

# **ERSTE BOND EM CORPORATE IG**

**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 SCHAUFLER (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>	Caroline HABERFELLNER (until 31 July 2019) Christoph SEEL (from 1 August 2019) 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 BOND EM CORPORATE IG jointly owned fund pursuant to the InvFG for the accounting year from 1 July 2019 to 30 June 2020.

We would also like to inform you that the name of the fund was changed from ERSTE BOND EMERGING MARKETS CORPORATE IG to ERSTE BOND EM CORPORATE IG as of 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

The driving factor in the reporting period was the COVID-19 pandemic and its impacts on real global economic growth.

We saw a slight slowing of global economic activity in the second half of 2019. This was triggered by the tensions between the USA and China, which caused a degree of planning uncertainty for many companies around the world. This slowdown ended at the close of 2019, and the markets were cautiously optimistic moving into 2020 – until the coronavirus hit.

The virus spread rapidly after the first reports in China at the end of 2019. Countries in other parts of the world were initially slow to react and uncertain, allowing many infected persons from China to spread the virus across the globe. The measures that were finally taken were similar to those in China (except for in Sweden) and led to a virtual economic standstill and the collapse of consumer spending. The governments in the developed nations were able to mitigate the impacts of the crisis with new debt, guarantees, and the support of the central banks, but most of the emerging economies did not have these options at their disposal.

The economic consequences of the crisis to date (29 June 2020) are devastating despite the government countermeasures. Unemployment and the decline in economic activity have reached levels not seen since 1945. Economic activity in China is already improving noticeably, but governments in Africa, Latin America, and India are still struggling to contain the virus. Government debt must be deferred or waived in some cases as countries such as Angola and Sri Lanka have no hope of repaying their obligations. Other countries that are on fundamentally better footing such as Colombia, Mexico, and Chile have also suffered massive rating deterioration due to the slide in commodity prices during the crisis and dampened economic activity.

The companies in the emerging economies have come through the crisis in relatively good shape so far, with high cash holdings, new issues, and loans providing for sufficient liquidity. Cyclical companies such as those in the oil and steel industries were hit hard by the negative market reaction and have not yet been able to fully recover. Companies in the telecommunications, food, and paper industries stood in stark contrast as quarantine and teleworking measures ensured relatively stable and sometimes even higher demand for their products. Most bonds were able to make up for 50% to 80% of their spread widening. Companies had very good access to refinancing on the capital markets with the exception of a few weeks in March.

The projected default rates are also positive compared to companies in the developed markets. In some cases, the default rate for emerging market companies is expected to be 50% lower than for the developed markets.

It is for precisely this reason that we overweighted telecoms, food, and paper at the outset of the crisis and during the market correction, in addition to increasing the previously reduced exposure to the Chinese residential construction sector. This is the most important sector in China and is being supported by corresponding government measures. We rapidly reduced our exposure to India at the beginning of the crisis, along with our investments in Indonesia. Once the first wave of stress on the markets abated, we increased our investments in Indonesia again and also invested in India on a very selective basis.

This sector focus, the usual active cash position management (high at the beginning of the correction, then successively reduced within the legal limits), and our individual issue picks based on the market conditions and news flow enabled the fund to very quickly make up for its losses from the crisis.

We also selectively picked up a number of new issues, which were offered at relatively good conditions due to the lower demand.

The Fund employs an active investment policy. The assets are selected on a discretionary basis. The Fund is oriented towards the CEMBI BD IG in USD index as a benchmark (index provider disclaimer: <https://www.erste-am.com/index-disclaimer>). The composition and performance of the Fund can deviate substantially or entirely in a positive or negative direction from that of the benchmark over the short term or long term. The discretionary power of the Management Company is not limited.

The fund achieved a positive performance of 5.13% (AT0000A0WJX7).

## 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	
	USD millions	%
Bonds		
USD	86.7	97.42
Transferable securities	86.7	97.42
Bank balances	1.3	1.43
Interest entitlements	1.0	1.15
Other deferred items	-0.0	-0.00
Fund assets	88.9	100.00

## Comparative Overview

Accounting year	Fund assets
2017/2018	128,864,748.83
2018/2019	116,572,350.33
2019/2020	88,943,964.46

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	AT0000A0WJX7	USD	96.21	1.7500	0.0000	-1.60
2018/2019	Dividend-bearing units	AT0000A0WJX7	USD	103.09	2.5000	0.2598	9.13
2019/2020	Dividend-bearing units	AT0000A0WJX7	USD	105.81	2.8500	1.9571	5.13

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2017/2018	Dividend-bearing units	AT0000A1Y9D0	USD	99.62	-	-	-
2018/2019	Dividend-bearing units	AT0000A1Y9D0	USD	108.79	-	-	-
2019/2020	Dividend-bearing units	AT0000A1Y9D0	USD	114.59	-	-	-

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2017/2018	Dividend-bearing units	AT0000A1Y9E8	USD	98.87	-	-	-
2018/2019	Dividend-bearing units	AT0000A1Y9E8	USD	107.97	-	-	-
2019/2020	Dividend-bearing units	AT0000A1Y9E8	USD	113.55	-	-	-

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	AT0000A0WJY5	USD	107.53	0.4826	1.2654	-1.63
2018/2019	Non-dividend-bearing units	AT0000A0WJY5	USD	116.83	0.8584	2.2634	9.13
2019/2020	Non-dividend-bearing units	AT0000A0WJY5	USD	121.93	1.3319	4.1848	5.12

ERSTE BOND EM CORPORATE IG

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	AT0000A1Y9F5	USD	99.62	-	-	-
2018/2019	Non-dividend-bearing units	AT0000A1Y9F5	USD	108.79	-	-	-
2019/2020	Non-dividend-bearing units	AT0000A1Y9F5	USD	114.42	-	-	-

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	AT0000A1Y9G3	USD	98.87	-	-	-
2018/2019	Non-dividend-bearing units	AT0000A1Y9G3	USD	107.97	-	-	-
2019/2020	Non-dividend-bearing units	AT0000A1Y9G3	USD	113.55	-	-	-

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	AT0000A0WJZ2	USD	110.03	-	1.7940	-1.60
2018/2019	KESt-exempt non-dividend-bearing units	AT0000A0WJZ2	USD	120.09	-	3.2129	9.14
2019/2020	KESt-exempt non-dividend-bearing units	AT0000A0WJZ2	USD	126.25	-	5.7076	5.13

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	AT0000A1Y9H1	USD	99.62	-	-	-
2018/2019	KESt-exempt non-dividend-bearing units	AT0000A1Y9H1	USD	108.79	-	-	-
2019/2020	KESt-exempt non-dividend-bearing units	AT0000A1Y9H1	USD	114.42	-	-	-

