal places displayed. Minor discrepancies cannot be ruled out due to further calculations using published results.

The value of a unit is calculated by dividing the entire value of the investment fund inclusive of its income by the number of units. The total value of the investment fund is calculated on the basis of the current market prices of the securities, money market instruments and subscription rights in the fund plus the value of the fund's financial investments, cash holdings, credit balances, receivables and other rights net of its payables. That value will be calculated by the custodian bank.

The net assets are calculated in accordance with the following principles:

- a) The value of assets quoted or traded on a stock exchange or other regulated market shall be determined, in principle, on the basis of the most recently available price.
- b) Where an asset is not quoted or traded on a stock market or another regulated market or where the price for an asset quoted or traded on a stock market or another regulated market does not appropriately reflect its actual market value, the prices provided by reliable data providers or, alternatively, market prices for equivalent securities or other recognized market valuation methods shall be used.

Dear unitholder,

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. is pleased to present its annual fund report for Raiffeisen Eastern European Equities for the financial year from Feb 1, 2019 to Jan 31, 2020. The accounting is based on the price calculation as of Jan 31, 2020.

Fund details

	Jan 31, 2018	Jan 31, 2019	Jan 31, 2020
Total fund assets in EUR	332,780,799.79	279,782,020.89	300,186,203.21
Net asset value/distributing units (R) (AT0000936513) in EUR	236.97	224.36	266.97
Issue price/distributing units (R) (AT0000936513) in EUR	248.82	235.58	280.32
Net asset value/distributing units (RZ) (AT0000A1TVZ1) in EUR	109.36	104.61	125.85
Issue price/distributing units (RZ) (AT0000A1TVZ1) in EUR	109.36	104.61	125.85
Net asset value/reinvested units (I) (AT0000A13K38) in EUR	294.42	284.86	346.14
Issue price/reinvested units (I) (AT0000A13K38) in EUR	309.14	299.10	363.45
Net asset value/reinvested units (R) (AT0000805460) in EUR	280.76	268.63	322.90
Issue price/reinvested units (R) (AT0000805460) in EUR	294.80	282.06	339.05
Net asset value/reinvested units (RZ) (AT0000A1TVY4) in EUR	109.25	104.72	127.04
Issue price/reinvested units (RZ) (AT0000A1TVY4) in EUR	109.25	104.72	127.04
Net asset value/fully reinvested units (I) (AT0000A0EY50) in EUR	322.47	311.91	379.04
Issue price/fully reinvested units (I) (AT0000A0EY50) in EUR	338.59	327.51	397.99
Net asset value/fully reinvested units (R) (AT0000785241) in EUR	294.72	282.01	338.98
Issue price/fully reinvested units (R) (AT0000785241) in EUR	309.46	296.11	355.93
Net asset value/fully reinvested units (RZ) (AT0000A1TW05) in EUR	109.53	105.90	128.69
Issue price/fully reinvested units (RZ) (AT0000A1TW05) in EUR	109.53	105.90	128.69

	Apr 1, 2019	Apr 1, 2020
Distribution/unit (R) (A) EUR	2.2400	2.6700
Distribution/unit (RZ) (A) EUR	1.0500	1.8900
Outpayment/unit (I) (T) EUR	0.0000	0.0000
Outpayment/unit (R) (T) EUR	0.0000	0.0000
Outpayment/unit (RZ) (T) EUR	0.1724	1.9056
Reinvestment/unit (I) (T) EUR	1.8140	30.7837
Reinvestment/unit (R) (T) EUR	0.0000	25.6750
Reinvestment/unit (RZ) (T) EUR	0.4778	9.4053
Reinvestment/unit (I) (VTA) EUR	1.9360	33.7411
Reinvestment/unit (R) (VTA) EUR	0.0000	26.9535
Reinvestment/unit (RZ) (VTA) EUR	0.6112	11.4556

The distribution will occur free-of-charge at the fund's paying agents. Payment will be made by the custodian banks.

Units in circulation

	Units in circulation on Jan 31, 2019	Sales	Repurchases	Units in circulation on Jan 31, 2020
AT0000936513 (R) A	204,962.639	6,499.469	-17,573.061	193,889.047
AT0000A1TVZ1 (RZ) A	5,809.510	322.481	-952.135	5,179.856
AT0000A13K38 (I) T	25.000	13.755	-25.000	13.755
AT0000805460 (R) T	607,974.424	52,496.167	-112,377.537	548,093.054
AT0000A1TVY4 (RZ) T	70,664.364	18,865.269	-14,969.472	74,560.161
AT0000A0EY50 (I) VTA	16,123.670	2,226.023	-9,649.825	8,699.868
AT0000785241 (R) VTA	199,830.784	31,511.648	-64,072.271	167,270.161
AT0000A1TW05 (RZ) VTA	10,100.000	1,000.000	-900.000	10,200.000
Total units in circulation				1,007,905.902

Development of the fund assets and income statement

Performance in financial year (fund performance)

Distributing units (R) (AT0000936513)

Net asset value per unit at start of financial year in EUR	224.36
Distribution on Apr 1, 2019 (net asset value: EUR 220.03) of EUR 2.2400, corresponds to 0.01018 units	
Net asset value per unit at end of financial year in EUR	266.97
Total value incl. units purchased through distribution (1.01018 x 266.97)	269.69
Net income/net reduction per unit	45.33

Performance of one unit during the financial year in %

20.20

Distributing units (RZ) (AT0000A1TVZ1)

Net asset value per unit at start of financial year in EUR	104.61
Distribution on Apr 1, 2019 (net asset value: EUR 102.78) of EUR 1.0500, corresponds to 0.010216 units	
Net asset value per unit at end of financial year in EUR	125.85
Total value incl. units purchased through distribution (1.010216 x 125.85)	127.14
Net income/net reduction per unit	22.53

Performance of one unit during the financial year in %

21.53

Reinvested units (I) (AT0000A13K38)

Net asset value per unit at start of financial year in EUR	284.86
Net asset value per unit at end of financial year in EUR	346.14
Net income/net reduction per unit	61.28

Performance of one unit during the financial year in %

21.51

Reinvested units (R) (AT0000805460)	
Net asset value per unit at start of financial year in EUR	268.63
Net asset value per unit at end of financial year in EUR	322.90
Net income/net reduction per unit	54.27
Performance of one unit during the financial year in %	20.20
Reinvested units (RZ) (AT0000A1TVY4)	
Net asset value per unit at start of financial year in EUR	104.72
Outpayment on Apr 1, 2019 (net asset value: EUR 103.75) of EUR 0.1724, corresponds to 0.001662 units	
Net asset value per unit at end of financial year in EUR	127.04
Total value incl. units purchased through outpayment (1.0017 x 127.04)	127.25
Net income/net reduction per unit	22.53
Performance of one unit during the financial year in %	21.52
Fully reinvested units (I) (AT0000A0EY50)	
Net asset value per unit at start of financial year in EUR	311.91
Net asset value per unit at end of financial year in EUR	379.04
Net income/net reduction per unit	67.13
Performance of one unit during the financial year in %	21.52
Fully reinvested units (R) (AT0000785241)	
Net asset value per unit at start of financial year in EUR	282.01
Net asset value per unit at end of financial year in EUR	338.98
Net income/net reduction per unit	56.97
Performance of one unit during the financial year in %	20.20
Fully reinvested units (RZ) (AT0000A1TW05)	
Net asset value per unit at start of financial year in EUR	105.90
Net asset value per unit at end of financial year in EUR	128.69
Net income/net reduction per unit	22.79
Performance of one unit during the financial year in %	21.52

The performance is calculated assuming wholesale reinvestment of distributed/paid-out amounts at their net asset value on the distribution/payment date.

The custodian bank calculates the unit value separately for each unit certificate class. Discrepancies may arise in the annual performance figures for individual unit certificate classes.

Raiffeisen KAG uses the method developed by OeKB (Österreichische Kontrollbank AG) to calculate the fund's performance, on the basis of data provided by the custodian bank (where payment of the redemption price is suspended, using indicative values). Some costs – the subscription fee (not exceeding 5.00 % of the invested amount) and any redemption fee (not exceeding 0.00 % of the sold amount) – are not included in the performance calculation. Depending on their concrete value, they will reduce a performance accordingly. Past results do not permit any reliable inferences as to the future performance of the fund.

