

# **ERSTE STOCK GLOBAL**

**Jointly owned fund pursuant to the InvFG**

Annual Report 2019/20

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## General Information about the Investment Firm

<b>The company</b>	Erste Asset Management GmbH Am Belvedere 1, A-1100 Vienna Telephone: +43 05 0100-19777, fax: +43 05 0100-919777
<b>Registered capital</b>	EUR 2.50 million
<b>Shareholders</b>	Erste Group Bank AG (64.67%) VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe (0.76%) Erste Bank der österreichischen Sparkassen AG (22.17%) DekaBank Deutsche Girozentrale, Frankfurt (1.65%) NÖ-Sparkassen Beteiligungsgesellschaft m. b. H. (0.76%) Salzburger Sparkasse Bank Aktiengesellschaft (1.65%) Sieben Tiroler Sparkassen Beteiligungsgesellschaft m. b. H. (1.65%) Steiermärkische Bank und Sparkassen Aktiengesellschaft (3.30%) „Die Kärntner“ Trust-Vermögensverwaltungsgesellschaft m. b. H. & Co KG (1.65%) Tiroler Sparkasse Bankaktiengesellschaft Innsbruck (1.74%)
<b>Supervisory Board</b>	Rudolf SAGMEISTER (Chairman) Thomas SCHAUFLEDER (Deputy Chairman) Ingo BLEIER (until 31 October 2019) Harald GASSER Gerhard GRABNER Harald Frank GRUBER (from 13 September 2019) Oswald HUBER Radovan JELASITY Robert LASSHOFER Franz PRUCKNER (from 13 September 2019) Rupert RIEDER (from 13 September 2019) Gabriele SEMMELROCK-WERZER (from 13 September 2019) Reinhard WALTTL (from 13 September 2019) Gerald WEBER Appointed by the Works Council: Martin CECH Regina HABERHAUER (from 13 September 2019) Heinrich Hubert REINER Peter RIEDERER Nicole WEINHENGST Manfred ZOUREK
<b>Managing directors</b>	Heinz BEDNAR Winfried BUCHBAUER Peter KARL Wolfgang TRAINDL
<b>Prokuristen (proxies)</b>	Achim ARNHOF Karl FREUDENSCHUSS Manfred LENTNER Günther MANDL Gerold PERMOSER Magdalena REISCHL
<b>State commissioners</b>	Christoph SEEL Eva SCHRITTWIESER
<b>Auditor</b>	Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.
<b>Depository bank</b>	Erste Group Bank AG

## Dear Unit-holder,

We are pleased to present you the following annual report for the ERSTE STOCK GLOBAL jointly owned fund pursuant to the InvFG for the partial accounting year from 1 September 2019 to 30 June 2020.

We would also like to inform you that the name of the fund was changed from ESPA STOCK GLOBAL to ERSTE STOCK GLOBAL and the end of the accounting year changed from 31 August to 30 June, both effective 15 December 2019.

Even as the COVID-19 pandemic spreads, we are not losing sight of our responsibility to manage the assets entrusted to our care in a manner that maintains our ability to act on the capital markets and that enables us to make the best possible allocation decisions.

Modern technology also allows us to meet these obligations in full via teleworking.

## Development of the Fund

### Market environment

The international equity markets posted slightly positive performance over the reporting period. The global MSCI All Country World index rose by around 0.4% in euros. The earnings including dividends came to roughly 2.4%. In regional terms, the US markets saw gains of around 5.9% (in USD) while European shares as measured by the Stoxx Europe 600 turned in a loss of roughly 5.0% (in EUR). Japanese shares (Nikkei 225) gained some 7.6% in yen while the emerging markets (MSCI Emerging Markets) posted a gain of roughly 1.1%. In sector terms, technology and health care turned in the best performance. Cyclical sectors such as energy, financials, and industry suffered losses over the reporting period.

The period from September to the middle of February saw firm equity markets. The MSCI All Country World index posted a new record high in February. The trade dispute between the USA and China made it into the headlines time and again, and caused brief fluctuations on the equity markets. The progress made in the negotiations on a Phase One deal between the USA and China sparked optimism among market participants. In addition to the expectations for a trade agreement, the accommodative monetary policy of the most important central banks also lent support to higher-risk assets. The US Federal Reserve cut its key rate twice in the period from September 2019 to the middle of February 2020.

Even though the global equity markets hit new highs in February, the outbreak of the coronavirus epidemic in China already led to profit taking with global shares in the second half of January. Against the backdrop of a fairly overbought market and positive investor sentiment, COVID-19 served as the trigger for a correction phase on the markets. The global spread of the virus put all equity markets under pressure. The downward trend on the equity markets accelerated in March. In order to contain the epidemic, severe restrictions were placed on economic and social life around the world, and a recession appeared unavoidable. While the infection curve flattened in China, it persistently steepened in Europe and the USA. Spain and Italy were hit particularly hard, which was also reflected in the countries' equity indices.

The global equity markets then embarked on a massive recovery from their lows on 23 March and continued to gain ground through to the end of the reporting period. The governments and central banks announced substantial support measures. The economic and monetary policy stimulus in the USA alone amounts to more than USD 6 trillion. The programmes were designed to ensure that the support reaches households and small and medium-sized businesses. In this market phase, investors preferred the winners of the COVID-19 crisis (online shopping, cloud computing, video game developers, etc.).

**Investment policy**

The strategic focus was placed on investment in growth and quality shares during the reporting period. The sectors of technology, financials, and health care were assigned the highest weightings in the fund on average during the year while energy and utilities only made up a minor share. The allocation to energy shares was set to zero in February due to the negative fundamental assessment of the oil and gas markets.

Because of the continued moderate global economic growth, low interest rates, and geopolitical uncertainty, the stock picks again focused on companies with relatively stable earnings growth compared with the overall market, as was the case in the last accounting year. This gave the fund a more defensive orientation independent of the sector positioning.

The fund positioning was shifted to a somewhat more defensive stance in light of the COVID-19 pandemic. Sectors including financials and industry were reduced. By contrast, the allocation to technology and health care was increased. In the technology sector, hardware, semiconductor, and software shares were bought. The US technology sector still makes up a large portion of the portfolio. The high quality of the companies and dynamic growth prospects are good reasons for a higher level of investment in this segment. In regional terms, the fund management preferred North American shares, especially US companies. European shares were increased in June based on valuation considerations and the higher sensitivity to the economic cycle.

Index futures were also used to manage the investment level during the reporting period, including positions in Euro Stoxx 50 futures and S&P 500 futures.

There were a few large-scale redemptions of unit certificates and inflows in the fund during the period. Cash for the redemptions was obtained either by using the cash holdings in the fund, by selling off existing equity positions, or by rebalancing some positions. Significant inflows were used to increase existing positions and in some cases to add new names to the fund.

The investment process has incorporated the consideration of ecological, social, and corporate governance factors since 20 February 2020.

The fund posted a gain of 3.36% (AT0000989645) for the reporting period.

## Method of Calculating the Global Exposure

Method of calculating the global exposure:	Commitment approach
Reference assets used:	–
Value at risk:	–
Lowest value:	–
Average value:	–
Highest value:	–
Model used:	–
Leverage* when using the value-at-risk calculation method:	–
Leverage** according to § 4 of the 4 <sup>th</sup> Derivatives Risk Measurement and Reporting Regulation:	–

\* Total nominal values of derivative instruments without taking into account offsetting and hedging (item 8.5. Schedule B InvFG 2011).

\*\* Total derivative risk taking offsetting and hedging into account = total of the equivalent values of the underlying assets as a percentage of the fund assets.