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	AT0000A1Y9J7	USD	100.59	-	0.8060	0.59
2018/2019	KESt-exempt non-dividend-bearing units	AT0000A1Y9J7	USD	110.52	-	3.6532	9.87
2019/2020	KESt-exempt non-dividend-bearing units	AT0000A1Y9J7	USD	116.98	-	6.0321	5.85

## Disbursement/Payment

The following disbursement or payment will be made for the accounting year from 1 July 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 <sup>t</sup> with option declaration	KES <sup>t</sup> w/o option declaration	Reinvestment
Dividend-bearing units	AT0000A0WJX7	USD	2.8500		1.1605	1.1605	1.9571
Dividend-bearing units	AT0000A1Y9D0	USD	-		-	-	-
Dividend-bearing units	AT0000A1Y9E8	USD	-		-	-	-
Non-dividend-bearing units	AT0000A0WJY5	USD	1.3319		1.3319	1.3319	4.1848
Non-dividend-bearing units	AT0000A1Y9F5	USD	-		-	-	-
Non-dividend-bearing units	AT0000A1Y9G3	USD	-		-	-	-
KES <sup>t</sup> -exempt non-dividend-bearing units	AT0000A0WJZ2	USD	-	*	-	-	5.7076
KES <sup>t</sup> -exempt non-dividend-bearing units	AT0000A1Y9H1	USD	-	*	-	-	-
KES <sup>t</sup> -exempt non-dividend-bearing units	AT0000A1Y9J7	USD	-	*	-	-	6.0321

\* 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>AT0000A0WJX7 dividend-bearing units USD</b>	
Unit value at the beginning of the reporting period (101,807.811 units)	103.09
	2.5000
Unit value at the end of the reporting period (75,010.811 units)	105.81
Total value including (notional) units gained through dividend disbursement/payment	108.38
Net earnings per unit	5.29
<b>Value development of one unit in the period</b>	<b>5.13%</b>

<b>AT0000A1Y9D0 dividend-bearing units USD</b>	
Unit value at the beginning of the reporting period (0.000 units)	108.79
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	114.59
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>AT0000A1Y9E8 dividend-bearing units USD</b>	
Unit value at the beginning of the reporting period (0.000 units)	107.97
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	113.55
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>AT0000A0WJY5 non-dividend-bearing units USD</b>	
Unit value at the beginning of the reporting period (8,920.515 units)	116.83
Disbursement/payment on 27.09.2019 (corresponds to roughly 0.0072 units at a calculated value of 118.70)	0.8584
Unit value at the end of the reporting period (8,187.504 units)	121.93
Total value including (notional) units gained through dividend disbursement/payment	122.81
Net earnings per unit	5.98
<b>Value development of one unit in the period</b>	<b>5.12%</b>

<b>AT0000A1Y9F5 non-dividend-bearing units USD</b>	
Unit value at the beginning of the reporting period (0.000 units)	108.79
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	114.42
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>AT0000A1Y9G3 non-dividend-bearing units USD</b>	
Unit value at the beginning of the reporting period (0.000 units)	107.97
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	113.55
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>AT0000A0WJZ2 KEST-exempt non-dividend-bearing units USD</b>	
Unit value at the beginning of the reporting period (836,657.215 units)	120.09
Disbursement/payment	0.0000
Unit value at the end of the reporting period (601,123.976 units)	126.25
Total value including (notional) units gained through dividend disbursement/payment	126.25
Net earnings per unit	6.16
<b>Value development of one unit in the period</b>	5.13%

<b>AT0000A1Y9H1 KEST-exempt non-dividend-bearing units USD</b>	
Unit value at the beginning of the reporting period (0.000 units)	108.79
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	114.42
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>AT0000A1Y9J7 KEST-exempt non-dividend-bearing units USD</b>	
Unit value at the beginning of the reporting period (41,239.452 units)	110.52
Disbursement/payment	0.0000
Unit value at the end of the reporting period (35,175.171 units)	116.98
Total value including (notional) units gained through dividend disbursement/payment	116.98
Net earnings per unit	6.46
<b>Value development of one unit in the period</b>	5.85%

## 2. Fund Result

### a. Realised fund result

#### Ordinary fund result

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

Interest income (excluding income adjustment)	4,393,400.02	
Dividend income	0.00	
Other income 8)	0.00	
Total income (without profit or loss from price changes)		4,393,400.02

##### Interest paid

- 441.92

##### Expenses

Fees paid to Investment Firm	- 929,619.53	
Costs for the financial auditor and tax consultation	- 6,102.88	
Publication costs	- 40,651.45	
Securities account fees	- 31,276.76	
Depository bank fees	- 78,251.89	
Costs for the external consultant	0.00	
Total expenses		- 1,085,902.51
Compensation for management costs from sub-funds 1)		0.00

#### Ordinary fund result (excluding income adjustment)

**3,307,055.59**

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

Realised gains 4)	3,866,796.24	
Realised losses 5)	- 2,408,675.69	

#### Realised profit or loss from price changes (excluding income adjustment)

**1,458,120.55**

#### Realised fund result (excluding income adjustment)

**4,765,176.14**

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

Changes in the unrealised profit or loss from price changes 7)	- 124,530.51
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#### Result for the reporting period 6)

**4,640,645.63**

### c. Income adjustment

Income adjustment for income in the period	- 716,245.23
Income adjustment for profit carried forward from dividend-bearing units	- 53,288.25

#### Overall fund result

**3,871,112.15**

### **3. Changes in Fund Assets**

<b>Fund assets at the beginning of the reporting period</b>	<b>116,572,350.33</b>
<b>Disbursement/payment in the accounting year</b>	<b>- 259,400.21</b>
<b>Issue and redemption of units</b>	<b>- 31,240,097.81</b>
<b>Overall fund result</b>	
(The fund result is shown in detail under item 2.)	<b>3,871,112.15</b>
<b>Fund assets at the end of the reporting period</b>	<b><u>88,943,964.46</u></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): USD 1,333,590.04.
- 4) Thereof profits from transactions with derivative financial instruments: USD 45,312.50.
- 5) Thereof losses from transactions with derivative financial instruments: USD -124.00.
- 6) The result for the accounting year includes explicitly reported transaction costs in the amount of USD 1,988.49.
- 7) Thereof changes in unrealised gains USD -238,301.92 and unrealised losses USD 113,771.41.
- 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 USD 0.00, to earnings from real estate funds in the amount of USD 0.00, and to other earnings in the amount of USD 0.00.