Development of fund assets in EUR

Fund assets on Jan 31, 2019 (1,115,490.391 units)		279,782,020.89
Distribution on Apr 1, 2019 (EUR 2.2400 x 203,223.601 distributing units (R) (AT0000936513))		-455,220.87
Distribution on Apr 1, 2019 (EUR 1.0500 x 5,211.654 distributing units (RZ) (AT0000A1TVZ1))		-5,472.24
Outpayment on Apr 1, 2019 (EUR 0.1724 x 72,562.462 reinvested units (RZ) (AT0000A1TVY4))		-12,509.77
Issuance of units	29,697,896.30	
Redemption of units	-62,063,919.70	
Pro rata income adjustment	1,291,952.93	-31,074,070.47
Overall fund result		51,951,455.67
Fund assets on Jan 31, 2020 (1,007,905.902 units)		300,186,203.21

Fund result in EUR

A. Realized fund result

Ordinary fund result	
Income (excl. closing price)	
Interest income	316.08
Income from securities lending transactions	29,337.46
Interest expenses (incl. negative credit interest)	-4,078.82
Dividend income (incl. dividend equivalent)	16,389,294.82
	16,414,869.54
Expenses	
Management fees	-5,611,156.08
Custodian bank fees / Custodian's fees	-259,461.57
Auditing costs	-10,314.40
Expenses for tax advice / tax representation	-800.00
Custody charge	-214,705.64
Publicity costs, regulatory fees	-30,784.72
Costs associated with foreign sales	-521.93
Cost of advisers and other service providers	-13,616.17
Research expenses	-125,409.88
	-6,266,770.39
Ordinary fund result (excl. income adjustment)	10,148,099.15
Realized closing price	
Profits realized from securities	22,479,665.10
Profits realized from derivative instruments	84,397.39
Losses realized from securities	-7,369,568.99
Losses realized from derivative instruments	-37,821.34
Realized closing price (excl. income adjustment)	15,156,672.16
Realized fund result (excl. income adjustment)	25,304,771.31

B. Unrealized closing price

Change in unrealized closing price	27,230,313.42
Change in dividends receivable	708,323.87
	27,938,637.29

C. Income adjustment

Income adjustment for income during financial year	-1,291,952.93	
		-1,291,952.93
Overall fund result		51,951,455.67

The result for the past financial year includes explicitly reported transaction costs (incl. external transaction-related costs, see item 15a "Transaction costs" in section II of the prospectus) in the amount of 378,968.96 EUR.

Capital market report

Equities showed an exceptionally strong performance in 2019. On average, they rose by well over 20 %, and in Euro terms by around 30 %. The US Federal Reserve (Fed) provided the decisive impetus with a surprise monetary policy shift, interest rate cuts and new bond purchases. Fresh fiscal and monetary stimulus in China provided additional fuel for the stock market rally. These movements in the stock markets stand in contrast to the developments in the economy (steadily weakening global economic growth, mostly stagnating or even declining corporate profits). Market participants are counting on economic growth picking up again soon and on rising corporate profits. While political risk factors such as trade conflicts or Brexit caused some temporary price fluctuations, they played a minor role overall.

Equities initially continued their rally in January but the outbreak of the COVID-19 epidemic in China (new coronavirus) spoiled investors' mood somewhat at the end of the month and caused a slight correction in share prices.

The Fed's policy change and the weaker growth and inflation outlook boosted global bond markets, too. In particular, corporate bonds in the USA showed a very strong performance and emerging market bonds had a very good year as well. European corporate bonds posted solid, albeit not quite as strong, gains, especially those with lower credit ratings. Government bonds were also up significantly, although they surrendered some of their gains during the final months of the year. Commodity prices repeatedly faced headwinds from the worsening global growth outlook and the escalating trade conflicts. The gold price, on the other hand, benefited from falling real yields and interest rate cuts in the USA for most of the time. The US dollar remains strong while the euro continues to be rather weak. The US Federal Reserve made a dramatic monetary policy shift in 2019. It lowered key interest rates several times, ended the reduction of its huge bond holdings prematurely and started to buy substantial amounts of (short-dated) US government bonds. At the same time, Fed Chairman Powell stressed that the rate cuts were not meant to be the start of a new interest rate cycle but rather a "mid-cycle adjustment". At 1.50-1.75 %, the key interest rate in the US is now below the current inflation rate and very low by historical standards. Accordingly, there is much more limited scope for further interest rate cuts in the event of a recession or a global economic crisis than in the past. In contrast to the US Federal Reserve, the European Central Bank (ECB) has maintained its ultra-loose monetary policy for the past 10 years almost without interruption. In the second half of 2019, it dropped interest rates yet a bit lower into negative territory and initiated a new bond purchase programme. The unprecedented loose monetary policy of the major central banks in the last ten years reflected a pronounced weakness in global economic growth. Although growth in many regions had picked up in the meantime, a turnaround in global monetary policy has failed to materialise and has now again moved into the distant future. By historical standards, yields are very low, almost everywhere in the world. Bonds worth some EUR 10 trillion are even trading with negative yields. Extremely low bond yields in the world's major economic blocks pose major challenges to bond market investors. At the same time, they have strongly supported equity prices. However, valuations of some equity markets, especially those in the USA, look rather stretched. They are thus vulnerable to corrections, especially if the widely anticipated global economic upswing fails to materialize or the coronavirus epidemic cannot be contained quickly. The financial market environment remains challenging and could provide further major price fluctuations for almost all asset classes in the coming months.

Fund investment policy report

The past accounting year was a highly successful period for Eastern European equities, particularly due to the contributions made by the Moscow and Athens stock markets. In Russia, declining fears of sanctions had a positive impact. The fund focused mainly on securities offering high dividends. In Greece, the positive performance was due to the macroeconomic stabilization. This phase was used for profit-taking. The fund employed the freed-up resources to exploit the initial weakness of share prices in order to establish positions and profit from the subsequent recovery. Restraint was called for in Poland given the banking sector's persistent problems with Swiss franc loans and the government's disadvantageous interference in the utilities and energy sectors. This strategy proved successful.

Securities lending transactions were entered into in order to generate additional income.

Makeup of fund assets in EUR

Any discrepancies in terms of the market value or the share of the fund assets result from rounding-off.

UCITS refers to units in an undertaking for collective investment in transferable securities

§ 166 InvFG refers to units in investment funds in the form of "other asset portfolios"

§ 166 (1) item 2 InvFG refers to units in special funds

§ 166 (1) item 3 InvFG refers to units in undertakings for collective investment in transferable securities pursuant to § 166 (1) item 3 InvFG
(such as alternative investments/hedge funds)

§ 166 (1) item 4 InvFG refers to units in real estate funds

Type of security	OGAW/§ 166	Currency	Market value in EUR	Share of fund assets
Equities		CZK	7,730,536.92	2.58 %
Equities		EUR	15,670,312.98	5.22 %
Equities		GBP	2,958,734.82	0.99 %
Equities		HRK	1,855,700.61	0.62 %
Equities		HUF	14,274,273.09	4.76 %
Equities		PLN	43,321,358.83	14.43 %
Equities		RON	532,953.16	0.18 %
Equities		RUB	117,628,734.13	39.19 %
Equities		TRY	30,540,270.14	10.17 %
Equities		USD	1,697,072.95	0.57 %
Total Equities			236,209,947.63	78.69 %
Equities ADR		USD	43,494,236.45	14.49 %
Total Equities ADR			43,494,236.45	14.49 %
Equities GDR		EUR	727,123.60	0.24 %
Equities GDR		RUB	2,258,745.33	0.75 %
Equities GDR		USD	15,884,076.11	5.29 %
Total Equities GDR			18,869,945.04	6.29 %
Total securities			298,574,129.12	99.46 %
Bank balances/liabilities				
Bank balances/liabilities in fund currency			1,358,199.42	0.45 %
Bank balances/liabilities in foreign currency			47,848.31	0.02 %
Total bank balances/liabilities			1,406,047.73	0.47 %
Accruals and deferrals				
Interest claims (on securities and bank balances)			-152.57	-0.00 %
Dividends receivable			856,598.58	0.29 %
Total accruals and deferrals			856,446.01	0.29 %

Type of security	OGAW/§ 166	Currency	Market value in EUR	Share of fund assets
Other items				
Various fees			-650,419.65	-0.22 %
Total other items			-650,419.65	-0.22 %
Total fund assets			300,186,203.21	100.00 %

Portfolio of investments in EUR as of Jan 31, 2020

Dates indicated for securities refer to the issue and redemption dates. An issuer's right of premature redemption (where applicable) is not specified.