## Asset Allocation

	As of 30.06.2020 EUR millions	%
Equities		
GBP	8.1	1.93
DKK	16.6	3.96
EUR	39.1	9.34
HKD	25.1	6.00
IDR	4.4	1.06
JPY	17.8	4.24
SEK	4.0	0.95
CHF	23.8	5.69
TWD	7.8	1.85
USD	259.0	61.82
Transferable securities	405.7	96.85
Bank balances	13.0	3.09
Dividend entitlements	0.3	0.07
Interest entitlements	0.0	0.00
Other deferred items	-0.0	-0.01
Fund assets	418.9	100.00

## Comparative Overview

Accounting year	Fund assets
2017/2018	253,552,112.05
2018/2019	266,466,167.01
2019/2020	418,931,541.91

General information about performance:

The performance of unit categories with no outstanding units at the end of the reporting period or no outstanding units during the reporting period is generally based on the dividend-adjusted performance of the overall fund. In these cases, the performance is not reported below.

When a unit category is issued during the reporting period, the performance and reinvestment are calculated from the point in time that the unit category is launched. Because of this and possible other fees and currency classes, the performance and reinvestment of this unit category differ from those of comparable unit categories.

The performance is determined assuming the reinvestment of all paid dividends and amounts at their nominal value on the day of disbursement.

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2017/2018	Dividend-bearing units	AT0000989645	EUR	79.01	1.8000	1.1997	17.10
2018/2019	Dividend-bearing units	AT0000989645	EUR	82.37	1.8000	0.0000	6.83
2019/2020	Dividend-bearing units	AT0000989645	EUR	83.26	1.9000	0.4593	3.36

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2017/2018	Dividend-bearing units	AT0000A1Y9P4	EUR	114.63	1.8000	2.5653	14.63
2018/2019	Dividend-bearing units	AT0000A1Y9P4	EUR	121.48	1.8000	0.0000	7.77
2019/2020	Dividend-bearing units	AT0000A1Y9P4	EUR	124.61	1.9000	2.1991	4.13

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2017/2018	Dividend-bearing units	AT0000A1Y9Q2	EUR	116.13	-	-	-
2018/2019	Dividend-bearing units	AT0000A1Y9Q2	EUR	124.08	-	-	-
2019/2020	Dividend-bearing units	AT0000A1Y9Q2	EUR	128.39	-	-	-

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2017/2018	Non-dividend-bearing units	AT0000812870	EUR	114.22	0.7889	3.6642	17.11
2018/2019	Non-dividend-bearing units	AT0000812870	EUR	121.01	0.1643	0.4582	6.73
2019/2020	Non-dividend-bearing units	AT0000812870	EUR	124.91	0.6364	3.0378	3.36

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Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2017/2018	Non-dividend-bearing units	AT0000A1Y9R0	EUR	116.13	-	-	-
2018/2019	Non-dividend-bearing units	AT0000A1Y9R0	EUR	124.08	-	-	-
2019/2020	Non-dividend-bearing units	AT0000A1Y9R0	EUR	128.39	-	-	-

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2017/2018	Non-dividend-bearing units	AT0000A2B5A0	EUR	-	-	-	-
2018/2019	Non-dividend-bearing units	AT0000A2B5A0	EUR	-	-	-	-
2019/2020	Non-dividend-bearing units	AT0000A2B5A0	EUR	103.85	0.4480	2.1664	3.85

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2017/2018	KESt-exempt non-dividend-bearing units	AT0000639497	CZK	3,032.66	-	118.1956	15.37
2018/2019	KESt-exempt non-dividend-bearing units	AT0000639497	CZK	3,264.78	-	16.2076	7.65
2019/2020	KESt-exempt non-dividend-bearing units	AT0000639497	CZK	3,462.72	-	97.7718	6.06

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2017/2018	KESt-exempt non-dividend-bearing units	AT0000A1Y9U4	CZK	3,087.72	-	-	-
2018/2019	KESt-exempt non-dividend-bearing units	AT0000A1Y9U4	CZK	3,328.91	-	-	-
2019/2020	KESt-exempt non-dividend-bearing units	AT0000A1Y9U4	CZK	3,534.66	-	-	-

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2017/2018	KESt-exempt non-dividend-bearing units	AT0000673314	EUR	117.95	-	4.4454	17.20
2018/2019	KESt-exempt non-dividend-bearing units	AT0000673314	EUR	125.82	-	0.6419	6.67
2019/2020	KESt-exempt non-dividend-bearing units	AT0000673314	EUR	130.06	-	3.7252	3.37



Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2017/2018	KESt-exempt non-dividend-bearing units	AT0000A1Y9S8	EUR	117.66	-	5.1750	17.66
2018/2019	KESt-exempt non-dividend-bearing units	AT0000A1Y9S8	EUR	126.73	-	1.7198	7.71
2019/2020	KESt-exempt non-dividend-bearing units	AT0000A1Y9S8	EUR	132.03	-	4.7800	4.18

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2017/2018	KESt-exempt non-dividend-bearing units	AT0000A1Y9T6	EUR	119.33	-	4.8907	19.33
2018/2019	KESt-exempt non-dividend-bearing units	AT0000A1Y9T6	EUR	128.96	-	2.1895	8.07
2019/2020	KESt-exempt non-dividend-bearing units	AT0000A1Y9T6	EUR	134.76	-	5.2969	4.50

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2017/2018	KESt-exempt non-dividend-bearing units	AT0000627484	HUF	38,427.93	-	1,510.7262	24.96
2018/2019	KESt-exempt non-dividend-bearing units	AT0000627484	HUF	41,612.98	-	220.0030	8.29
2019/2020	KESt-exempt non-dividend-bearing units	AT0000627484	HUF	46,038.19	-	1,306.6507	10.63

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2017/2018	KESt-exempt non-dividend-bearing units	AT0000A1Y9V2	HUF	39,128.99	-	-	-
2018/2019	KESt-exempt non-dividend-bearing units	AT0000A1Y9V2	HUF	42,447.23	-	-	-
2019/2020	KESt-exempt non-dividend-bearing units	AT0000A1Y9V2	HUF	47,080.25	-	123.7349	10.91

## Disbursement/Payment

The following disbursement or payment will be made for the accounting year from 1 September 2019 to 30 June 2020. The coupon-paying bank is obligated to withhold capital gains tax from this disbursement if the respective investor is not exempt from the payment of this tax.

The disbursement or payment will be effected on or after 1 October 2020 at

Erste Group Bank AG, Vienna,

and the respective bank managing the Unit-holder's securities account.

Fund type	ISIN	Currency	Dividend disbursement/ payment		KES <sub>t</sub> with option declaration	KES <sub>t</sub> w/o option declaration	Reinvest- ment
Dividend-bearing units	AT0000989645	EUR	1.9000		0.4254	0.4254	0.4593
Dividend-bearing units	AT0000A1Y9P4	EUR	1.9000		0.7811	0.7811	2.1991
Dividend-bearing units	AT0000A1Y9Q2	EUR	-		-	-	-
Non-dividend-bearing units	AT0000812870	EUR	0.6364		0.6364	0.6364	3.0378
Non-dividend-bearing units	AT0000A1Y9R0	EUR	-		-	-	-
Non-dividend-bearing units	AT0000A2B5A0	EUR	0.4480		0.4480	0.4480	2.1664
KES <sub>t</sub> -exempt non-dividend-bearing units	AT0000639497	CZK	-	*	-	-	97.7718
KES <sub>t</sub> -exempt non-dividend-bearing units	AT0000A1Y9U4	CZK	-	*	-	-	-
KES <sub>t</sub> -exempt non-dividend-bearing units	AT0000673314	EUR	-	*	-	-	3.7252
KES <sub>t</sub> -exempt non-dividend-bearing units	AT0000A1Y9S8	EUR	-	*	-	-	4.7800
KES <sub>t</sub> -exempt non-dividend-bearing units	AT0000A1Y9T6	EUR	-	*	-	-	5.2969
KES <sub>t</sub> -exempt non-dividend-bearing units	AT0000627484	HUF	-	*	-	-	1,306.6507
KES <sub>t</sub> -exempt non-dividend-bearing units	AT0000A1Y9V2	HUF	-	*	-	-	123.7349

\* Pursuant to the penultimate sentence of § 58 (2) of the Austrian Investment Fund Act, no capital gains tax will be paid.