# Statement of Assets and Liabilities as of 30 June 2020

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

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding Units/nominal (nom. in 1,000, rounded)	Price	Value in USD	% share of fund assets
<b>Publicly traded securities</b>								
<b>Bonds denominated in USD</b>								
<b>Issue country Bermuda</b>								
CBQ FINANCE 16/21 MTN	XS1432416029	3.250	0	0	600	101.895	611,370.00	0.69
CREDICORP 20/25 REGS	USG2519YAA67	2.750	400	0	400	99.890	399,560.00	0.45
OOREDOO ITL.FI.13/43 REGS	XS0881740384	4.500	0	0	500	120.469	602,343.75	0.68
QATAR REINS.C.17/UND FLR	XS1577847145	4.950	0	0	300	97.609	292,828.13	0.33
TENGIZC.FIN.C.I. 16/26	USG87602AA90	4.000	0	0	1,000	105.750	1,057,500.00	1.19
Total issue country Bermuda							2,963,601.88	3.33
<b>Issue country Cayman Islands</b>								
COUNTRY GARD 19/22	XS1940128371	7.125	1,000	800	1,000	105.038	1,050,383.15	1.18
COUNTRY GARD 20/30	XS2100726160	5.625	2,500	2,000	500	102.755	513,776.63	0.58
IBQ FIN. 15/20 MTN	XS1325770722	3.500	0	0	500	101.156	505,781.25	0.57
	XS1743535491	4.500	0	0	500	107.656	538,281.25	0.61
LONGFOR GRP 20/32	XS2098650414	3.850	500	0	500	101.641	508,203.13	0.57
MAF GLOB.SEC. 14/24 REGS	XS1064799841	4.750	0	0	400	105.625	422,500.00	0.48
SANDS CHINA 19-23	US80007RAB15	4.600	0	0	600	105.531	633,187.50	0.71
SANDS CHINA 19-28	US80007RAE53	5.400	0	0	800	110.900	887,200.00	1.00
SHIMAO GROUP HLDGS 19/26	XS2025575114	5.600	500	0	500	105.672	528,359.38	0.59
Total issue country Cayman Islands							5,587,672.29	6.28
<b>Issue country Chile</b>								
BCO SANT.CHILE 20/25 MTN	US05971WAC73	2.700	400	0	400	103.359	413,437.50	0.46
CELULOSA ARAUCO 2027	US151191BB89	3.875	400	0	400	102.719	410,875.00	0.46
CELULOSA ARAUCO 2047	US151191BD46	5.500	0	0	300	103.984	311,953.13	0.35
EMBOT.ANDINA 13/23 REGS	USP3697UAD02	5.000	0	0	100	109.250	109,250.00	0.12
EMBOT.ANDINA 20/50 REGS	USP3697UAE84	3.950	1,000	0	1,000	101.175	1,011,750.00	1.14
ENGIE ENERG.CL 14/25 REGS	USP36020AB42	4.500	0	0	400	108.672	434,687.50	0.49
GNL QUINTERO 14/29 REGS	USP4909LAA81	4.634	0	0	500	107.750	538,750.00	0.61
INVERS.CMPC KY 12/22 REGS	USP58073AA84	4.500	0	0	300	103.734	311,203.13	0.35
TRANSELEC 16/29 REGS	USP9339SAS34	3.875	0	0	300	105.688	317,062.50	0.36
Total issue country Chile							3,858,968.76	4.34
<b>Issue country Great Britain</b>								
MMC FINANCE 13/20 REGS	XS0982861287	5.550	0	0	300	101.609	304,828.13	0.34
MMC FINANCE 15/22 REGS	XS1298447019	6.625	0	0	300	109.828	329,484.38	0.37
Total issue country Great Britain							634,312.51	0.71

Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in USD	% share of fund assets
<b>Issue country Hong Kong</b>								
GLP CN HOLD. 19/24 MTN	XS1941781749	4.974	1,800	1,000	1,800	102.984	1,853,718.75	2.08
VANKE R.E.HK 19/29 MTN	XS2078642183	3.500	1,000	0	1,000	103.031	1,030,312.50	1.16
VANKE REAL EST. 18/24	XS1917548247	5.350	0	0	500	110.422	552,109.38	0.62
Total issue country Hong Kong							3,436,140.63	3.86
<b>Issue country India</b>								
ADA/KODA/WAR 19/39 REGS	XS2057842176	4.625	500	0	500	95.125	462,545.31	0.52
ADANI TRANS. 19/36 REGS	XS2080214864	4.250	200	0	200	96.828	192,687.97	0.22
REC 18/23 MTN REGS	XS1902341939	5.250	0	0	300	105.563	316,687.50	0.36
Total issue country India							971,920.78	1.09
<b>Issue country Indonesia</b>								
PT BK.RAKYAT 19/24	XS1963534968	3.950	500	0	500	103.188	515,937.50	0.58
Total issue country Indonesia							515,937.50	0.58
<b>Issuer International Finance Corporation</b>								
AFRICA FIN. 19/29MTN REGS	XS2072933778	3.750	600	0	600	100.744	604,463.82	0.68
AFRICA FIN.20/25 MTN REGS	XS2189425122	3.125	1,200	0	1,200	100.255	1,203,060.00	1.35
BOAD 19/31 REGS	XS2063540038	4.700	1,500	0	1,500	100.870	1,513,050.00	1.70
BSTDB 16/21 MTN REGS	XS1405888576	4.875	0	0	750	101.900	764,250.00	0.86
EURAS.DEV.BK 13/20 MTN	XS0972645112	5.000	0	0	500	100.250	501,250.05	0.56
Total issuer International Finance Corporation							4,586,073.87	5.16
<b>Issue country Ireland</b>								
PHOSAGRO BD FDG 17/21	XS1599428726	3.950	0	251	249	102.875	256,158.77	0.29
Total issue country Ireland							256,158.77	0.29
<b>Issue country Israel</b>								
DELEK + AVNER 2020 144A	IL0011321663	4.435	0	0	320	100.891	322,850.00	0.36
Total issue country Israel							322,850.00	0.36
<b>Issue country Republic of Korea</b>								
KEB HANA B.14/24 MTN	US40963MAH51	4.375	0	0	500	109.984	549,921.88	0.62
KOREA EL. PWR 04/34 REGS	USY48406BA27	5.125	0	0	200	137.360	274,720.00	0.31
SHINHAN BK 16/26 MTN	US82460EAJ91	3.875	0	0	400	109.112	436,448.00	0.49
Total issue country Republic of Korea							1,261,089.88	1.42
<b>Issue country Malaysia</b>								
TENAGA NASION. 95/25 REGS	USY85859AB54	7.500	0	0	300	127.203	381,609.38	0.43
Total issue country Malaysia							381,609.38	0.43