The securities marked with a "Y" have an open-ended maturity (is perpetual). The price for forward exchange transactions is indicated in the relevant counter currency for the currency in question.

Any discrepancies in terms of the market value or the share of the fund assets result from rounding-off.

UCITS refers to units in an undertaking for collective investment in transferable securities

§ 166 InvFG refers to units in investment funds in the form of "other asset portfolios"

§ 166 (1) item 2 InvFG refers to units in special funds

§ 166 (1) item 3 InvFG refers to units in undertakings for collective investment in transferable securities pursuant to § 166 (1) item 3 InvFG (such as alternative investments/hedge funds)

§ 166 (1) item 4 InvFG refers to units in real estate funds

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales Units/Nom.	Pool-/ILB Factor	Price	Market value in EUR	Share of fund assets
Equities		CZ0005112300	CEZ AS CEZ	CZK	164,851	12,034			505.500000	3,296,041.95	1.10 %
Equities		CZ0008019106	KOMERCNI BANKA AS KOMB	CZK	74,228				792.000000	2,325,267.52	0.77 %
Equities		CZ0008040318	MONETA MONEY BANK AS MONET	CZK	552,252	238,340			84.000000	1,834,833.11	0.61 %
Equities		CZ0009093209	O2 CZECH REPUBLIC AS TELEC	CZK	29,210				237.500000	274,394.34	0.09 %
Equities		GRS015003007	ALPHA BANK AE ALPHA	EUR	1,491,217	458,370	611,000		1.826000	2,722,962.24	0.91 %
Equities		GRS323003012	EUROBANK ERGASIAS SA EUROB	EUR	3,148,610	3,620,000	471,390		0.843000	2,654,278.23	0.88 %
Equities		GRS260333000	HELLENIC TELECOMMUN ORGANIZA HTO	EUR	221,889	50,000	46,000		13.460000	2,986,625.94	0.99 %
Equities		GRS282183003	JUMBO SA BELA	EUR	108,835	26,000			18.400000	2,002,564.00	0.67 %
Equities		GRS426003000	MOTOR OIL (HELLAS) SA MOH	EUR	30,820		51,600		20.000000	616,400.00	0.21 %
Equities		GRS003003035	NATIONAL BANK OF GREECE ETE	EUR	719,366	899,366	180,000		2.917000	2,098,390.62	0.70 %
Equities		SI0021117344	NOVA LJUBLJANSKA BANKA DD NLBR	EUR	5,312				63.600000	337,843.20	0.11 %
Equities		GRS419003009	OPAP SA OPAP	EUR	200,111		20,000		11.250000	2,251,248.75	0.75 %
Equities		JE00B6T5S470	POLYMETAL INTERNATIONAL PLC POLY	GBP	196,840	131,000	113,060		12.660000	2,958,734.82	0.99 %
Equities		HRARNTRA0004	ARENA HOSPITALITY GROUP DD ARNT	HRK	28,300				382.000000	1,452,422.70	0.48 %
Equities		HRRIVPRA0000	VALAMAR RIVIERA DD RIVP	HRK	78,991				38.000000	403,277.91	0.13 %
Equities		HU0000153937	MOL HUNGARIAN OIL AND GAS PL MOL	HUF	381,964		29,740		2,608.000000	2,949,144.75	0.98 %
Equities		HU0000061726	OTP BANK PLC OTP	HUF	213,550		35,970		14,350.000000	9,072,302.98	3.02 %
Equities		HU0000123096	RICHTER GEDEON NYRT RICHT	HUF	116,177		36,360		6,550.000000	2,252,825.36	0.75 %
Equities		PLALIOR00045	ALIOR BANK SA ALR	PLN	71,130	54,989	51,510		26.000000	430,609.11	0.14 %
Equities		PLBH00000012	BANK HANDLOWY W WARSZAWIE SA BHW	PLN	12,662		21,530		56.400000	166,279.41	0.06 %
Equities		PLPEKAO00016	BANK PEKAO SA PEO	PLN	144,200		11,890		98.820000	3,317,929.59	1.11 %
Equities		PLCCC0000016	CCC SA CCC	PLN	29,300		14,020		100.000000	682,220.36	0.23 %
Equities		PLOPTTC00011	CD PROJEKT SA	PLN	58,888	29,030	16,292		277.900000	3,810,416.13	1.27 %
Equities		PLCFRPT00013	CYFROWY POLSAT SA CPS	PLN	386,512		45,490		27.900000	2,510,870.08	0.84 %
Equities		PLDINPL00011	DINO POLSKA SA DNP	PLN	37,590		14,250		159.000000	1,391,638.73	0.46 %
Equities		PLENERG00022	ENERGA SA ENG	PLN	246,410	58,710			7.150000	410,224.34	0.14 %
Equities		PLZATRM00012	GRUPA AZOTY SA ATT	PLN	50,958				25.460000	302,084.07	0.10 %
Equities		PLLOTOS00025	GRUPA LOTOS SA LTS	PLN	78,870				76.320000	1,401,545.68	0.47 %
Equities		PLKGHM000017	KGHM POLSKA MIEDZ SA KGH	PLN	169,140				92.500000	3,642,882.09	1.21 %
Equities		PLLPP0000011	LPP SA LPP	PLN	651	500			8,570.000000	1,299,029.06	0.43 %
Equities		PLTLKPL00017	ORANGE POLSKA SA OPL	PLN	581,508		481,520		7.090000	959,972.93	0.32 %