# Income Statement and Changes in Fund Assets

## 1. Value Development over the Accounting Year (Fund Performance)

Calculation according to the OeKB method per unit in the unit currency not accounting for a front-end surcharge

The performance of unit categories with no outstanding units at the end of the reporting period or no outstanding units during the reporting period is generally based on the dividend-adjusted performance of the overall fund. In these cases, the "performance", the "net earnings per unit", and the "total value including (notional) units gained through disbursement/payment" are not reported in the following.

When a unit category is issued during the reporting period, the performance is calculated from the point in time that the unit category is launched. Because of this and possible other fees and currency classes, the performance of this unit category differs from that of comparable unit categories.

<b>AT0000989645 dividend-bearing units EUR</b>	
Unit value at the beginning of the reporting period (516,156.617 units)	82.37
Disbursement/payment on 11.10.2019 (corresponds to roughly 0.0225 units at a calculated value of 79.86)	1.8000
Unit value at the end of the reporting period (506,154.336 units)	83.26
Total value including (notional) units gained through dividend disbursement/payment	85.14
Net earnings per unit	2.77
<b>Value development of one unit in the period</b>	<b>3.36%</b>

<b>AT0000A1Y9P4 dividend-bearing units EUR</b>	
Unit value at the beginning of the reporting period (11,256.000 units)	121.48
Disbursement/payment on 11.10.2019 (corresponds to roughly 0.0152 units at a calculated value of 118.75)	1.8000
Unit value at the end of the reporting period (50,798.000 units)	124.61
Total value including (notional) units gained through dividend disbursement/payment	126.50
Net earnings per unit	5.02
<b>Value development of one unit in the period</b>	<b>4.13%</b>

<b>AT0000A1Y9Q2 dividend-bearing units EUR</b>	
Unit value at the beginning of the reporting period (0.000 units)	124.08
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	128.39
Total value including (notional) units gained through dividend disbursement/payment	-
Net earnings per unit	-
<b>Value development of one unit in the period</b>	<b>-</b>

<b>AT0000812870 non-dividend-bearing units EUR</b>	
Unit value at the beginning of the reporting period (1,131,852.378 units)	121.01
Disbursement/payment on 11.10.2019 (corresponds to roughly 0.0014 units at a calculated value of 119.81)	0.1643
Unit value at the end of the reporting period (2,202,871.175 units)	124.91
Total value including (notional) units gained through dividend disbursement/payment	125.08
Net earnings per unit	4.07
<b>Value development of one unit in the period</b>	<b>3.36%</b>

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<b>AT0000A1Y9R0 non-dividend-bearing units EUR</b>	
Unit value at the beginning of the reporting period (0.000 units)	124.08
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	128.39
Total value including (notional) units gained through dividend disbursement/payment	-
Net earnings per unit	-
<b>Value development of one unit in the period</b>	-

<b>AT0000A2B5A0 non-dividend-bearing units EUR</b>	
Unit value on issue date (0.000 units)	100.00
Disbursement/payment	0.0000
Unit value at the end of the reporting period (11,170.530 units)	103.85
Total value including (notional) units gained through dividend disbursement/payment	103.85
Net earnings per unit	3.85
<b>Value development of one unit in the period</b>	3.85%

<b>AT0000639497 KEST-exempt non-dividend-bearing units CZK</b>	
Unit value at the beginning of the reporting period (253,535.436 units)	3,264.78
Disbursement/payment	0.0000
Unit value at the end of the reporting period (249,682.381 units)	3,462.72
Total value including (notional) units gained through dividend disbursement/payment	3,462.72
Net earnings per unit	197.94
<b>Value development of one unit in the period</b>	6.06%

<b>AT0000A1Y9U4 KEST-exempt non-dividend-bearing units CZK</b>	
Unit value at the beginning of the reporting period (0.000 units)	3,328.91
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	3,534.66
Total value including (notional) units gained through dividend disbursement/payment	-
Net earnings per unit	-
<b>Value development of one unit in the period</b>	-

<b>AT0000673314 KEST-exempt non-dividend-bearing units EUR</b>	
Unit value at the beginning of the reporting period (118,427.025 units)	125.82
Disbursement/payment	0.0000
Unit value at the end of the reporting period (128,580.351 units)	130.06
Total value including (notional) units gained through dividend disbursement/payment	130.06
Net earnings per unit	4.24
<b>Value development of one unit in the period</b>	3.37%

<b>AT0000A1Y9S8 KEST-exempt non-dividend-bearing units EUR</b>	
Unit value at the beginning of the reporting period (156,754.000 units)	126.73
Disbursement/payment	0.0000
Unit value at the end of the reporting period (130,955.000 units)	132.03
Total value including (notional) units gained through dividend disbursement/payment	132.03
Net earnings per unit	5.30
<b>Value development of one unit in the period</b>	<b>4.18%</b>

<b>AT0000A1Y9T6 KEST-exempt non-dividend-bearing units EUR</b>	
Unit value at the beginning of the reporting period (52,749.000 units)	128.96
Disbursement/payment	0.0000
Unit value at the end of the reporting period (48,470.000 units)	134.76
Total value including (notional) units gained through dividend disbursement/payment	134.76
Net earnings per unit	5.80
<b>Value development of one unit in the period</b>	<b>4.50%</b>

<b>AT0000627484 KEST-exempt non-dividend-bearing units HUF</b>	
Unit value at the beginning of the reporting period (96,700.722 units)	41,612.98
Disbursement/payment	0.0000
Unit value at the end of the reporting period (153,121.429 units)	46,038.19
Total value including (notional) units gained through dividend disbursement/payment	46,038.19
Net earnings per unit	4,425.21
<b>Value development of one unit in the period</b>	<b>10.63%</b>

<b>AT0000A1Y9V2 KEST-exempt non-dividend-bearing units HUF</b>	
Unit value at the beginning of the reporting period (0.000 units)	42,447.23
Disbursement/payment	0.0000
Unit value at the end of the reporting period (9,362.192 units)	47,080.25
Total value including (notional) units gained through dividend disbursement/payment	47,080.25
Net earnings per unit	4,633.02
<b>Value development of one unit in the period</b>	<b>10.91%</b>

## 2. Fund Result

### a. Realised fund result

#### Ordinary fund result

##### Income (without profit or loss from price changes)

Interest income (excluding income adjustment)	2,516.56	
Dividend income	2,258,743.59	
Other income 8)	0.00	
Total income (without profit or loss from price changes)		2,261,260.15

**Interest paid** - 34,080.96

##### Expenses

Fees paid to Investment Firm	- 4,095,934.48	
Costs for the financial auditor and tax consultation	- 9,339.00	
Publication costs	- 196,568.10	
Securities account fees	- 121,020.12	
Depository bank fees	- 340,519.14	
Costs for the external consultant	0.00	
Total expenses		- 4,763,380.84
Compensation for management costs from sub-funds 1)		0.00

**Ordinary fund result (excluding income adjustment)** - 2,536,201.65

#### Realised profit or loss from price changes 2) 3)

Realised gains 4)	21,545,907.38	
Realised losses 5)	- 10,303,231.38	

**Realised profit or loss from price changes (excluding income adjustment)** **11,242,676.00**

**Realised fund result (excluding income adjustment)** **8,706,474.35**

### b. Unrealised profit or loss from price changes 2) 3)

Changes in the unrealised profit or loss from price changes 7) 7,209,967.06

**Result for the reporting period 6)** **15,916,441.41**

### c. Income adjustment

Income adjustment for income in the period	3,664,575.25	
Income adjustment for profit carried forward from dividend-bearing units	- 63,556.74	

**Overall fund result** **19,517,459.92**

### 3. Changes in Fund Assets

<b>Fund assets at the beginning of the reporting period</b>	<b>266,466,167.01</b>
<b>Disbursement/payment in the accounting year</b>	<b>- 1,532,350.99</b>
<b>Issue and redemption of units</b>	<b>134,480,265.97</b>
<b>Overall fund result</b>	
(The fund result is shown in detail under item 2.)	<b>19,517,459.92</b>
<b>Fund assets at the end of the reporting period</b>	<b>418,931,541.91</b>

- 1) Reimbursements (in the sense of commissions) paid by third parties are forwarded to the fund after deduction of appropriate costs. Erste Bank der oesterreichischen Sparkassen AG receives 25% of the calculated commissions to cover administrative costs.
- 2) Realised profits and losses are not calculated precisely for the specific periods, which means that they, as is the case for the changes in the unrealised profit or loss, are not necessarily congruent with the changes in the value of the fund in the reporting year.
- 3) Total profit or loss from price changes without income adjustment (realised profit or loss from price changes, without income adjustment, plus changes in the unrealised profit or loss): EUR 18,452,643.06.
- 4) Thereof profits from transactions with derivative financial instruments: EUR 66,843.18.
- 5) Thereof losses from transactions with derivative financial instruments: EUR -264,349.93.
- 6) The result for the accounting year includes explicitly reported transaction costs in the amount of EUR 339,720.17.
- 7) Thereof changes in unrealised gains EUR 8,428,407.44 and unrealised losses EUR -1,218,440.38.
- 8) The earnings reported under this item can be attributed to lending fees from securities lending transactions conducted with Erste Group Bank AG in the amount of EUR 0.00, to earnings from real estate funds in the amount of EUR 0.00, and to other earnings in the amount of EUR 0.00.