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Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding Units/nominal (nom. in 1,000, rounded)		Price	Value in USD	% share of fund assets
<b>Issue country Mexico</b>									
GRUPO TELEV. 14/45	US40049JBA43	5.000	0	0	300		110.672	332,015.63	0.37
SIGMA ALIMENTOS 16/26	USP8674JAE93	4.125	0	0	300		104.984	314,953.13	0.35
TRUST 1401 19/30 REGS	USP9401CAA01	4.869	0	0	400		101.297	405,187.50	0.46
TRUST F/1401 14/44 REGS	USP9406GAB43	6.950	0	0	200		108.750	217,500.00	0.24
Total issue country Mexico								1,269,656.26	1.43
<b>Issue country Netherlands</b>									
EQUATE PETROCH. 16/22	XS1513739927	3.000	0	0	1,000		101.375	1,013,750.00	1.14
Total issue country Netherlands								1,013,750.00	1.14
<b>Issue country Austria</b>									
SUZANO AUST. 19/29	US86964WAF95	6.000	500	0	500		108.641	543,203.13	0.61
Total issue country Austria								543,203.13	0.61
<b>Issue country Panama</b>									
ETESA 19/49 REGS	USP37146AA81	5.125	200	0	200		116.234	232,468.75	0.26
Total issue country Panama								232,468.75	0.26
<b>Issue country Peru</b>									
BCO INTL D.PERU SAA 18/23	USP13435AB16	3.375	0	0	400		102.200	408,800.00	0.46
CONSORCIO TRANSM. 13/23	USP3083SAC90	4.375	0	0	500		104.719	523,593.75	0.59
Total issue country Peru								932,393.75	1.05
<b>Issue country Philippines</b>									
BDO UNIBANK 17/23 MTN	XS1673684509	2.950	0	0	750		102.719	770,390.63	0.87
BK PHILIP.IS 19/24 MTN	XS2050923825	2.500	500	0	500		101.609	508,046.88	0.57
Total issue country Philippines								1,278,437.51	1.44
<b>Issue country Qatar</b>									
NAKILAT 06/33 REGS	USY62014AA64	6.067	0	0	400		123.344	493,375.00	0.55
RAS LAF.L.N.GAS II 05/20	USM8221WAA91	5.298	0	0	400		101.125	22,854.25	0.03
Total issue country Qatar								516,229.25	0.58
<b>Issue country Singapore</b>									
BOC AVIATION 20/23 MTN	XS2180908001	2.750	1,200	0	1,200		100.804	1,209,652.98	1.36
BPRL INTL SG 17/27 MTN	XS1548865911	4.375	300	0	300		102.500	307,500.00	0.35
LLPL CAPITAL 19/39 REGS	USY51478AA66	6.875	5,006	4,006	1,000		110.078	1,058,181.02	1.19
Total issue country Singapore								2,575,334.00	2.90

Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in USD	% share of fund assets
<b>Issue country Thailand</b>								
BANGKOK BK(HK)97/29	USY0606WBQ25	9.025	0	0	1,000	134.875	1,348,750.00	1.52
PTTEP TR.CEN 20/27 REGS	USY7150MAG25	2.587	200	0	200	102.516	205,031.25	0.23
Total issue country Thailand							1,553,781.25	1.75
<b>Issue country United Arab Emirates</b>								
NBK TIER 1 FIN.15/UND FLR	XS1206972348	5.750	0	0	500	100.109	500,546.88	0.56
RUWAIS POWER 13/36 REGS	USM8220VAA28	6.000	0	0	700	124.750	873,250.00	0.98
Total issue country United Arab Emirates							1,373,796.88	1.54
<b>Issue country British Virgin Islands</b>								
CHARMING LI.IN. 17/27	XS1692177774	4.375	0	400	400	112.688	450,750.00	0.51
CNPC GL.CAP. 20/30	XS2179918037	2.000	1,000	0	1,000	98.530	985,300.00	1.11
FRANSH.BRIL. 19/29	XS2030348903	4.250	500	0	500	100.813	504,062.50	0.57
FUQING IN.M.20/25 MTN	XS2190467667	3.250	1,800	0	1,800	99.618	1,793,126.79	2.02
HUAR.FIN.19 20/23 MTN	XS2122990570	2.500	800	0	800	99.371	794,971.32	0.89
HUAR.FIN.19 20/30 MTN	XS2122990810	3.375	400	0	400	98.469	393,875.00	0.44
HUARONG FIN.2017 17/27	XS1711550373	4.250	500	0	500	105.172	525,859.38	0.59
WHARF R.FIN. 20/30 MTN	XS2161921338	2.875	200	0	200	101.851	203,701.00	0.23
Total issue country British Virgin Islands							5,651,645.99	6.35
Total bonds denominated in USD							41,717,033.02	46.90
Total publicly traded securities							41,717,033.02	46.90
<b>Securities admitted to organised markets</b>								
<b>Bonds denominated in USD</b>								
<b>Issuer African Export and Import Bank</b>								
AFR. EXP.-IMP.BK 18/23MTN	XS1892247963	5.250	400	0	1,100	106.375	1,170,125.00	1.32
AFR.EX IM.BK 19/29 MTN	XS2053566068	3.994	400	0	400	99.625	398,500.00	0.45
Total issuer African Export and Import Bank							1,568,625.00	1.76
<b>Issue country Cayman Islands</b>								
ADCB FIN.(CAYM.)13/23	XS0897453493	4.500	0	500	500	105.641	528,203.13	0.59
CHINA OV.F.(KY)V 12/22	XS0852986156	3.950	0	0	400	104.781	419,125.00	0.47
DP WORLD CR. 16/23 MTN	XS1419869968	3.908	0	0	400	104.266	417,062.50	0.47
FIBRIA OVERS FIN. 17/27	US31572UAF30	5.500	500	0	1,000	108.250	1,082,500.00	1.22
LIMA METR.L.2 FIN. 15/34	USG54897AA45	5.875	0	0	600	118.500	382,741.02	0.43
LONGFOR GRP 19/29	XS2033262895	3.950	600	0	600	104.234	625,406.25	0.70
QNB FINANCE 16/21 MTN	XS1485745704	2.125	0	0	700	101.078	707,546.88	0.80
SHIMAO GROUP HLDGS 19/24	XS1953029284	6.125	0	0	300	105.813	317,437.50	0.36
TENCENT HLDG 20/50 MTN	US88032XAV64	3.240	600	0	600	101.259	607,551.00	0.68
Total issue country Cayman Islands							5,087,573.28	5.72