financial year Feb 1, 2019 – Jan 31, 2020

Raiffeisen Eastern European Equities

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales Under review Units/Nom.	Pool/ILB Factor	Price	Market value in EUR	Share of fund assets
Equities		PLPKO000016	PKO BANK POLSKI SA PKO	PLN	799,720	169,460	218,910		34.700000	6,461,368.17	2.15 %
Equities		PLPKPCR00011	PKP CARGO SA PKP	PLN	128,790				18.340000	549,969.40	0.18 %
Equities		LU1642887738	PLAY COMMUNICATIONS SA PLY	PLN	181,506	70,000			36.780000	1,554,389.19	0.52 %
Equities		PLPLSEP00013	POLENERGIA SA PEP	PLN	67,580	67,580			27.200000	428,000.37	0.14 %
Equities		PLPKN0000018	POLSKI KONCERN NAFTOWY ORLEN PKN	PLN	255,639	46,620	85,340		76.000000	4,523,741.27	1.51 %
Equities		PLPGNIG00014	POLSKIE GORNICTWO NAFTOWE I PGN	PLN	919,340	312,760	1,202,730		3.668000	785,167.91	0.26 %
Equities		PLPZU0000011	POWSZECHNY ZAKLAD UBEZPIECZE PZU	PLN	572,670	28,110	79,830		40.600000	5,413,616.93	1.80 %
Equities		PLBZ00000044	SANTANDER BANK POLSKA SA SPL	PLN	33,147	4,566	5,490		286.400000	2,210,417.44	0.74 %
Equities		PLTAURN00011	TAURON POLSKA ENERGIA SA TPE	PLN	3,014,500	615,950	635,480		1.523000	1,068,986.57	0.36 %
Equities		NL0012294474	DIGI COMMUNICATIONS NV DIGI	RON	74,876				34.000000	532,953.16	0.18 %
Equities		RU0007252813	ALROSA PJSC ALRS	RUB	1,254,776		2,274,750		82.820000	1,483,545.02	0.49 %
Equities		RU000A0JSQ90	DETSKY MIR PJSC DSKY	RUB	400,000	400,000			116.020000	662,509.56	0.22 %
Equities		RU0007661625	GAZPROM PJSC GAZP	RUB	3,258,110	383,400			231.530000	10,768,924.07	3.59 %
Equities		RU000A0JPNM1	INTER RAO UES PJSC IRAO	RUB	39,366,410	39,851,000	27,700,000		5.940000	3,338,193.88	1.11 %
Equities		RU0009024277	LUKOIL PJSC LKOH	RUB	269,215	399,440	135,215		6,443.500000	24,763,976.72	8.25 %
Equities		RU0007775219	MOBILE TELESYSTEMS PJSC MTSS	RUB	687,200	687,200			330.500000	3,242,305.36	1.08 %
Equities		RU000A0JR4A1	MOSCOW EXCHANGE MICEX-RTS PJ MOEX	RUB	1,391,900	1,391,840			111.810000	2,221,713.13	0.74 %
Equities		RU000A0DKV55	NOVATEK PJSC NVTK	RUB	566,070	75,900	259,480		1,193.600000	9,645,577.83	3.21 %
Equities		RU000A0JNAA8	POLYUS PJSC PLZL	RUB	13,900	3,500	2,000		7,819.500000	1,551,647.57	0.52 %
Equities		RU000A0J2Q06	ROSNEFT OIL CO PJSC ROSN	RUB	718,930	80,000	48,200		481.200000	4,938,687.26	1.65 %
Equities		RU0009029540	SBERBANK OF RUSSIA PJSC SBER	RUB	7,374,620	1,177,600	1,090,000		257.310000	27,089,164.59	9.02 %
Equities		RU0009029557	SBERBANK-PREFERENCE SBERP	RUB	220,560				229.630000	723,027.27	0.24 %
Equities		RU0008926258	SURGUTNEFTGAS PJSC SNGS	RUB	6,608,400	6,608,400			47.900000	4,518,883.41	1.51 %
Equities		RU0009029524	SURGUTNEFTGAS-PREFERENCE SNGSP	RUB	9,098,720	2,918,000	4,938,700		35.640000	4,629,321.00	1.54 %
Equities		RU0006944147	TATNEFT PJSC - PREF TATNP	RUB	357,410				723.000000	3,688,962.98	1.23 %
Equities		RU0009033591	TATNEFT PJSC TATN	RUB	794,400		403,800		777.000000	8,811,696.99	2.94 %
Equities		RU000A0JP5V6	VTB BANK PJSC VTBR	RUB	4,797,501,400	5,247,501,400	450,000,000		0.047045	3,222,017.41	1.07 %
Equities		NL0009805522	YANDEX NV-A YNDX	RUB	56,480	56,480			2,888.000000	2,328,580.08	0.78 %
Equities		TRAAKBNK91N6	AKBANK T.A.S. AKBNK	TRY	3,410,648	1,245,200	486,320		8.460000	4,370,175.25	1.46 %
Equities		TRASELS91H2	ASELSAN ELEKTRONIK SANAYI ASELS	TRY	360,910	550,910	190,000		23.660000	1,293,317.77	0.43 %
Equities		TREBIMM00018	BIM BIRLESIK MAGAZALAR AS BIMAS	TRY	446,662	248,331	99,200		49.740000	3,364,932.66	1.12 %
Equities		TRAEREG1G3	EREGLI DEMIR VE CELIK FABRIK EREGL	TRY	1,246,087	300,000	370,000		9.410000	1,775,945.27	0.59 %
Equities		TRASAHOL91Q5	HACI OMER SABANCI HOLDING SAHOL	TRY	1,197,000	1,197,000			9.960000	1,805,697.84	0.60 %
Equities		TRAKCHOL91Q8	KOC HOLDING AS KCHOL	TRY	855,271	240,481	188,800		20.140000	2,608,884.20	0.87 %
Equities		TREMAVI00037	MAVI GIYIM SANAYI VE TICA-B MAVI	TRY	113,540		75,080		56.700000	975,042.48	0.32 %
Equities		TREPEGS00016	PEGASUS HAVA TASIMACILIGI AS PGSUS	TRY	88,280	266,280	178,000		68.700000	918,566.60	0.31 %
Equities		TRATOASO91H3	TOFAS TURK OTOMOBIL FABRIKA TOASO	TRY	285,000	285,000			27.080000	1,168,920.86	0.39 %
Equities		TRATHYAO91M5	TURK HAVA YOLLARI AO THYAO	TRY	592,410	863,070	1,330,420		13.830000	1,240,898.19	0.41 %
Equities		TRETTLK00013	TURK TELEKOMUNIKASYON AS TTKOM	TRY	364,000	690,200			8.040000	443,250.28	0.15 %
Equities		TRATCELL91M1	TURKCELL ILETISIM HIZMET AS TCELL	TRY	638,070		476,900		14.250000	1,377,129.50	0.46 %
Equities		TRAGARAN91N1	TURKIYE GARANTI BANKASI GARAN	TRY	4,219,930	1,774,900	957,970		12.100000	7,733,608.94	2.58 %
Equities		TRAISTR91N2	TURKIYE IS BANKASI-C ISCTR	TRY	1,335,000	2,285,000	950,000		7.240000	1,463,900.04	0.49 %
Equities		TRAYKBNK91N6	YAPI VE KREDI BANKASI YKBNK	TRY	1				3.030000	0.26	0.00 %
Equities		NL0009805522	YANDEX NV-A YNDX	USD	40,800	7,900			45.900000	1,697,072.95	0.57 %
Equities ADR		US3682872078	GAZPROM PJSC-SPON ADR OGZD	USD	2,383,998		1,614,090		7.238000	15,636,952.90	5.21 %
Equities ADR		US69343P1057	LUKOIL PJSC-SPON ADR LKOD	USD	42,490	53,200	396,900		101.400000	3,904,382.42	1.30 %
Equities ADR		US55315J1025	MMC NORILSK NICKEL PJSC-ADR MNOD	USD	607,130	193,000	340,050		32.980000	18,145,126.78	6.04 %
Equities ADR		US6074091090	MOBILE TELESYSTEMS-SP ADR MBT	USD	239,900	239,900			10.490000	2,280,517.44	0.76 %
Equities ADR		US74735M1080	QIWI PLC-SPONSORED ADR QIWI	USD	68,800	68,800			18.790000	1,171,501.59	0.39 %
Equities ADR		US8688612048	SURGUTNEFTGAS-SP ADR SGGD	USD	59,600	59,600			7.460000	402,914.36	0.13 %

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales	Pool/ ILB Factor	Price	Market value in EUR	Share of fund assets
Equities ADR		US8766292051	TATNEFT PAO-SPONSORED ADR ATAD	USD	29,200		2,200		73.800000	1,952,840.96	0.65 %
Equities GDR		US66980N2036	NOVA LJUBLJANSKA B-GDR REG S NLB	EUR	58,639	16,139			12.400000	727,123.60	0.24 %
Equities GDR		US98387E2054	X 5 RETAIL GROUP NV-REGS GDR FIVE	RUB	67,200	67,200	9,000		2,354.500000	2,258,745.33	0.75 %
Equities GDR		US29760G1031	ETALON GROUP-GDR REG S ETLN	USD	109,630	109,630			2.320000	230,486.27	0.08 %
Equities GDR		US5603172082	MAIL.RU GROUP-GDR REGS MAIL	USD	84,900	84,900	21,300		24.000000	1,846,488.45	0.62 %
Equities GDR		US6698881090	NOVATEK PJSC-SPONS GDR REG S NVTK	USD	15,910	6,100	23,590		187.200000	2,699,004.98	0.90 %
Equities GDR		US67011E2046	NOVOLIPETSK STEEL PJSC-GDR NLMK	USD	42,390		82,210		22.800000	875,842.32	0.29 %
Equities GDR		US73181M1172	POLYUS PJSC-REG S-GDR PLZLL	USD	22,500		3,000		61.600000	1,256,003.62	0.42 %
Equities GDR		US67812M2070	ROSNEFT OIL CO PJSC-REGS GDR ROSN	USD	130,840		262,400		7.598000	900,881.12	0.30 %
Equities GDR		US8181503025	SEVERSTAL - GDR REG S SVST	USD	206,921	30,867	162,000		14.580000	2,733,944.88	0.91 %
Equities GDR		US87238U2033	TCS GROUP HOLDING -REG S TCS	USD	64,942	49,200	35,600		23.450000	1,380,054.28	0.46 %
Equities GDR		US98387E2054	X 5 RETAIL GROUP NV-REGS GDR FIVE	USD	117,510	94,900	98,800		37.200000	3,961,370.19	1.32 %
Total licensed securities admitted to trading on the official market or another regulated market										298,574,129.12	99.46 %
Total securities										298,574,129.12	99.46 %
Bank balances/liabilities											
				EUR						1,358,199.42	0.45 %
				GBP						27.37	0.00 %
				PLN						-0.05	-0.00 %
				USD						47,820.99	0.02 %
Total bank balances/liabilities										1,406,047.73	0.47 %
Accruals and deferrals											
Interest claims (on securities and bank balances)										-152.57	-0.00 %
Dividends receivable										856,598.58	0.29 %
Total accruals and deferrals										856,446.01	0.29 %
Other items											
Various fees										-650,419.65	-0.22 %
Total other items										-650,419.65	-0.22 %
Total fund assets										300,186,203.21	100.00 %