# Statement of Assets and Liabilities as of 30 June 2020

(including changes in securities assets from 1 September 2019 to 30 June 2020)

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
<b>Publicly traded securities</b>							
<b>Equities denominated in GBP</b>							
<b>Issue country Great Britain</b>							
RELX PLC LS -.144397	GB00B2B0DG97	190,000	0	190,000	18.700	3,908,690.87	0.93
Total issue country Great Britain						3,908,690.87	0.93
<b>Issue country Jersey</b>							
EXPERIAN PLC DL -.10	GB00B19NLV48	135,000	0	135,000	28.190	4,186,633.66	1.00
Total issue country Jersey						4,186,633.66	1.00
Total equities denominated in GBP translated at a rate of 0.90900						8,095,324.53	1.93
<b>Equities denominated in DKK</b>							
<b>Issue country Denmark</b>							
DSV PANALPINA BONUS-AKT.	DK0060079531	46,000	21,000	79,000	809.800	8,583,511.67	2.05
NOVO-NORDISK REG.B DK-.20	DK0060534915	154,000	15,000	139,000	429.400	8,008,238.13	1.91
Total issue country Denmark						16,591,749.80	3.96
Total equities denominated in DKK translated at a rate of 7.45315						16,591,749.80	3.96
<b>Equities denominated in EUR</b>							
<b>Issue country Ireland</b>							
LINDE PLC EO 0.001	IE00BZ12WP82	42,000	0	42,000	188.200	7,904,400.00	1.89
Total issue country Ireland						7,904,400.00	1.89
Total equities denominated in EUR						7,904,400.00	1.89
<b>Equities denominated in SEK</b>							
<b>Issue country Sweden</b>							
EPIROC AB A	SE0011166933	360,000	300,000	360,000	116.100	3,994,266.06	0.95
Total issue country Sweden						3,994,266.06	0.95
Total equities denominated in SEK translated at a rate of 10.46400						3,994,266.06	0.95



Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
<b>Equities denominated in TWD</b>							
<b>Issue country Taiwan</b>							
TAIWAN SEMICON.MANU. TA10	TW0002330008	260,000	120,000	820,000	313.000	7,754,312.82	1.85
Total issue country Taiwan						7,754,312.82	1.85
Total equities denominated in TWD translated at a rate of 33.09900						7,754,312.82	1.85
Total publicly traded securities						44,340,053.21	10.58
<b>Securities admitted to organised markets</b>							
<b>Equities denominated in EUR</b>							
<b>Issue country France</b>							
DASSAULT SYS SE BEARER.E00.5	FR0000130650	26,000	11,000	51,000	153.600	7,833,600.00	1.87
LVMH EO 0.3	FR0000121014	8,000	1,500	20,000	390.500	7,810,000.00	1.86
Total issue country France						15,643,600.00	3.73
<b>Issue country Ireland</b>							
KERRY GRP PLC A EO-.125	IE0004906560	54,000	12,000	66,000	110.000	7,260,000.00	1.73
Total issue country Ireland						7,260,000.00	1.73
<b>Issue country Netherlands</b>							
ASML HOLDING EO -.09	NL0010273215	27,500	2,000	25,500	326.900	8,335,950.00	1.99
Total issue country Netherlands						8,335,950.00	1.99
Total equities denominated in EUR						31,239,550.00	7.46
<b>Equities denominated in HKD</b>							
<b>Issue country Cayman Islands</b>							
TENCENT HLDGS HD-.00002	KYG875721634	190,000	132,000	180,000	498.600	10,309,996.04	2.46
Total issue country Cayman Islands						10,309,996.04	2.46
<b>Issue country China</b>							
PING AN INS.C.CHINA H YC1	CNE1000003X6	340,000	50,000	765,000	77.500	6,810,780.07	1.63
Total issue country China						6,810,780.07	1.63
<b>Issue country Hong Kong</b>							
AIA GROUP LTD	HK0000069689	425,000	0	965,000	72.300	8,014,922.54	1.91
Total issue country Hong Kong						8,014,922.54	1.91
Total equities denominated in HKD translated at a rate of 8.70495						25,135,698.65	6.00

## ERSTE STOCK GLOBAL

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
<b>Equities denominated in IDR</b>							
<b>Issue country Indonesia</b>							
BANK CENTRAL ASIA RP 62,5	ID1000109507	1,050,000	0	2,500,000	28,475.000	4,445,701.09	1.06
Total issue country Indonesia						4,445,701.09	1.06
Total equities denominated in IDR translated at a rate of 16,012.66000						4,445,701.09	1.06
<b>Equities denominated in JPY</b>							
<b>Issue country Japan</b>							
HOYA CORP.	JP3837800006	100,000	0	100,000	10,260.000	8,467,365.57	2.02
KEYENCE CORP.	JP3236200006	20,400	4,200	25,000	45,030.000	9,290,581.67	2.22
Total issue country Japan						17,757,947.24	4.24
Total equities denominated in JPY translated at a rate of 121.17110						17,757,947.24	4.24
<b>Equities denominated in CHF</b>							
<b>Issue country Switzerland</b>							
NESTLE REG. SF-.10	CH0038863350	96,000	23,000	73,000	104.740	7,184,420.95	1.71
PARTNERS GR.HLDG SF -.01	CH0024608827	5,800	1,600	10,200	859.400	8,236,673.71	1.97
SIKA AG REG. SF 0.01	CH0418792922	34,000	5,000	49,000	182.350	8,395,724.69	2.00
Total issue country Switzerland						23,816,819.35	5.69
Total equities denominated in CHF translated at a rate of 1.06425						23,816,819.35	5.69
<b>Equities denominated in USD</b>							
<b>Issue country Cayman Islands</b>							
ALIBABA GR.HLDG SP.ADR 8	US01609W1027	38,500	24,500	46,000	215.700	8,834,260.78	2.11
Total issue country Cayman Islands						8,834,260.78	2.11
<b>Issue country Ireland</b>							
ACCENTURE A DL-.0000225	IE00B4BNMY34	16,500	5,500	39,000	214.720	7,455,887.46	1.78
AON PLC A DL -.01	IE00BLP1HW54	47,000	0	47,000	192.600	8,059,653.65	1.92
Total issue country Ireland						15,515,541.11	3.70
<b>Issue country USA</b>							
ABBOTT LABS	US0028241000	90,000	0	90,000	91.430	7,326,447.94	1.75
ADOBE INC.	US00724F1012	11,000	9,000	20,500	435.310	7,945,381.29	1.90
ALPHABET INC.CLA DL-.001	US02079K3059	2,800	1,300	6,200	1,418.050	7,827,903.66	1.87
AMAZON.COM INC. DL-.01	US0231351067	2,500	1,350	4,000	2,758.820	9,825,294.93	2.35
AMETEK INC. DL-.01	US0311001004	44,000	11,000	94,000	89.370	7,479,659.89	1.79
AMPHENOL CORP. A DL-.001	US0320951017	27,000	0	87,000	95.810	7,421,510.93	1.77
APPLE INC.	US0378331005	30,000	0	30,000	364.800	9,744,023.51	2.33