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Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding	Price	Value in USD	% share of fund assets
			Units/nominal (nom. in 1,000, rounded)					
<b>Issue country Chile</b>								
CELUL.ARAUCO 19/29 REGS	USP2195VAP06	4.250	500	300	500	103.500	517,500.00	0.58
COLBUN 17/27 REGS	USP2867KAG15	3.950	0	0	400	108.219	432,875.00	0.49
EMPRESA NAC.D.TEL.14/26	USP37115AF26	4.750	800	700	800	106.797	854,375.00	0.96
ENEL CHILE 2028	US29278DAA37	4.875	0	0	500	112.625	563,125.00	0.63
INVERS. CMPC 17/27 REGS	USP58072AL66	4.375	0	0	300	106.219	318,656.25	0.36
TELEFONICA CL.12/22 REGS	USP9047EAA66	3.875	0	500	500	103.859	519,296.88	0.58
Total issue country Chile							3,205,828.13	3.60
<b>Issue country Hong Kong</b>								
FRANSHION DEV. 11/21	USG3709DAA03	6.750	500	0	500	103.219	516,093.75	0.58
WEICHAI I.HK.E. 15/20	XS1294535833	4.125	0	0	500	100.524	502,617.50	0.57
Total issue country Hong Kong							1,018,711.25	1.15
<b>Issue country India</b>								
ADANI EL.MB. 20/30 REGS	XS2109438205	3.949	500	0	500	93.750	468,750.00	0.53
ADANI TRANSMISSION 16/26	XS1391575161	4.000	700	700	700	99.641	697,484.38	0.78
POWER FIN 20/30 MTN REGS	US73928RAB24	3.950	6,000	4,500	1,500	94.844	1,422,656.25	1.60
Total issue country India							2,588,890.63	2.91
<b>Issue country Indonesia</b>								
BANK MANDIRI 20/25 MTN	XS2169280919	4.750	500	0	500	106.406	532,031.25	0.60
ID ASA.ALUM. 20/25 REGS	USY7140WAE85	4.750	400	0	400	107.435	429,738.00	0.48
PERUSA.LISTR 20/50 REGS	US71568QAP28	4.000	300	0	300	97.855	293,565.00	0.33
PT PERUSAHA.GAS NEG.14/24	USY7136YAA83	5.125	0	0	500	105.219	526,093.75	0.59
Total issue country Indonesia							1,781,428.00	2.00
<b>Issue country Isle of Man</b>								
GOHL CAP. 17/27	XS1551355149	4.250	1,000	0	1,700	101.266	1,721,515.63	1.94
Total issue country Isle of Man							1,721,515.63	1.94
<b>Issue country Canada</b>								
MEGLOBAL CAN 20/25 MTN	XS2150023906	5.000	500	0	500	107.790	538,950.00	0.61
PTTEP C.I.F. 12/42 REGS	USC75088AC53	6.350	0	0	500	141.188	705,937.50	0.79
Total issue country Canada							1,244,887.50	1.40
<b>Issue country Colombia</b>								
BANCOLOMBIA 20/25	US05968LAM46	3.000	800	0	800	97.875	783,000.00	0.88
ECOPETROL 13/23	US279158AC30	5.875	0	500	400	107.900	431,600.00	0.49
ECOPETROL 14/45	US279158AJ82	5.875	2,500	3,000	500	105.631	528,156.25	0.59
ECOPETROL 15/26	US279158AL39	5.375	1,000	1,000	1,000	105.568	1,055,675.00	1.19
OLEODUCTO CENTR.14/21	USP7358RAC09	4.000	0	0	200	101.547	203,093.75	0.23
Total issue country Colombia							3,001,525.00	3.37

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding	Price	Value in USD	% share of fund assets
			Units/nominal (nom. in 1,000, rounded)					
<b>Issue country Republic of Korea</b>								
HYUNDAI CAP.SVCS 16/21	USY3815NAV39	2.875	0	0	500	100.781	503,906.25	0.57
KIA MOTORS 17/23 REGS	USY47606AF80	3.000	0	0	500	103.047	515,234.38	0.58
Total issue country Republic of Korea							1,019,140.63	1.15
<b>Issue country Luxembourg</b>								
SB CAPITAL 11/21 MTN	XS0638572973	5.717	0	0	300	103.830	311,490.01	0.35
SB CAPITAL 12/22 MTN	XS0743596040	6.125	0	0	300	106.469	319,406.25	0.36
Total issue country Luxembourg							630,896.26	0.71
<b>Issue country Malaysia</b>								
CIMB BK BERHAD 17/22	XS1578089234	3.263	0	0	300	102.891	308,671.88	0.35
MALAYAN BKG BERH.16/26	XS1402194952	3.905	0	0	300	102.047	306,140.63	0.34
Total issue country Malaysia							614,812.51	0.69
<b>Issue country Mexico</b>								
ALPEK S.A.B. 13/23 REGS	USP01703AB65	5.375	0	0	500	106.797	533,984.38	0.60
AMERICA MOVIL 12/42	US02364WBE49	4.375	0	0	800	122.031	976,250.00	1.10
BANCO INBURSA 14/24	USP13296AL53	4.125	300	0	800	103.328	826,625.00	0.93
FOM.ECON.MEX.SAB 13/43	US344419AB20	4.375	0	0	200	121.449	242,898.00	0.27
GRUMA S.A.B. 14/24 REGS	USP4948KAD74	4.875	0	0	500	108.078	540,390.63	0.61
GRUPO TELEV. 15/26	US40049JBB26	4.625	0	0	500	110.578	552,890.63	0.62
INFRA.EN.NOVA 17/48	USP56145AB40	4.875	200	0	500	95.813	479,062.50	0.54
ORBIA ADVANCE C.14/44	USP57908AF58	5.875	0	0	500	110.547	552,734.38	0.62
Total issue country Mexico							4,704,835.52	5.29
<b>Issue country Netherlands</b>								
LUKOIL INTL FIN.10/20REGS	XS0554659671	6.125	0	0	500	101.875	509,375.00	0.57
MINEJESA CAP. 17/30 REGS	USN57445AA17	4.625	5,700	5,100	1,500	102.250	1,533,750.00	1.72
MINEJESA CAP. 17/37 REGS	USN57445AB99	5.625	2,100	1,800	800	103.547	828,375.00	0.93
Total issue country Netherlands							2,871,500.00	3.23
<b>Issue country Austria</b>								
SUZANO 16/26 REGS	USA9890AAA81	5.750	0	0	500	109.859	549,296.88	0.62
Total issue country Austria							549,296.88	0.62
<b>Issue country Panama</b>								
BANCO GENERAL 17/27	USP12651AB49	4.125	0	0	500	106.219	531,093.75	0.60
Total issue country Panama							531,093.75	0.60