ISIN	Income class	Currency	Net asset value per unit	Units in circulation
AT0000936513	R income-distributing	EUR	266.97	193,889.047
AT0000A1TVZ1	RZ income-distributing	EUR	125.85	5,179.856
AT0000A13K38	I income-retaining	EUR	346.14	13.755
AT0000805460	R income-retaining	EUR	322.90	548,093.054
AT0000A1TVY4	RZ income-retaining	EUR	127.04	74,560.161
AT0000A0EY50	I full income-retaining (outside Austria)	EUR	379.04	8,699.868
AT0000785241	R full income-retaining (outside Austria)	EUR	338.98	167,270.161
AT0000A1TW05	RZ full income-retaining (outside Austria)	EUR	128.69	10,200.000

Frozen securities forming part of the portfolio of investments (securities lending transactions)

ISIN	Security title	Currency	Volume Jan 31, 2020
SI0021117344	NOVA LJUBLJANSKA BANKA DD NLBR	EUR	2,000
US74735M1080	QIWI PLC-SPONSORED ADR QIWI	USD	65,000
US87238U2033	TCS GROUP HOLDING -REG S TCS	USD	50,000

Exchange rates

Foreign currency assets were converted into EUR on the basis of the exchange rates applicable on Jan 30, 2020

Currency		Price (1 EUR =)
Czech Koruna	CZK	25.282500
British Pound	GBP	0.842250
Croatian Kuna	HRK	7.443150
Hungarian Forint	HUF	337.780000
Polish Zloty	PLN	4.294800
Romanian Leu	RON	4.776750
Russian Rubles	RUB	70.048800
Turkish Lira	TRY	6.602500
US Dollars	USD	1.103500

Securities purchases and sales during the period under review not listed under the portfolio of assets:

Type of security	OGAW/\$ 166	ISIN	Security title	Currency		Purchases Additions	Sales Disposals
Equities		PLKRK0000010	KRUK SA KRU	PLN			6,565
Equities		ROFPTAACNOR5	SC FONDUL PROPRIETATEA SA	RON			1,847,171
Equities		ROELECACNOR5	SOCIETATEA ENERGETICA ELECTR EL	RON		53,240	287,214
Equities		ROSNGNACNOR3	SOCIETATEA NATIONALA DE GAZE SNG	RON			143,649
Equities		ROTGNTACNOR8	TRANSGAZ SA MEDIAS TGN	RON			9,899
Equities		RU0009062467	GAZPROM NEFT PJSC SIBN	RUB			258,590
Equities		RU000A0JKQU8	MAGNIT PJSC MGNT	RUB			82,700
Equities		TRAPETKM91E0	PETKIM PETROKIMYA HOLDING AS PETKM	TRY			654,300
Equities		TRESOKM00022	SOK MARKETLER TICARET AS SOKM	TRY			547,660
Equities		TRETAVH00018	TAV HAVALIMANLARI HOLDING AS TAVHL	TRY			183,450
Equities		TRATUPRS91E8	TUPRAS-TURKIYE PETROL RAFINE TUPRS	TRY			188,545
Equities		TREVKFB00019	TURKIYE VAKIFLAR BANKASI T-D VAKBN	TRY		3,815,580	3,815,580
Equities		RU0009024277	LUKOIL OAO-CLS LKOH	USD		315,240	315,240
Equities ADR		US36829G1076	GAZPROM NEFT-SPONSORED ADR GAZ	USD			10,095
Equities ADR		US91822M1062	VEON LTD VEON	USD		590,300	590,300
Equities GDR		US83367Y2072	ELECTRICA SA-GDR-REG S ELSA	USD			13,310
Equities GDR		US52634T2006	LENTA LTD-REG S LNTA	USD		186,900	245,039
Subscription rights		RO3FPFG82EV8	SOCIETATEA ENERGETICA ELECT.SA;ANRECHTE	RON		53,240	53,240

Further information on securities lending transactions

- Overall risk (exposure) (securities loaned as of the reporting date versus fund volume):

0.77 %

Value of loaned securities: 2,296,524.88 EUR

Proportion of assets eligible for lending transactions: 0.77 %

On the reporting date Jan 31, 2020 the following securities had been lent:

ISIN	Security title	Regulated market	Currency	Asset class	Issuer	Rating	Volume Jan 31, 2020	Market value (incl. any interest accrued) Jan 31, 2020	Share of fund assets
SI0021117344	NOVA LJUBLJANSKA BANKA DD NLBR	LISTED	EUR	Equities	Nova Ljubljanska Banka dd	bbb	2,000	127,200.00	0.04 %
US74735M1080	QIWI PLC-SPONSORED ADR QIWI	LISTED	USD	Equities	QIWI plc	bb	65,000	1,106,796.56	0.37 %
US87238U2033	TCS GROUP HOLDING -REG S TCS	LISTED	USD	Equities	TCS Group Holding PLC	n.v.	50,000	1,062,528.32	0.35 %

- Identity of the counterparties for securities lending transactions:

Raiffeisen Bank International AG (as a recognized securities lending system within the meaning of § 84 InvFG)

- Nature and value of eligible collateral received by the investment fund versus the counterparty risk:

Under the master agreement on securities lending transactions concluded between the management company and Raiffeisen Bank International AG, Raiffeisen Bank International AG is obliged to provide collateral for loaned securities. Bonds, equities and units in investment funds are permitted as collateral. The bonds used as collateral may be issued by sovereigns, supranational issuers and/or companies etc. No stipulations apply in relation to the terms of these bonds. Within the scope of provision of collateral, pursuant to § 4 of the Austrian Securities Lending and Repurchase Agreement Ordinance (Verordnung zu Wertpapierleih- und Pensionsgeschäften, WPV), diversification and correlation with risk diversification achieved through quantitative issuer limits in particular and appropriate liquidity for collateral for the purpose of tradability and realizability will be ensured. This collateral will be valued on each banking day, subject to an add-on compared to the valuation of the securities loaned from the fund in accordance with provisions of EU Regulation 575/2013 (CRR). For bonds, this add-on will be determined on the basis of the credit rating of the issuer and the remaining term of the bond and will amount to no less than 0.5 %. For equities and units in investment funds, this add-on will amount to 10.607 %. The value of the required collateral, thus calculated, will result in the ongoing overcollateralization of the fund's outstanding securities lending positions.

On the reporting date the collateral had the following makeup:

ISIN	Security title	Regulated market	Currency	Asset class	Issuer	Rating	Volume Jan 31, 2020	Market value in portfolio currency
US80585Y3080	SBERBANK PJSC -SPONSORED ADR SBER	LISTED	USD	Equities	Sberbank of Russia PJSC	n.v.	800,000	11,856,819.21

In relation to securities lending transactions, the investment fund is not entirely collateralized by means of securities which are either issued or guaranteed by an EEA member state.

Collateral holding period: unlimited

Period of securities lending:

Duration / Days	< 1 day	1-7 days	7-30 days	30-90 days	90-360 days
	0 %	0 %	0 %	0 %	100 %

Country of counterparty (Raiffeisen Bank International AG): Austria

Settlement: bilateral

- Reuse of collateral:

Collateral received is not reused.

- Custody of collateral which the investment fund has received in connection with securities lending transactions:

The collateral will be held in a separate sub-account with the custodian bank/depositary for each fund.

- Custody of collateral which the investment fund has provided in connection with securities lending transactions:

Within the limits stipulated by law (§ 84 InvFG), the management company is merely permitted to lend securities to third parties. However, it is not permitted to borrow securities. Accordingly, the investment fund will not provide any collateral within the scope of securities lending transactions.

- Fees, direct and indirect operating costs and income of the investment fund resulting from securities lending transactions during the accounting period:

Income: 29,337.46 EUR (of which 100 % from securities lending transactions)

Costs: N/A

Further information on repurchase agreements

During the reporting period, no repurchase agreements were concluded on behalf of the fund. Accordingly, the information concerning repurchase agreements which is stipulated in § 8 of the Austrian Securities Lending and Repurchase Agreement Ordinance and Art. 13 of Regulation (EU) No. 2015/2365 is not required.