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
AUTOM. DATA PROC. DL -.10	US0530151036	58,000	0	58,000	148.890	7,688,750.39	1.84
BROADCOM INC. DL-.001	US11135F1012	34,000	6,000	28,000	315.610	7,868,120.91	1.88
DOLLAR GENER.CORP.DL-.875	US2566771059	65,000	12,000	53,000	190.510	8,989,921.20	2.15
EDWARDS LIFESCIENCES	US28176E1082	110,000	26,000	108,000	69.110	6,645,488.14	1.59
ESTEE LAUDER COS A DL-.01	US5184391044	25,000	9,500	45,500	188.680	7,643,627.30	1.82
FACEBOOK INC.A DL-.000006	US30303M1027	38,000	0	38,000	227.070	7,682,553.53	1.83
FISERV INC. DL-.01	US3377381088	43,000	14,000	84,000	97.620	7,300,966.03	1.74
HOME DEPOT INC. DL-.05	US4370761029	18,000	9,200	35,000	250.510	7,806,481.77	1.86
INTUIT INC. DL-.01	US4612021034	16,000	7,500	28,000	296.190	7,383,982.55	1.76
INTUITIVE SURGIC. DL-.001	US46120E6023	3,300	0	14,000	569.830	7,102,898.10	1.70
MASTERCARD INC.A DL-.0001	US57636Q1040	15,000	6,000	29,000	295.700	7,635,044.30	1.82
MICROSOFT DL-.00000625	US5949181045	23,000	13,000	54,000	203.510	9,784,570.18	2.34
NEXTERA ENERGY INC.DL-.01	US65339F1012	18,500	6,500	36,000	240.170	7,698,099.10	1.84
NIKE INC. B	US6541061031	31,000	10,000	88,000	98.050	7,682,322.04	1.83
S+P GLOBAL INC. DL 1	US78409V1044	7,000	3,500	25,000	329.480	7,333,837.87	1.75
SHERWIN-WILLIAMS DL 1	US8243481061	7,500	3,000	15,000	577.850	7,717,357.43	1.84
STRYKER CORP. DL-.10	US8636671013	18,000	2,000	41,000	180.190	6,577,741.17	1.57
TEXAS INSTR. DL 1	US8825081040	29,000	6,000	67,000	126.970	7,574,224.28	1.81
THERMO FISH.SCIENTIF.DL 1	US8835561023	7,500	1,500	26,000	362.340	8,387,873.39	2.00
UNION PAC. DL 2.50	US9078181081	23,000	7,000	50,000	169.070	7,526,599.30	1.80
UNITEDHEALTH GROUP DL-.01	US91324P1021	15,500	8,500	29,000	294.950	7,615,679.12	1.82
VISA INC. CL. A DL -.0001	US92826C8394	31,000	17,000	45,000	193.170	7,739,527.22	1.85
ZOETIS INC. CLA DL -.01	US98978V1035	24,500	7,500	63,000	137.040	7,686,880.65	1.83
Total issue country USA						234,642,768.12	56.01
Total equities denominated in USD translated at a rate of 1.12315						258,992,570.01	61.82
Total securities admitted to organised markets						361,388,286.34	86.26

#### Unlisted securities

#### Equities denominated in HKD

#### Issue country Cayman Islands

EGANAGOLD.(HLDGS) HD 0.01	KYG2943E1329	0	0	850,000	0.000	0.00	0.00
Total issue country Cayman Islands						0.00	0.00
Total equities denominated in HKD translated at a rate of 8.70495						0.00	0.00
Total unlisted securities						0.00	0.00

#### Breakdown of fund assets

Transferable securities	405,728,339.55	96.85
Bank balances	12,951,292.27	3.09
Dividend entitlements	273,426.61	0.07
Interest entitlements	0.01	0.00
Other deferred items	-21,516.53	-0.01
Fund assets	418,931,541.91	100.00

**Investor note:**
**The values of assets in illiquid markets may deviate from their actual selling prices.**

Dividend-bearing units outstanding	AT0000989645	units	506,154.336
Value of dividend-bearing unit	AT0000989645	EUR	83.26
Dividend-bearing units outstanding	AT0000A1Y9P4	units	50,798.000
Value of dividend-bearing unit	AT0000A1Y9P4	EUR	124.61
Dividend-bearing units outstanding	AT0000A1Y9Q2	units	0.000
Value of dividend-bearing unit	AT0000A1Y9Q2	EUR	128.39
Non-dividend-bearing units outstanding	AT0000812870	units	2,202,871.175
Value of non-dividend-bearing unit	AT0000812870	EUR	124.91
Non-dividend-bearing units outstanding	AT0000A1Y9R0	units	0.000
Value of non-dividend-bearing unit	AT0000A1Y9R0	EUR	128.39
Non-dividend-bearing units outstanding	AT0000A2B5A0	units	11,170.530
Value of non-dividend-bearing unit	AT0000A2B5A0	EUR	103.85
KEST-exempt non-dividend-bearing units outstanding	AT0000673314	units	128,580.351
Value of KEST-exempt non-dividend-bearing unit	AT0000673314	EUR	130.06
KEST-exempt non-dividend-bearing units outstanding	AT0000639497	units	249,682.381
Value of KEST-exempt non-dividend-bearing unit	AT0000639497	CZK	3,462.72
KEST-exempt non-dividend-bearing units outstanding	AT0000627484	units	153,121.429
Value of KEST-exempt non-dividend-bearing unit	AT0000627484	HUF	46,038.19
KEST-exempt non-dividend-bearing units outstanding	AT0000A1Y9S8	units	130,955.000
Value of KEST-exempt non-dividend-bearing unit	AT0000A1Y9S8	EUR	132.03
KEST-exempt non-dividend-bearing units outstanding	AT0000A1Y9T6	units	48,470.000
Value of KEST-exempt non-dividend-bearing unit	AT0000A1Y9T6	EUR	134.76
KEST-exempt non-dividend-bearing units outstanding	AT0000A1Y9U4	units	0.000
Value of KEST-exempt non-dividend-bearing unit	AT0000A1Y9U4	CZK	3,534.66
KEST-exempt non-dividend-bearing units outstanding	AT0000A1Y9V2	units	9,362.192
Value of KEST-exempt non-dividend-bearing unit	AT0000A1Y9V2	HUF	47,080.25

The fund is not permitted to engage in repurchase agreements pursuant to Regulation (EU) No. 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse). For this reason, repurchase agreements were not employed.

No total return swaps pursuant to Regulation (EU) 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse) were concluded for the fund during the reporting period.

The fund is permitted to engage in securities lending agreements pursuant to Regulation (EU) No. 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse) according to the fund rules. No securities lending transactions took place during the reporting period.

**Explanation on disclosure pursuant to Delegated Regulation (EU) No. 2016/2251 supplementing Regulation (EU) No. 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties, and trade repositories with regard to regulatory technical standards for risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty:**

All OTC derivatives are traded through Erste Group Bank AG.

In the event of negative derivatives exposure, collateral in the form of cash or bonds is pledged to Erste Group Bank AG in accordance with the contractually agreed threshold.

In the event of positive derivatives exposure, EUR-denominated government bonds from the Republic of Austria and/or the Federal Republic of Germany are pledged by Erste Group Bank AG to the fund in accordance with the contractually agreed threshold. A one-time discount of 4% is agreed with the counterparty for this collateral. Collateral that would require a higher discount pursuant to Annex II to Delegated Regulation (EU) No. 2016/2251 is not accepted.