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Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding Units/nominal (nom. in 1,000, rounded)	Price	Value in USD	% share of fund assets
<b>Issue country Peru</b>								
BANCO BBVA PERU 14/29	USP16236AG98	5.250	0	0	500	107.266	536,328.13	0.60
BCO CRED.DEL PERU 12/27	USP09646AE32	6.125	0	0	900	107.125	964,125.00	1.08
COFIDE 12/22 REGS	USP31389AY82	4.750	0	0	750	104.281	782,109.38	0.88
Total issue country Peru							2,282,562.51	2.57
<b>Issue country Saudi Arabia</b>								
SAUDI ARAMCO 19/39 MTN	XS1982113463	4.250	500	700	500	112.401	562,002.50	0.63
Total issue country Saudi Arabia							562,002.50	0.63
<b>Issue country Singapore</b>								
BOC AVIATION 17/27	US09681MAE84	3.500	700	0	700	102.150	715,046.50	0.80
DBS GRP HLDGS 16/UND	XS1484844656	3.600	0	0	1,300	100.531	1,306,906.25	1.47
UTD OV. BK 17/UND.FLR	XS1699845068	3.875	0	0	500	101.547	507,734.38	0.57
Total issue country Singapore							2,529,687.13	2.84
<b>Issue country Thailand</b>								
PTT GLOB.CHEM.P. 12/22	USY7150WAA37	4.250	0	0	500	105.188	525,937.50	0.59
THAI OIL PCL 13/23 REGS	USY8620BAP68	3.625	0	0	300	104.238	312,713.25	0.35
Total issue country Thailand							838,650.75	0.94
<b>Issue country USA</b>								
SOUTH.COPPER 12/42	US84265VAG05	5.250	0	0	500	118.408	592,041.82	0.67
Total issue country USA							592,041.82	0.67
<b>Issue country United Arab Emirates</b>								
ABU DHABI NAT.E.18/30 MTN	XS1808738212	4.875	0	0	1,300	120.344	1,564,468.75	1.76
DP WORLD 07/37 MTN REGS	XS0308427581	6.850	0	200	300	122.625	367,875.00	0.41
DP WORLD 18/48 MTN REGS	XS1883879006	5.625	600	0	1,100	109.490	1,204,390.06	1.35
Total issue country United Arab Emirates							3,136,733.81	3.53
<b>Issue country British Virgin Islands</b>								
COSL FIN.(BVI) 12/22 REGS	USG2444PAA50	3.250	0	0	500	103.281	516,406.25	0.58
HUARONG FIN.II 15/20 MTN	XS1317967146	3.750	700	0	700	100.325	702,275.00	0.79
SINO-OCEAN LD.T.F.2 15/27	XS1163722587	5.950	0	0	500	108.040	540,198.33	0.61
Total issue country British Virgin Islands							1,758,879.58	1.98
Total bonds denominated in USD							43,841,118.07	49.29
Total securities admitted to organised markets							43,841,118.07	49.29

Security designation	ISIN number	Interest rate	Purch./ additions Sales/ disposals Units/nominal (nom. in 1,000, rounded)	Holding	Price	Value in USD	% share of fund assets
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**New issues****Bonds denominated in USD****Issue country British Virgin Islands**

CLP P.H.K.F. 20/30 MTN	XS2193950354	2.125	800	0	800	99.365	794,920.00	0.89
Total issue country British Virgin Islands							794,920.00	0.89
Total bonds denominated in USD							794,920.00	0.89
Total new issues							794,920.00	0.89

**Unlisted securities****Bonds denominated in USD****Issue country Indonesia**

PERUSA.LISTR 20/30 REGS	US71568QAN79	3.000	300	0	300	99.250	297,750.00	0.33
Total issue country Indonesia							297,750.00	0.33
Total bonds denominated in USD							297,750.00	0.33
Total unlisted securities							297,750.00	0.33

**Breakdown of fund assets**

Transferable securities	86,650,821.09	97.42
Bank balances	1,275,854.04	1.43
Interest entitlements	1,019,734.50	1.15
Other deferred items	-2,445.17	-0.00
Fund assets	88,943,964.46	100.00

**Investor note:**

The values of assets in illiquid markets may deviate from their actual selling prices.

Dividend-bearing units outstanding	AT0000A0WJX7	units	75,010.811
Value of dividend-bearing unit	AT0000A0WJX7	USD	105.81
Dividend-bearing units outstanding	AT0000A1Y9D0	units	0.000
Value of dividend-bearing unit	AT0000A1Y9D0	USD	114.59
Dividend-bearing units outstanding	AT0000A1Y9E8	units	0.000
Value of dividend-bearing unit	AT0000A1Y9E8	USD	113.55
Non-dividend-bearing units outstanding	AT0000A0WJY5	units	8,187.504
Value of non-dividend-bearing unit	AT0000A0WJY5	USD	121.93

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Non-dividend-bearing units outstanding	AT0000A1Y9F5	units	0.000
Value of non-dividend-bearing unit	AT0000A1Y9F5	USD	114.42
Non-dividend-bearing units outstanding	AT0000A1Y9G3	units	0.000
Value of non-dividend-bearing unit	AT0000A1Y9G3	USD	113.55
KEST-exempt non-dividend-bearing units outstanding	AT0000A0WJZ2	units	601,123.976
Value of KEST-exempt non-dividend-bearing unit	AT0000A0WJZ2	USD	126.25
KEST-exempt non-dividend-bearing units outstanding	AT0000A1Y9H1	units	0.000
Value of KEST-exempt non-dividend-bearing unit	AT0000A1Y9H1	USD	114.42
KEST-exempt non-dividend-bearing units outstanding	AT0000A1Y9J7	units	35,175.171
Value of KEST-exempt non-dividend-bearing unit	AT0000A1Y9J7	USD	116.98