Total return swaps and similar derivative instruments

A total return swap is a credit derivative instrument. Income and fluctuations in the value of the underlying financial instrument (underlying instrument or reference asset) are exchanged for fixed interest payments.

The fund did not enter into total return swaps or similar derivative instruments in the period under review.

Calculation method for overall risk

Calculation method for overall risk	Simplified approach
-------------------------------------	---------------------

Remuneration paid to the employees of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. in EUR (financial year 2018 of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.)

Total number of employees	265
Number of risk-bearers	84
Fixed remuneration	22,158,147.47
Variable remuneration (bonuses)	2,005,354.33
Total remuneration for employees	24,163,501.80
of which remuneration for managing directors	1,438,323.87
of which remuneration for managers (risk-bearers)	2,145,847.00
of which remuneration for other risk-bearers	8,251,251.22
of which remuneration for employees in positions of control	252,956.98
of which remuneration for employees in the same income bracket as managing directors and risk-bearers due to their overall remuneration	0.00
Total remuneration for risk-bearers	12,088,379.07

- The remuneration guidelines (“remuneration guidelines”) issued by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. serve as a binding framework for fulfillment of the remuneration policy and practice requirements stipulated in §§ 17 (a) to (c) of the Austrian Investment Fund Act (InvFG), § 11 of the Austrian Alternative Investment Fund Managers Act (AIFMG) and Enclosure 2 to § 11 AIFMG. Fixed and variable remuneration components are determined on the basis of these remuneration guidelines.

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. has established a systematic, structured, differentiating and incentivizing compensation system which reflects the company’s values as well as clear and consistent outline conditions. Its employees’ compensation comprises fixed salary components as well as variable salary components for some positions. This remuneration – in particular, the variable salary component (where applicable) – reflects an objective organizational structure (“job grades”).

Compensation is determined on the basis of regular market comparisons and in accordance with local remuneration practice. The goal is to encourage employees’ long-term loyalty to the company while also promoting their performance and their development within the framework of a management or specialist career path.

At Raiffeisen Kapitalanlage-Gesellschaft m.b.H., an employee’s basic salary (fixed remuneration) is non-discretionary remuneration which does not vary in accordance with the performance of the company (earnings before interest and tax) or of the specific employee (individual target achievement). It primarily reflects relevant professional experience and organizational responsibility, as outlined in the employee’s job description as part of his terms of employment. The employee’s fixed salary is determined on the basis of his market value, his individual qualifications and the position which he holds at Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Raiffeisen Kapitalanlage-Gesellschaft m.b.H. uses all of the standard remuneration management instruments (e.g. domestic and foreign remuneration studies, salary bands, position grading).

The employee’s variable salary reflects the achievement of company and performance targets which are specified and reviewed within the scope of a performance management process. Employees’ targets are specified on the basis of the company’s strategic targets, the targets of their organizational unit or department and their function. Target agreements are concluded and the employee’s level of target achievement (= performance) is determined through annual performance appraisals (“MBO system”).

The target structure at Raiffeisen Kapitalanlage-Gesellschaft m.b.H. differentiates between qualitative targets – which include individual targets or division and department targets – and quantitative targets, e.g. performance and income targets, and also quantifiable project targets. Every manager is also assigned management targets. Quantitative one-year or multiple-year targets also apply within the scope of the company's core activities of sales and fund management.

- Since the performance period 2015, in accordance with the regulatory requirements a portion of the variable remuneration for risk-bearers is paid out in the form of units in an investment fund managed by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. In addition, as required by law portions of the variable remuneration of risk-bearers are deferred and paid out over a period of several years.
- The supervisory board of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. resolves the general remuneration policy principles specified by the remuneration committee, reviews them at least once a year and is responsible for their implementation and for monitoring of this issue. The supervisory board most recently fulfilled this duty on Nov 27, 2019. It has not identified any need for changes or any irregularities in relation to the remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
- In addition, at least once per year a central and independent internal review determines whether the company's remuneration policy has been implemented in accordance with the applicable remuneration regulations and procedures. The internal auditing division of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. published its most recent report on Jul 31, 2019. This report has not resulted in any material findings concerning the remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
- The remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. has not been subject to any significant changes in the reporting period.

Remuneration principles of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

- The remuneration principles of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. support the business strategy and the long-term goals, interests and values of the company and of the investment funds managed by Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
- The remuneration principles of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. include measures to avoid conflicts of interest.
- The remuneration principles and policies of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. are consistent with and promote sound and effective risk-taking practices and avoid incentives for any inappropriate risk-taking propensity which exceed the level of risk tolerated by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. or the investment funds under its management.
- The total amount of variable remuneration will not limit the capacity of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. to strengthen its capital base.
- Variable remuneration is not paid by means of instruments or methods which facilitate circumvention of applicable legal requirements.
- Employees in positions of control are rewarded irrespective of the business unit which they supervise, they have an appropriate level of authority and their remuneration is determined on the basis of the fulfillment of their organizational targets in connection with their functions, irrespective of the results of the business activities under their supervision.

- Guaranteed variable remuneration is not consistent with sound risk management or the “pay-for-performance” principle and should not be included in future remuneration plans. Guaranteed variable remuneration is the exception:., This is only provided in connection with new hirings and only where Raiffeisen Kapitalanlage-Gesellschaft m.b.H. has a sound and strong capital base. It is limited to the first year of employment.
- Any payments relating to the premature termination of a contract must reflect the performance realized over the relevant period of time and must not reward failures or misconduct.

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. complies with the code of conduct for the Austrian investment fund industry 2012.

Vienna, 14 May 2020

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.


Mag. Rainer Schnabl


Mag. (FH) Dieter Aigner


Ing. Michal Kustra

Audit opinion

Report on the annual fund report

Audit opinion

We have audited the annual fund report issued by Raiffeisen Kapitalanlage-Gesellschaft m.b.H., Vienna, for its fund Raiffeisen Eastern European Equities, consisting of the portfolio of investments as of January 31, 2020, the income statement for the financial year ending as of this date and the other disclosures required under Annex I Schedule B of the 2011 Austrian Investment Fund Act (Investmentfondsgesetz, InvFG).

In our view, the annual fund report complies with applicable statutory requirements and provides a true and fair view of the net assets and financial position as of January 31, 2020 as well as the earnings position for the fund for the financial year ending as of this date, in compliance with Austrian commercial law, the provisions of InvFG 2011.

Basis for the audit opinion

We performed our audit in accordance with § 49 (5) InvFG 2011 in accordance with Austrian principles of orderly auditing. These principles require application of the International Standards on Auditing (ISA). Our responsibilities on the basis of these requirements and standards are outlined in further detail in the “Responsibilities of the auditor for the audit of the annual fund report” section of our audit certificate. We are independent from the company, in compliance with Austrian commercial law and professional standards, and we have fulfilled our other professional duties in accordance with these requirements. In our view, we have obtained sufficient and suitable audit documentation as a basis for our audit opinion.

Responsibilities of the company's legal representatives and the supervisory board for the annual fund report

The company's legal representatives are responsible for the preparation of the annual fund report and for ensuring that it provides a true and fair view of the fund's net assets, financial and earnings position in compliance with Austrian commercial law and the provisions of InvFG 2011. The company's legal representatives are also responsible for the internal controls which they deem necessary in order to enable the preparation of an annual fund report which is free from material (intentional or unintentional) misrepresentations.

The supervisory board is responsible for monitoring the company's accounting process in relation to the funds under its management.

Responsibilities of the auditor for the audit of the annual fund report

Our goals are to establish sufficient certainty as to whether the annual fund report as a whole is free from material (intentional or unintentional) misrepresentations and for issuing an audit certificate which includes our audit opinion. Sufficient certainty means a high level of certainty – but not a guarantee – that an orderly audit performed in accordance with the recognized Austrian principles – which require application of the ISA – will always uncover any material misrepresentation. Misrepresentations may result from malicious acts or on the basis of errors and will be deemed material where they may be reasonably expected – either individually or collectively – to influence the economic decisions made by users on the basis of this annual fund report.