**Purchases and sales of transferable securities in the reporting period not listed in the statement of assets and liabilities**

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals
<b>Publicly traded securities</b>			
<b>Equities denominated in GBP</b>			
<b>Issue country Great Britain</b>			
ASSTEAD GRP PLC LS-.10	GB0000536739	145,000	145,000
DIAGEO PLC LS-.28935185	GB0002374006	30,000	156,000
<b>Equities denominated in EUR</b>			
<b>Issue country Netherlands</b>			
ROYAL DUTCH SHELL A EO-07	GB00B03MLX29	260,000	260,000
<b>Equities denominated in INR</b>			
<b>Issue country India</b>			
HINDUST.UNILEV.DEMAT.IR 1	INE030A01027	112,000	112,000
HOUSING DEV.F.DEMAT. IR 2	INE001A01036	0	107,000
<b>Equities denominated in USD</b>			
<b>Issue country Great Britain</b>			
AON PLC A DL -.01	GB00B5BT0K07	4,000	31,000

# ERSTE STOCK GLOBAL

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals
<b>Securities admitted to organised markets</b>			
<b>Equities denominated in HKD</b>			
<b>Issue country Cayman Islands</b>			
SHENZHOU I.G.H.REGS HD-10	KYG8087W1015	80,000	310,000
<b>Equities denominated in JPY</b>			
<b>Issue country Japan</b>			
FAST RETAILING CO. YN 50	JP3802300008	2,000	11,000
NIDEC CORP.	JP3734800000	91,000	131,000
<b>Equities denominated in CHF</b>			
<b>Issue country Switzerland</b>			
GIVAUDAN SA NA SF 10	CH0010645932	0	1,150
LONZA GROUP AG NA SF 1	CH0013841017	0	8,000
STRAUMANN HLDG NA SF 0.10	CH0012280076	0	3,700
<b>Equities denominated in USD</b>			
<b>Issue country Great Britain</b>			
AMARIN CORP.ADR LS-50	US0231112063	0	55,000
<b>Issue country USA</b>			
AMER. EXPRESS DL -.20	US0258161092	8,000	51,000
BOOKING HLDGS DL-.008	US09857L1089	3,200	3,200
CHURCH + DWIGHT CO. DL 1	US1713401024	10,000	78,000
WALT DISNEY CO	US2546871060	6,000	45,000
JPMORGAN CHASE DL 1	US46625H1005	24,000	74,000
PEPSICO INC. DL-.0166	US7134481081	6,000	48,000
PROGRESSIVE CORP. DL 1	US7433151039	17,000	84,000
ROPER TECHNOLOGIES DL-.01	US7766961061	2,000	17,000

Vienna, 31 August 2020

Erste Asset Management GmbH  
Electronically signed

Inspection information:  
Note:

The electronic signatures in this document can be inspected at [www.signaturpruefung.gv.at](http://www.signaturpruefung.gv.at).  
This document was signed with two qualified electronic signatures. A qualified electronic signature fulfils the legal requirements of a hand-written signature, and in particular the requirements of the written form as defined in § 886 ABGB (§ 4 [1] Austrian Signature Act [Signaturgesetz]).

## Remuneration Policy

### Remuneration paid to employees of Erste Asset Management GmbH in EUR (2018 financial year of Erste Asset Management GmbH)

No investment success bonuses are paid, and no other amounts are paid directly from the investment funds.

Number of employees as of 31.12.18	247
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Number of risk bearers as of 31.12.18	95
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Fixed remuneration	17,978,470
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Variable remuneration (bonuses)	4,589,208
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<b>Total employee remuneration</b>	<b>22,567,678</b>
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Thereof remuneration for managing directors	1,049,937
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Thereof remuneration for managerial risk bearers	4,317,407
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Thereof remuneration for risk bearers with control functions*	692,269
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Thereof remuneration for other risk bearers	6,853,589
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Thereof remuneration for employees in the same income bracket as managers and risk bearers due to the amount of their total remuneration	0
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<b>Total remuneration for risk bearers</b>	<b>12,913,202</b>
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\* Includes the Head of Compliance

### Principles governing performance-based remuneration components

The Management Company has adopted remuneration principles to prevent possible conflicts of interest and to ensure compliance with the standard rules of conduct when awarding remuneration to relevant persons.

Fixed salary components make up a large enough share of the total remuneration of all employees of the Management Company that a variable remuneration policy can be applied on an individualised basis.

The total remuneration (fixed and variable components) is governed by the principle of balance and is linked to sustainability so that the acceptance of excessive risks is not rewarded. Therefore, the variable remuneration forms no more than a balanced portion of the total remuneration awarded to an employee.

The performance-based remuneration components serve the short-term and long-term interests of the Management Company and contribute to preventing risky behaviour. The performance-based remuneration components take into account individual performance as well as the profitability of the Management Company.

The size of the bonus pool is calculated based on the bonus potential that can be applied to the different employee categories. Bonus potential is a percentage of the fixed annual gross remuneration. The bonus potential can be no more than 100% of the fixed annual gross remuneration. The bonus pool is adjusted depending on the success of the Management Company. The personal bonus is linked to individual performance. The total of personal bonuses is limited by the size of the bonus pool after deduction of penalties.

The performance-based payments are capped at 100% of the annual gross remuneration for all employees, including the material risk bearers (according to the definition in the remuneration policy) and managing directors of the Management Company.

The remuneration system is made up of three components:

- 1) Fixed remuneration
- 2) Variable remuneration
- 3) Fringe benefits

The bonus potential is based on the fixed annual gross remuneration. The target agreements concluded with the employees contain qualitative and/or quantitative objectives. The payment of performance-based remuneration components is subject to a minimum profitability level for the Management Company and to performance targets.

Sixty per cent of the performance-based remuneration components are paid immediately; for employees who are involved directly in fund and portfolio management, 50% of this is paid immediately in cash and 50% is paid one year later in the form of non-cash instruments. The remaining 40% of the performance-based remuneration components are retained and paid out over a period of three years, with 50% of this also being paid in cash and 50% in the form of non-cash instruments for employees who are involved directly in fund and portfolio management. The non-cash instruments can consist of units in an investment fund that is administered by the Management Company, equivalent holdings or instruments linked to units, or equivalent non-cash instruments. Based on the principle of proportionality, the Management Company has set a materiality threshold below which there is no incentive to enter into inappropriate risks, for which reason there is no need to make delayed payment or payment in the form of a non-cash instrument. Other non-cash benefits are fringe benefits that are not associated with performance but with a specific position (e.g. company car) or that apply for all employees (e.g. holiday).

The Supervisory Board of the Management Company has set up a Remuneration Committee to ensure that the remuneration policy and its application are independently assessed. This committee consists of the following persons: Rudolf Sagmeister, Harald Gasser (remuneration expert), and Heinrich Hubert Reiner.

The complete remuneration policy of the Management Company can be viewed at [http://www.erste-am.at/de/private\\_anleger/wer-sind-wir/investmentprozess](http://www.erste-am.at/de/private_anleger/wer-sind-wir/investmentprozess).

The last audit of compliance with the requirements of the remuneration policy by the Supervisory Board on 3 April 2019 revealed no deviations. There were also no material findings during the last audit by the Internal Auditing department.

No material changes were made to the remuneration policy during the past accounting year.



# Audit Report\*

## Statement on the annual report

### Audit opinion

We have audited the annual report prepared by Erste Asset Management GmbH, Vienna, for the fund under its management

ERSTE STOCK GLOBAL  
Jointly owned fund pursuant to the InvFG

consisting of the statement of assets and liabilities as of 30 June 2020, the income statement for the partial accounting year ending on this date, and the other information specified in Annex I Schedule B of the Austrian Investment Fund Act 2011 (InvFG 2011).

Based on the findings of our audit, we believe that the annual report satisfies the legal requirements and provides a true and fair view of the assets and financial position as of 30 June 2020 and of the earnings position of the fund for the partial accounting year ending on this date in accordance with Austrian commercial law and the provisions of the InvFG 2011.

### Basis for the audit opinion

We conducted our audit in accordance with § 49 (5) InvFG 2011 and in accordance with the Austrian principles of good auditing. These principles require the application of the International Standards on Auditing (ISA). Our responsibilities under these regulations and standards are described in the section “Responsibilities of the auditor in auditing the annual report” of our audit report. We are independent from the company as specified by the Austrian commercial and industry regulations and fulfilled our other professional obligations in accordance with these requirements. We feel that the audit evidence that we obtained is sufficient and suitable to serve as a basis for our audit opinion.