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

**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**

<b>Security designation</b>	<b>ISIN number</b>	<b>Interest rate</b>	<b>Purch./ additions Units/nominal (nom. in 1,000, rounded)</b>	<b>Sales/ disposals</b>
<b>Publicly traded securities</b>				
<b>Bonds denominated in USD</b>				
<b>Issue country Bermuda</b>				
OOREDOO ITL.FI.16/26 REGS	XS1435374126	3.750	0	1,000
<b>Issue country Cayman Islands</b>				
ABQ FIN. 17/22 MTN	XS1569829200	3.500	0	400
BRASKEM FIN. 11/21 REGS	USG1315RAD38	5.750	0	800
COUNTRY GARDEN HLDGS18/24	XS1880442717	8.000	1,400	1,400
GRUPOSURA FIN. 16/26 REGS	USG42036AB25	5.500	0	700
HK LAND FIN 20/30 MTN	XS2143035587	2.875	1,000	1,000
SANDS CHINA 19-25	US80007RAF29	5.125	0	800
SHIMAO GROUP HLDGS 18/21	XS1891434604	6.375	500	500
<b>Issue country Chile</b>				
CELULOSA ARAUCO 14/24	US151191AZ66	4.500	0	600
CENCOSUD 11/21 REGS	USP2205JAE03	5.500	0	500
ENGIE ENERG.CL 10/21 REGS	USP36020AA68	5.625	0	400
ITAU CORPBANCA 14/19 REGS	USP3143KEZ95	3.875	0	300
<b>Issue country Hong Kong</b>				
CNAC (HK) FIN. 18/21	XS1788511951	4.125	0	500
<b>Issue country India</b>				
POWER FIN 19/29 MTN	XS2013531061	4.500	1,000	1,000
<b>Issue country Indonesia</b>				
ID ASA.ALUM. 18/23 REGS	USY7140WAB47	5.710	0	500
PERUSA.LISTR 19/30 REGS	US71568QAL14	3.375	1,000	1,000
PT PERTAMINA 20/60 MTN	US69370RAJ68	4.150	1,000	1,000
<b>Issue country Israel</b>				
ISRAEL ELE. 14-24 144A	IL0060001943	5.000	0	1,500

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**ERSTE BOND EM CORPORATE IG**


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<b>Security designation</b>	<b>ISIN number</b>	<b>Interest rate</b>	<b>Purch./ additions Units/nominal (nom. in 1,000, rounded)</b>	<b>Sales/ disposals</b>
<b>Issue country Canada</b>				
PTTEP C.I.F. 11/21 REGS	USC75088AA97	5.692	0	500
<b>Issue country Colombia</b>				
BANCOLOMBIA 11/21	US05968LAG77	5.950	0	750
<b>Issue country Republic of Korea</b>				
HANWHA L.INS. 18/48 REGS	USY306AXAB69	4.700	600	600
POSCO 19/22 REGS	USY70750BT30	2.375	1,200	1,200
POSCO 20/25 REGS	USY70750BV85	2.500	1,200	1,200
<b>Issue country Morocco</b>				
OCP S.A. 14/24	XS1061043011	5.625	0	1,000
<b>Issue country Netherlands</b>				
PROSUS 20/30 REGS	USN7163RAA16	3.680	400	400
<b>Issue country Austria</b>				
SUZANO AUST. 18/29 REGS	USA8372TAF50	6.000	0	500
SUZANO AUST. 19/30	US86964WAH51	5.000	500	500
<b>Issue country Panama</b>				
ETESA 19/49 REGS	USP37146AA81	5.125	0	200
<b>Issue country Qatar</b>				
RAS LAF.L.N.GAS III 06/27	USM8222MAD40	6.332	0	1,000
<b>Issue country Singapore</b>				
LLPL CAPITAL 19/39 REGS	USY51478AA66	6.875	0	500
<b>Issue country USA</b>				
SASOL F. USA 18/24	US80386WAA36	5.875	0	1,500
SASOL F. USA 18/28	US80386WAB19	6.500	500	500
<b>Issue country United Arab Emirates</b>				
EMIR.TELECOM.GP 14/24 MTN	XS1077883012	3.500	0	500
EMIRATES 20/25 MTN	XS2119472178	2.625	400	400
EMIRATES NBD 17/22 MTN	XS1716831570	3.250	0	500
MASHREQBANK 19/24 MTN	XS1956021585	4.250	0	1,000

<b>Security designation</b>	<b>ISIN number</b>	<b>Interest rate</b>	<b>Purch./ additions Units/nominal (nom. in 1,000, rounded)</b>	<b>Sales/ disposals</b>
<b>Issue country British Virgin Islands</b>				
CH.CINDA FI.(2017)I 18/28	XS1757392540	4.750	0	500
RADIANT ACCESS 17/UND.	XS1607974877	4.600	800	800
<b>Securities admitted to organised markets</b>				
<b>Bonds denominated in EUR</b>				
<b>Issue country Hong Kong</b>				
CNAC (HK) FIN. 18/22	XS1791704189	1.750	1,000	1,000
<b>Bonds denominated in USD</b>				
<b>Issue country Bermuda</b>				
OOREDOO ITL.FI.10/25 REGS	XS0551307100	5.000	0	1,000
<b>Issue country Cayman Islands</b>				
ALIBABA GR.HLDG 17/47	US01609WAV46	4.200	0	300
BAIDU 17/27	US056752AJ76	3.625	0	700
BAIDU 20/25	US056752AQ10	3.075	200	200
CK HUTCH.19 19/29 REGS	USG2179DAB13	3.625	0	300
CK HUTCH.INTL 17/27 REGS	USG2177UAB55	3.500	0	500
HUTCH.WH.I.11 12/22 REGS	USG4673GAB17	4.625	0	600
KUWAIT PROJ.CO. SPC 16/23	XS1379107219	5.000	0	500
OVPH UND.	XS1366918305	5.875	200	800
SUN HUNG KAI PR.17/UNDMTN	XS1617128928	4.450	1,000	1,000
SWIRE PRO.FIN. 12/22 MTN	XS0794206465	4.375	0	300
TENCENT HLDG 19/29 MTN	US88032XAN49	3.975	0	500
TENCENT HLDGS 18/28 MTN	US88032XAG97	3.595	0	500
VALE OVERSEAS 06/36	US91911TAH68	6.875	0	192
VALE OVERSEAS 16/26	US91911TAP84	6.250	0	800
<b>Issue country Chile</b>				
CENCOSUD 15/45 REGS	USP2205JAL46	6.625	0	400
CENCOSUD 17/27 REGS	USP2205JAQ33	4.375	0	600
EMPRESA NAC.D.TEL.13/24	USP37115AE50	4.875	0	1,000
<b>Issue country China</b>				
BK OF CHINA 14/24MTN REGS	US06120TAA60	5.000	0	750
IND.+COMM.BK CHINA 15/25	USY39656AC06	4.875	0	500
<b>Issue country Curacao</b>				
SUAM FINANCE. 14/24 REGS	USN8370TAA45	4.875	0	750

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**ERSTE BOND EM CORPORATE IG**