As part of an audit complying with the recognized Austrian principles of orderly auditing – which require application of the ISA – we exercise due discretion throughout our audit and maintain a critical distance.

In addition, the following applies:

- We identify and evaluate the risks of material (intentional or unintentional) misrepresentations in the annual fund report, plan audit activities in response to these risks, implement these activities and obtain audit documentation which is sufficient and suitable in order to serve as a basis for our audit opinion. The risk of material misrepresentations resulting from malicious acts not being uncovered is greater than the risk resulting from errors, since malicious acts may include fraudulent collaboration, falsifications, deliberate incompleteness, misleading representations or the suspension of internal controls.
- We obtain a picture of the internal control system which is relevant for the audit so as to plan audit activities which are adequate in the given circumstances, but not with the objective of providing an audit opinion regarding the effectiveness of the company's internal control system.
- We evaluate the adequacy of the accounting methods applied by the company's legal representatives as well as the reasonableness of the legal representatives' estimates in the accounting as well as the related disclosures.
- We evaluate the overall picture, the structure and the contents of the annual fund report including the disclosures and whether the annual fund report provides a true and fair view of the underlying business transactions and events.
- We discuss matters with the supervisory board including the planned scope of the audit and its schedule as well as significant audit findings, including any significant shortcomings in the internal control system that we identify in the course of our audit.

Other information

The company's legal representatives are responsible for the other information provided. This other information comprises all of the information included in the annual fund report, with the exception of the portfolio of investments, the income statement, the other disclosures required under Annex I Schedule B InvFG 2011 and the audit certificate.

Our audit opinion for the annual fund report does not cover this other information, and we do not provide any sort of assurance in this regard.

In connection with our audit of the annual fund report, we are responsible for reading this other information and for considering whether there are any material inconsistencies between this other information and the annual fund report or on the basis of our knowledge obtained in the course of our audit or whether this information appears to have been otherwise materially misrepresented. If we reach the conclusion on the basis of our activities that this other information has been materially misrepresented, we must report this. We have nothing to report in this respect.

Vienna, 14 May 2020

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Wilhelm Kovsca
Auditor

Tax treatment

Once the new reporting framework comes into effect (from Jun 6, 2016), Österreichische Kontrollbank (OeKB) will prepare the details of the tax arrangements for the fund and publish them on www.profitweb.at. The tax documents are available for downloading for all funds. The tax documents are also available on our website www.rcm.at. Please visit www.profitweb.at for detailed information on offsettable and reimbursable foreign taxes.

Fund regulations

Fund regulations pursuant to the 2011 Austrian Investment Fund Act

The Austrian Financial Market Authority (FMA) has approved the fund regulations for the investment fund Raiffeisen Eastern European Equities, a jointly owned fund pursuant to the 2011 Austrian Investment Fund Act, as amended (InvFG).

The investment fund is an undertaking for collective investment in transferable securities (UCITS) and is managed by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. (hereinafter: the "management company") which is headquartered in Vienna.

Article 1 Fund units

The fund units are embodied in unit certificates with the character of financial instruments which are issued to bearer.

The unit certificates shall be represented by global certificates for each unit class. Actual securities are not issued.

Article 2 Custodian bank (depository)

Raiffeisen Bank International AG, Vienna, is the investment fund's custodian bank (depository).

The custodian bank (depository), the regional Raiffeisen banks, Kathrein Privatbank Aktiengesellschaft, Vienna, and other paying agents referred to in the prospectus are the paying agents for unit certificates.

Article 3 Investment instruments and principles

The following assets pursuant to InvFG may be selected for the investment fund.

The investment fund invests at least 51 % of its fund assets in the form of directly purchased individual securities – i.e. which are not held indirectly through investment funds or derivatives – in equities and equity-equivalent securities issued by companies which are headquartered or mainly active in the European emerging markets (incl. Russia).

The following investment instruments are purchased for the fund assets, while complying with the investment focus outlined above.

Securities

The fund may purchase securities (including securities with embedded derivative instruments) as permitted by law.

Money market instruments

Money market instruments may comprise up to 49 % of the fund assets.

Securities and money market instruments

Not fully paid-in securities or money market instruments and subscription rights for such instruments or other not fully paid-in financial instruments may only be purchased for up to 10 % of the fund assets.

Securities and money market instruments may be purchased if they comply with the criteria concerning listing and trading on a regulated market or a securities exchange pursuant to InvFG.

Securities and money market instruments which do not fulfill the criteria laid down in the above paragraph may be purchased for up to 10 % of the fund assets in total.

Units in investment funds

Units in investment funds (UCITS, UCI) may each amount to up to 10 % of the fund assets – and up to 10 % of the fund assets in total – insofar as these UCITS or UCI do not for their part invest more than 10 % of their fund assets in units in other investment funds.

Derivative instruments

Derivative instruments may be used as part of the fund's investment strategy for up to 49 % of the fund assets (calculated on the basis of market prices) and for hedging purposes.

Investment fund's risk measurement method

The investment fund applies the following risk measurement method:

Commitment approach

The commitment figure is calculated pursuant to the 3rd chapter of the 4th Austrian Derivatives Risk Calculation and Reporting Ordinance (*Derivate-Risikoberechnungs- und Meldeverordnung, DeRiMV*), as amended.

The overall risk for derivative instruments which are not held for hedging purposes is limited to 60 % of the overall net value of the fund assets.

Sight deposits or deposits at notice

Sight deposits and deposits at notice with terms not exceeding 12 months may amount to up to 49 % of the fund assets. No minimum bank balance is required.

Within the framework of restructuring of the fund portfolio and/or a justified assumption of impending losses for securities, the investment fund may hold a lower proportion of securities and a higher proportion of sight deposits or deposits at notice with terms not exceeding 12 months.

Short-term loans

The management company may take up short-term loans of up to 10 % of the fund assets for account of the investment fund.

Repos

Repurchase agreements may comprise up to 100 % of the fund assets.

Securities lending

Securities lending transactions may comprise up to 30 % of the fund assets.

Investment instruments may only be acquired uniformly for the entire investment fund, not for an individual unit class or for a group of unit classes.

However, this does not apply for currency hedge transactions. These transactions may only be entered into in relation to a single unit class. Expenses and income resulting from a currency hedge transaction shall exclusively be allocated to the relevant unit class.

Article 4 Issuance and redemption modalities

The unit value shall be calculated in EUR or the currency of the unit class.

The value of the units will be calculated on each banking day in Austria.

Issuance and subscription fee

Units will be issued on any banking day in Austria.

The issue price is the unit value plus a fee per unit of up to 5 % to cover the management company's issuing costs.

Unit issuance shall not in principle be subject to limitation; however, the management company reserves the right temporarily or entirely to discontinue its issuance of unit certificates.

The management company shall be entitled to introduce a graduated subscription fee.

Redemption and redemption fee

Units will be redeemed on any banking day in Austria.

The redemption price is based on the value of a unit. No redemption fee will be charged.

At the request of a unitholder, its unit shall be redeemed out of the investment fund at the applicable redemption price, against surrender of the unit certificate.

Article 5 Accounting year

The investment fund's accounting year runs from February 1 to January 31.

Article 6 Unit classes and appropriation of income

Income-distributing unit certificates, income-retaining unit certificates with payment of capital gains tax and income-retaining unit certificates without payment of capital gains tax may be issued for the investment fund.

Various classes of unit certificates may be issued for this investment fund. The management company may decide to establish unit classes or to issue units in a given unit class.

Appropriation of income for income-distributing unit certificates (income distribution)

Once costs have been covered, the income received during the past accounting year (interest and dividends) may be distributed at the discretion of the management company. Distribution may be waived subject to due consideration of the unitholders' interests. The distribution of income from the sale of assets of the investment fund including subscription rights shall likewise be at the discretion of the management company. A distribution from the fund assets and interim distributions are also permissible.

The fund assets may not through distributions fall below the minimum volume for a termination which is stipulated by law.

From April 1 of the following accounting year the amounts are to be distributed to the holders of income-distributing unit certificates. Any remaining balances shall be carried forward to a new account.