### Management and supervisory board responsibilities relating to the annual report

The legal representatives are responsible for preparing the annual report and for ensuring that this report provides a true and fair view of the assets and financial and earnings position of the fund in accordance with Austrian commercial law and the provisions of the InvFG 2011. The legal representatives are also responsible for implementing the internal controls that they deem necessary to facilitate the preparation of an annual report that is free from material misstatements due to error or fraud.

The supervisory board is responsible for monitoring the accounting process of the company as it applies to the fund under its management.

**Responsibilities of the auditor in auditing the annual report**

Our goals are to ascertain with sufficient certainty whether the annual report contains material misstatements due to error or fraud and to issue an audit report that includes our audit opinion. Sufficient certainty is a high degree of certainty but no guarantee that an audit conducted in accordance with the Austrian standards on good auditing, which require the application of the ISA, will always discover material misstatements that may be present. Misstatements can result from fraud or errors and are considered to be material when it can be reasonably expected that individual misstatements or a combination of misstatements can influence economic decisions made by readers on the basis of this annual report.

As part of an audit conducted in accordance with the Austrian standards on good auditing, which require the application of the ISA, we exercise professional judgement and maintain professional scepticism during the entire audit process.

**In addition:**

- We identify and assess the risks of material misstatements in the annual report due to error or fraud, plan audit steps in response to these risks, perform the planned audit steps, and collect audit evidence that is sufficient and suitable to form a basis for our audit opinion. The risk that a material misstatement resulting from fraud will remain undiscovered is greater than for misstatements resulting from error because fraudulent activity can include collusion, the falsification of documents, intentional incomplete or misleading representations, and the circumvention of internal controls.
- We familiarise ourselves with the internal control systems that are relevant for the audit to plan audit steps that are appropriate under the specific circumstances, but not so as to state an opinion on the effectiveness of the company's internal control system.
- We assess the appropriateness of the accounting methods applied by the legal representatives and the reasonableness of the estimates made by the legal representatives in the accounts and of the associated information.
- We assess the overall presentation, the structure, and the content of the annual report including the figures as well as whether the annual report depicts the underlying transactions and events in a manner that provides a true and fair view.
- We discuss the planned scope and scheduling of the audit and any material audit findings, including material defects that we discover in the internal control system during our audit, with the supervisory board, among other issues.

## Other information

The legal representatives are responsible for the other information. The other information includes all information in the annual report except for the statement of assets and liabilities, the income statement, the other information specified in Annex I Schedule B of the InvFG 2011, and the audit report.

Our audit opinion does not cover this other information, and we provide no assurance whatsoever for this other information.

In connection with our audit of the annual report, it is our responsibility to read this other information and to consider whether there are material discrepancies between the other information and the annual report or the information gathered by us during our audit, or if this other information appears materially incorrect in some other manner. If we come to the conclusion on the basis of our audit steps that the other information is materially incorrect, we are obligated to report this. We have nothing to report in this regard.

Vienna, 31 August 2020

### **Ernst & Young**

Wirtschaftsprüfungsgesellschaft m.b.H.

**Mag. Andrea Stippl**  
(Certified Public  
Accountant)

**ppa MMag. Roland Unterweger**  
(Certified Public Accountant)

\* In the case of the publication or dissemination of the annual report in a form that deviates from the confirmed (unabridged German) version (e.g. an abridged version or translation), reference may not be made to the audit report or our audit without our approval.

## Fund Rules

The Fund Rules for ERSTE STOCK GLOBAL, jointly owned fund pursuant to the Austrian Investment Fund Act (Investmentfondsgesetz; InvFG) 2011 as amended, were approved by the Austrian Financial Market Authority (FMA).

The Fund is an undertaking for collective investment in transferable securities (UCITS) and is managed by Erste Asset Management GmbH (the "Management Company" in the following), which has its registered office in Vienna.

### **Article 1 Fund Units**

The joint ownership of the fund assets is evidenced by certificates having the characteristics of a bearer unit.

The unit certificates are depicted in separate global certificates for each unit category. For this reason, individual unit certificates cannot be issued.

### **Article 2 Depositary Bank (Depositary)**

The depositary bank (depositary) appointed for the Fund is Erste Group Bank AG, Vienna.

The payment offices for unit certificates are the depositary bank (depositary) and any other payment offices named in the prospectus.

### **Article 3 Investment Instruments and Principles**

The following assets may be selected for the Fund in accordance with the InvFG.

ERSTE STOCK GLOBAL is an equity fund that invests predominantly, in other words at least 51% of its assets, in stocks in the form of directly purchased individual instruments, in other words not indirectly or directly through investment funds or through derivatives.

There are no restrictions with regard to the locations of the registered offices of the issuers of the securities in the Fund or regarding the economic sectors in which these issuers are active. The Fund may purchase shares in companies with small or mid-sized market capitalisations as well as shares in large, strong, and important companies that are internationally known (blue chips).

The fund assets are invested in the following instruments in accordance with the investment focus described above.

a) Transferable securities

Transferable securities (including securities with embedded derivative financial instruments) comprise at least 51% of the fund assets.

b) Money market instruments

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

c) Transferable securities and money market instruments

The Fund may purchase transferable securities and money market instruments that are not fully paid up as well as subscription rights for these types of instruments and other financial instruments that are not fully paid up amounting to a maximum of 10% of the fund assets.

Transferable securities and money market instruments may be purchased for the Fund when they meet the criteria regarding listing or trading on a regulated market or a securities exchange pursuant to the InvFG.

Transferable securities and money market instruments that do not meet the criteria described in the previous paragraph may comprise up to 10% of the fund assets in total.

d) Units in investment funds

Units in investment funds (UCITS, UCI) may comprise up to 10% of the fund assets per individual issue and may comprise up to 10% in aggregate total, provided that the target funds themselves (UCITS or UCI) do not invest more than 10% of their fund assets in units of other investment funds.

e) Derivative financial instruments

Derivative financial instruments can be used as part of the investment strategy and for hedging purposes, and may comprise up to 35% of the fund assets.

f) Risk measurement method(s) of the Fund

The Fund applies the following risk measurement methods: commitment approach

The commitment value is determined according to § 3 of the 4th FMA Regulation on Risk Calculation and Reporting of Derivative Instruments (4. Derivate-Risikoberechnungs- und MeldeV).

g) Demand deposits or deposits with the right to be withdrawn

Demand deposits and deposits with the right to be withdrawn with a maximum term of 12 months may comprise up to 49% of the fund assets.

There are no minimum bank balance requirements.

However, in the course of the restructuring of the fund portfolio and/or in the case of the justified expectation of impending losses experienced by transferable securities, the Fund can hold a proportion of transferable securities below the specified limit and a higher proportion of demand deposits or deposits with the right to be withdrawn with a maximum term of 12 months.

h) Acceptance of short-term loans

The Management Company may accept short-term loans for the account of the Fund up to an amount of 10% of the total fund assets.

i) Repurchase agreements

Does not apply.

j) Securities lending

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

Investment instruments may only be purchased for the entire Fund and not for individual unit categories or groups of unit categories.

This does not apply to currency hedging transactions, however. Such transactions can also be concluded solely for a single unit category. Expenses and income resulting from currency hedging transactions shall be allocated solely to the respective unit category.

#### **Article 4 Issue and Redemption Procedure**

The unit value shall be calculated in the currency of the respective unit category.

The unit value is calculated at the same time as the issue and redemption price.

##### **Issue of units and front-end surcharge**

The issue price will be calculated and units issued on each Austrian exchange trading day with the exception of bank holidays.

The issue price shall be made up of the unit value plus a surcharge per unit amounting to up to 5.0% to cover the costs incurred by the Management Company in issuing the unit, rounded up to the next equivalent sub-unit of the currency unit specified for the respective unit category in the prospectus.

The Management Company shall be entitled to apply a sliding front-end surcharge scale at its own discretion.

There is no limit on the issue of units in principle. However, the Management Company reserves the right to temporarily or permanently suspend the issue of unit certificates.