In any case, from April 1 an amount calculated pursuant to InvFG shall be paid out, to be used where applicable to meet any capital gains tax commitments on the distribution-equivalent return on those unit certificates, unless the management company ensures through appropriate proof from the custodians that at the time of payout the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for an exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

Appropriation of income in case of income-retaining unit certificates with payment of capital gains tax (income retention)

Income during the accounting year net of costs shall not be distributed. In case of income-retaining unit certificates, from April 1 an amount calculated pursuant to InvFG shall be paid out, to be used where applicable to meet any capital gains tax commitments on the distribution-equivalent return on those unit certificates, unless the management company ensures through appropriate proof from the custodians that at the time of payout the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for an exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

Appropriation of income in case of income-retaining unit certificates without payment of capital gains tax (full income retention)

Income during the accounting year net of costs shall not be distributed. No payment pursuant to InvFG will be made. April 1 of the following accounting year shall be the key date pursuant to InvFG in case of failure to pay capital gains tax on the annual income. The management company shall ensure through appropriate proof from the custodians that at the time of payout the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for exemption as per § 94 of the Austrian Income Tax Act or for a capital gains tax exemption. If these preconditions have not been met as of the payment date, the amount calculated pursuant to InvFG shall be paid out by the custodian bank in the form of credit.

Appropriation of income in case of income-retaining unit certificates without payment of capital gains tax (full income retention – foreign tranche)

Income-retaining unit certificates without payment of capital gains tax shall only be sold outside Austria. Income during the accounting year net of costs shall not be distributed. No payment pursuant to InvFG will be made. The management company shall ensure through appropriate proof that as of the payment date the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption. This can be validly proved by the cumulative submission of statements from both the custodian bank and the management company that they are not aware of a sale to other persons.

Article 7 Management fee, reimbursement of expenses, liquidation fee

The management company shall receive for its management activity an annual remuneration

- of up to 1 % of the fund assets for the unit certificate class “tranche I” (minimum investment: EUR 500,000) or
- of up to 2 % of the fund assets for other unit certificate classes,

that is calculated, recorded and deducted monthly on the basis of the respective fund assets for each calendar day.

The management company is entitled to reimbursement of all expenses associated with its management of the fund.

The management company shall be entitled to introduce a graduated management fee.

The costs arising at the introduction of new unit classes for existing asset portfolios shall be deducted from the unit prices of the new unit classes.

In case of the liquidation of the investment fund, the liquidator shall receive remuneration amounting to 0.5 % of the fund assets.

Please refer to the prospectus for further information on this investment fund.

Appendix

List of stock exchanges with official trading and organized markets

1. Stock exchanges with official trading and organized markets in the member states of the EEA, as well as stock exchanges in European countries which are not EEA members that are considered to be equal to regulated markets

Each Member State is required to maintain an updated list of regulated markets authorized by it. This register is to be made available to the other member states and to the Commission.

According to this provision, the Commission is obliged to publish once a year a register of the regulated markets of which it has received notice.

Due to decreasing restrictions and to trading segment specialization, the register of “regulated markets” is undergoing great changes. In addition to the annual publication of a register in the official gazette of the European Union, the Commission will therefore provide an updated version on its official internet site.

1.1. The current register of regulated markets is available at:

https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_upreg¹

1.2. The following stock exchanges are to be included in the register of regulated markets:

- | | | |
|--------|-------------|------------------------------------|
| 1.2.1. | Luxembourg | Euro MTF Luxembourg |
| 1.2.2. | Switzerland | SIX Swiss Exchange AG, BX Swiss AG |

1.3. Recognized markets in the EEA pursuant to § 67 (2) item 2 InvFG:

Markets in the EEA classified as recognized markets by the relevant supervisory authorities.

2. Stock exchanges in European states which are not members of the EEA

- | | | |
|------|-----------------------|--|
| 2.1. | Bosnia & Herzegovina: | Sarajevo, Banja Luka |
| 2.2. | Montenegro: | Podgorica |
| 2.3. | Russia: | Moscow (RTS Stock Exchange);
Moscow Interbank Currency Exchange (MICEX) |
| 2.4. | Serbia: | Belgrade |
| 2.5. | Turkey: | Istanbul (for Stock Market, “National Market” only) |

3. Stock exchanges in non-European states

- | | | |
|-------|---------------|---|
| 3.1. | Australia: | Sydney, Hobart, Melbourne, Perth |
| 3.2. | Argentina: | Buenos Aires |
| 3.3. | Brazil: | Rio de Janeiro, Sao Paulo |
| 3.4. | Chile: | Santiago |
| 3.5. | China: | Shanghai Stock Exchange, Shenzhen Stock Exchange |
| 3.6. | Hong Kong: | Hong Kong Stock Exchange |
| 3.7. | India: | Mumbai |
| 3.8. | Indonesia: | Jakarta |
| 3.9. | Israel: | Tel Aviv |
| 3.10. | Japan: | Tokyo, Osaka, Nagoya, Kyoto, Fukuoka, Niigata, Sapporo, Hiroshima |
| 3.11. | Canada: | Toronto, Vancouver, Montreal |
| 3.12. | Colombia: | Bolsa de Valores de Colombia |
| 3.13. | Korea: | Korea Exchange (Seoul, Busan) |
| 3.14. | Malaysia: | Kuala Lumpur, Bursa Malaysia Berhad |
| 3.15. | Mexico: | Mexico City |
| 3.16. | New Zealand: | Wellington, Christchurch/Invercargill, Auckland |
| 3.17. | Peru | Bolsa de Valores de Lima |
| 3.18. | Philippines: | Manila |
| 3.19. | Singapore: | Singapore Stock Exchange |
| 3.20. | South Africa: | Johannesburg |
| 3.21. | Taiwan: | Taipei |
| 3.22. | Thailand: | Bangkok |

¹ To open the register, in the left-hand column under “Entity type”, select “Regulated market” and click “Search” (click “Show table columns” and “Update” as necessary). The link may be modified by the European Securities and Markets Authority (ESMA).

- 3.23. USA: New York, NYCE American, New York
Stock Exchange (NYSE), Philadelphia, Chicago, Boston, Cincinnati
- 3.24. Venezuela: Caracas
- 3.25. United Arab
Emirates: Abu Dhabi Securities Exchange (ADX)

4. Organized markets in states which are not members of the European Community

- 4.1. Japan: Over the Counter Market
- 4.2. Canada: Over the Counter Market
- 4.3. Korea: Over the Counter Market
- 4.4. Switzerland: Over the Counter Market
of the members of the International Capital Market Association (ICMA), Zurich
- 4.5. USA: Over The Counter Market (subject to supervisory oversight, e.g.
SEC, FINRA)

5. Stock exchanges with futures and options markets

- 5.1. Argentina: Bolsa de Comercio de Buenos Aires
- 5.2. Australia: Australian Options Market, Australian
Securities Exchange (ASX)
- 5.3. Brazil: Bolsa Brasileira de Futuros, Bolsa de Mercadorias & Futuros, Rio de
Janeiro Stock Exchange, Sao Paulo Stock Exchange
- 5.4. Hong Kong: Hong Kong Futures Exchange Ltd.
- 5.5. Japan: Osaka Securities Exchange, Tokyo International Financial Futures
Exchange, Tokyo Stock Exchange
- 5.6. Canada: Montreal Exchange, Toronto Futures Exchange
- 5.7. Korea: Korea Exchange (KRX)
- 5.8. Mexico: Mercado Mexicano de Derivados
- 5.9. New Zealand: New Zealand Futures & Options Exchange
- 5.10. Philippines: Manila International Futures Exchange
- 5.11. Singapore: The Singapore Exchange Limited (SGX)
- 5.12. Slovakia: RM-System Slovakia
- 5.13. South Africa: Johannesburg Stock Exchange (JSE), South African Futures Exchange
(SAFEX)
- 5.14. Switzerland: EUREX
- 5.15. Turkey: TurkDEX
- 5.16. USA: NYCE American, Chicago Board Options
Exchange, Chicago Board of Trade, Chicago Mercantile Exchange, Comex, FINEX,
ICE Future US Inc. New York, Nasdaq PHLX, New York Stock Exchange,
Boston Options Exchange (BOX)

Appendix

Imprint

Publisher:

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

Mooslackengasse 12, A-1190 Vienna

Responsible for contents:

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

Mooslackengasse 12, A-1190 Vienna

Copyright by publisher, dispatch location: Vienna

Raiffeisen Capital Management is the brand of:

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

Raiffeisen Immobilien Kapitalanlage-Gesellschaft m.b.H.

Raiffeisen Salzburg Invest GmbH