##### **Redemption of units and back-end commission**

The redemption price will be calculated and units redeemed on each Austrian exchange trading day with the exception of bank holidays.

The redemption price is the unit value rounded down to the next equivalent sub-unit of the currency unit specified for the respective unit category in the prospectus. No back-end commission will be charged.

Upon request by the Unit-holder, his units shall be redeemed at the current redemption price in return for the unit certificate.

**Article 5**  
**Accounting Year**

The accounting year of the Fund is from 1 July to 30 June.

**Article 6**  
**Unit Categories and Use of Earnings**

The Fund features three different unit categories and the corresponding certificates: dividend-bearing units, non-dividend-bearing units with capital gains tax payment, and non-dividend-bearing units without capital gains tax payment, with certificates being issued for one unit each and also for fractional units.

Various unit categories may be issued for this Fund. The creation of unit categories and the issue of units of a specific category shall be decided at the discretion of the Management Company.

**Use of earnings for dividend-bearing units**

The earnings generated during the accounting year (interest and dividends) less all costs can be distributed as deemed appropriate by the Management Company. Dividend disbursement may be omitted in the interests of the Unit-holders. Dividends may also be disbursed at the discretion of the Management Company from earnings generated by the sale of fund assets, including subscription rights. Disbursements of fund assets and interim dividends may be paid.

The fund assets may in no case fall below the legally stipulated minimum volume for termination as a result of dividend disbursements.

The amounts shall be paid to the holders of dividend-bearing units on or after 1 October of the following accounting year. The remaining amount shall be carried forward.

An amount calculated in accordance with the InvFG must also be paid out on or after 1 October to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund units unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the unit certificates can only be held by Unit-holders who are not subject to Austrian personal income tax or corporation tax or who meet the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

**Use of earnings for non-dividend-bearing units with capital gains tax payment (non-dividend-bearing units)**

The earnings generated by the Fund during the accounting year less all costs will not be paid out. In the case of non-dividend-bearing units, an amount calculated in accordance with the InvFG must be paid out on or after 1 October to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund units unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the unit certificates can only be held by Unit-holders who are not subject to Austrian personal income tax or corporation tax or who meet the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

**Use of earnings for non-dividend-bearing units without capital gains tax payment (KESt-exempt non-dividend-bearing units)**

The earnings generated by the Fund during the accounting year less all costs will not be paid out. No payment pursuant to the InvFG will be made. The reference date for the exemption from KESt payment for the profit for the year for the purposes of the InvFG shall be 1 October of the following accounting year.

The Management Company shall provide suitable proof from the banks managing the corresponding securities accounts that the unit certificates can only be held by Unit-holders who are not subject to Austrian personal income tax or corporation tax or who meet the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

If these requirements are not met at the time of payment, the amount calculated pursuant to the InvFG must be paid out by the credit institution managing the respective securities account.

**Article 7**  
**Management Fee, Compensation for Expenses, Liquidation Fee**

**Valid until 31 December 2019:**

The Management Company shall receive an annual fee for its administrative activities of up to 1.8% of the fund assets, which shall be accrued on a daily basis and calculated using the month-end values adjusted for the accrued fees.

**Valid from 1 January 2020:**

The Management Company shall receive an annual fee for its administrative activities amounting to up to 1.80% of the fund assets as calculated and accrued on the basis of the daily fund volume. The fee will be charged to the fund assets once per month.

The Management Company shall be entitled to compensation for all expenses incurred in the administration of the Fund.

The Management Company shall be entitled to apply a sliding management fee scale at its own discretion.

The costs for the introduction of new unit categories for existing investment funds shall be assessed against the unit price of the new unit categories.

Upon liquidation of the Fund, the party processing the liquidation shall receive a fee in the amount of 0.5% of the fund assets.

Further information and details about this Fund can be found in the prospectus.

## **Annex to the Fund Rules**

### **List of exchanges with official trading and organised markets (As of September 2018)**

#### **1. Exchanges with official trading and organised markets in the Member States of the EEA as well as exchanges in European countries outside of the EEA considered to be equivalent to regulated markets**

Every Member State must maintain a current list of the authorised markets within its territory. This list must be submitted to the other Member States and the Commission.

According to this provision, the Commission is required to publish a list of the regulated markets registered with it by the Member States once per year.

Because of lower entry barriers and specialisation in different trading segments, the list of “regulated markets” is subject to significant changes. For this reason, the Commission will publish an up-to-date version of the list on its official website in addition to the annual publication of a list in the Official Journal of the European Union.

##### **1.1. The currently valid list of regulated markets can be found at**

[https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_upreg](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_upreg) \*

##### **1.2. The following exchanges are included in the list of regulated markets:**

1.2.1.	Luxembourg:	Euro MTF Luxembourg
1.2.2.	Switzerland:	SIX Swiss Exchange AG, BX Swiss AG**

##### **1.3. Recognised markets in the EEA according to § 67 (2) 2 InvFG:**

Markets in the EEA that have been classified as recognised markets by the competent supervisory authorities.

#### **2. Exchanges in European countries outside of the EEA**

2.1.	Bosnia and 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 (only “National Market” on the stock market)

#### **3. Exchanges in non-European countries**

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

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## ERSTE STOCK GLOBAL

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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. Organised markets in countries outside 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 (under the supervision of an authority such as the SEC, FINRA, etc.)

### 5. 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:	NYSE American, Chicago Board Options Exchange, Chicago Board of Trade, Chicago Mercantile Exchange, Comex, FINEX, ICE Futures US, Inc., New York, Nasdaq PHLX, New York Stock Exchange, Boston Options Exchange (BOX)

\*) To open the list, select “Regulated market” under “Entity type” in the column on the left side of the page and then click “Search” (or “Show table columns” and “Update”). The link can be changed by the ESMA.

When the expected withdrawal of the United Kingdom of Great Britain and Northern Ireland (GB) from the EU takes effect, GB will lose its status as an EEA member state and, in turn, the exchanges/regulated markets located there will also lose their status as EEA exchanges/regulated markets. In this event, we hereby inform you that the following exchanges and regulated markets located in GB shall be considered exchanges or recognised regulated markets in a third country as defined by the InvFG 2011 and the UCITS Directive that are expressly designated in the Fund Rules: Cboe Europe Equities Regulated Market – Integrated Book Segment, London Metal Exchange, Cboe Europe Equities Regulated Market – Reference Price Book Segment, Cboe Europe Equities Regulated Market – Off-Book Segment, London Stock Exchange Regulated Market (derivatives), NEX Exchange Main Board (non-equity), London Stock Exchange Regulated Market, NEX Exchange Main Board (equity), Euronext London Regulated Market, ICE FUTURES EUROPE, ICE FUTURES EUROPE – AGRICULTURAL PRODUCTS DIVISION, ICE FUTURES EUROPE – FINANCIAL PRODUCTS DIVISION, ICE FUTURES EUROPE – EQUITY PRODUCTS DIVISION, and Gibraltar Stock Exchange.

\*\*) In the event that Switzerland’s stock market equivalence expires, SIX Swiss Exchange AG and BX Swiss AG are to be subsumed under item 2 “Exchanges in European countries outside of the EEA” until further notice.



**Note regarding the data used**

The sections Income Statement and Changes in Fund Assets, Statement of Assets and Liabilities, and Details and Explanation of Tax Treatment in this annual report were prepared on the basis of data from the depositary bank for the Fund.

**The data and information provided by the depositary bank were collected with the greatest possible care and were checked solely for plausibility.**

**Note for retail funds:**

Unless indicated otherwise, source: Erste Asset Management GmbH. Our languages of communication are German and English. The full prospectus and the key investor information (and any applicable changes to these documents) were published in Amtsblatt zur Wiener Zeitung in accordance with the provisions of the InvFG 2011 in the currently amended version and are available free of charge at the registered office of the Investment Firm and at the head office of the depositary bank. The exact date of most recent publication, the languages in which the key investor information is available, and any additional locations where the documents can be obtained can be viewed on the website [www.erste-am.at](http://www.erste-am.at).

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