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<b>Security designation</b>	<b>ISIN number</b>	<b>Interest rate</b>	<b>Purch./ additions Units/nominal (nom. in 1,000, rounded)</b>	<b>Sales/ disposals</b>
<b>Issue country Hong Kong</b>				
BOC HONG KONG 18/UND. FLR	US06428YAA47	5.900	0	1,300
CNAC (HK) FIN. 17/22	XS1644429695	3.500	300	800
<b>Issue country India</b>				
ADANI PORTS 19/24 REGS	USY00130RW92	3.375	1,000	1,000
ADANI PORTS 19/29 REGS	USY00130RP42	4.375	300	300
BHARAT PETR.CO. 15/25 MTN	XS1227064430	4.000	0	500
HINDUSTAN PETR. 17/27	XS1637846616	4.000	0	500
ICICI BK(DB BR.)16/26REGS	US45112FAJ57	4.000	0	1,000
IND.RWY FIN 19/24	XS1969727491	3.730	0	500
NTPC 16/26 MTN	XS1372846003	4.250	0	900
POWER FIN 19/29 MTN	XS2051369671	3.900	300	300
POWER FINANCE 18/28 MTN	XS1864036576	5.250	0	500
REC 17/27 MTN	XS1641477119	3.875	300	800
REC 19/24 MTN	XS2013002824	3.375	500	500
RELIANCE INDS 17/27 REGS	USY72570AN72	3.667	1,000	1,000
<b>Issue country Indonesia</b>				
PT PERTAMINA 20/50 MTN	US69370RAG20	4.175	1,500	1,500
<b>Issue country Canada</b>				
CNOOC PETROLEUM N.A.2035	US65334HAE27	5.875	0	500
<b>Issue country Colombia</b>				
ECOPETROL 14/25	US279158AK55	4.125	500	500
<b>Issue country Republic of Korea</b>				
HYUNDAI CAP.SVCS 17/27MTN	USY3815NAZ43	3.625	0	700
<b>Issue country Luxembourg</b>				
STEEL CAP. 12/22 MTN REGS	XS0841671000	5.900	0	700
<b>Issue country Malaysia</b>				
PETRONAS CAP. 20/30 REGS	USY68856AT38	3.500	250	250
<b>Issue country Mexico</b>				
BBVA BANC.TEX. 12/22 REGS	USP16259AH99	6.750	300	300
GRUPO BIMBO 12/22 REGS	USP4949BAH70	4.500	0	300
PET. MEX. 12/44	US71654QBE17	5.500	1,500	1,500

<b>Security designation</b>	<b>ISIN number</b>	<b>Interest rate</b>	<b>Purch./ additions Units/nominal (nom. in 1,000, rounded)</b>	<b>Sales/ disposals</b>
<b>Issue country Netherlands</b>				
BHARTI AIRT.INTL(NL)13/23	USN1384FAA32	5.125	1,000	1,000
BHARTI AIRT.INTL(NL)14/24	USN1384FAB15	5.350	1,000	2,000
LUKOIL INTL FIN. 13/23	XS0919504562	4.563	0	500
PROSUS 17/27 REGS	USN5946FAD98	4.850	0	1,000
<b>Issue country Peru</b>				
KALLPA GENER. 17/27 REGS	USP2400PAA77	4.125	0	900
<b>Issue country Saudi Arabia</b>				
SAUDI ARAMCO 19/29 MTN	XS1982113208	3.500	1,000	1,000
SAUDI ARAMCO 19/49 MTN	XS1982116136	4.375	1,000	1,000
<b>Issue country Sweden</b>				
PKO FINANCE 12/22 MTN	XS0783934085	4.630	0	600
<b>Issue country Singapore</b>				
GLP PTE. LTD. 15/25	XS1242348164	3.875	0	400
OVERS.-CHIN.BKG.14/24 MTN	US69033DAC11	4.250	0	1,000
<b>Issue country USA</b>				
BRASKEM AMERICA FIN.11/41	USU1065PAA94	7.125	0	600
RELIANCE HLDG USA 12/22	USU75888AC81	5.400	0	300
USA 19/29	US9128286T26	2.375	7,500	7,500
USA 19/49	US912810SK51	2.375	10,000	10,000
<b>Issue country United Arab Emirates</b>				
ABU DH.COMM.BK. 18/23 MTN	XS1789460216	4.000	0	1,000
ABU DHABI NAT.E.11/21 MTN	XS0717839871	5.875	0	400
ACWA PO.M+I.O. 17/39 REGS	USM00020AA12	5.950	0	1,000
DOLPHIN ENERGY 12/21 REGS	USM28368AB04	5.500	0	400
DUB.ELEC.+ WA. 10/20 MTN	XS0551313686	7.375	0	500
FIRST ABU DHABI BK 17/22	XS1587035996	3.000	0	400
KUWAIT PROJ.CO. SPC 17/27	XS1567906059	4.500	0	500
<b>Issue country British Virgin Islands</b>				
CH.CINDA F.(2015)I 15/25	USG21184AB52	4.250	0	500
GERDAU TRADE 17/27 REGS	USG3925DAD24	4.875	0	300
HUARONG FIN.II 16/26 MTN	XS1422790615	4.625	0	750
MEGA ADV.INV. 11/21 REGS	USG59606AA46	5.000	0	700

## ERSTE BOND EM CORPORATE IG

Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals
<b>Unlisted securities</b>				
<b>Bonds denominated in USD</b>				
<b>Issuer African Export and Import Bank</b>				
AFR. EXP.-IMP.BK 14/19MTN	XS1091688660	4.750	0	500
<b>Issue country Cayman Islands</b>				
SWIRE P.MTN FIN.09/19 MTN	XS0446665886	5.500	0	200
<b>Issue country Hong Kong</b>				
CCB (ASIA) 14/24 FLR MTN	XS1100009874	0.000	0	700
CN CITIC BK I. 10/20 MTN	XS0520490672	6.875	0	500
ICBCIL FIN.CO. 17/20	XS1590507775	3.000	0	500
<b>Issue country India</b>				
BK OF INDIA(LDN.BR.)15/20	XS1227592703	3.125	0	500
<b>Issue country Ireland</b>				
STEEL FNDG 17/24 REGS	XS1577953174	4.000	0	300
<b>Issue country Mexico</b>				
TRUST F/1401 15/26 REGS	USP9406GAC26	5.250	0	500
<b>Issue country Netherlands</b>				
PROSUS 13/20 REGS	USN5946FAB33	6.000	0	500
PROSUS 15/25 REGS	USN5946FAC16	5.500	0	1,000
<b>Issue country British Virgin Islands</b>				
CLP POW.H.K.FIN.10/20 MTN	XS0493535966	4.750	0	200
DOUBLE ROSY 14/19	XS1132156230	3.625	0	350
HUARONG FIN.CO. 17/20	XS1555076329	3.375	0	500

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

\* 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 BOND EM CORPORATE IG  
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 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 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 BOND EM CORPORATE IG, 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 Depository Bank (Depository)**

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

The payment offices for unit certificates are the depository bank (depository) 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.

The Fund invests predominantly in the emerging markets.

The Fund invests predominantly, in other words at least 51% of its assets, in corporate bonds and corporate bonds in the form of money market instruments with an investment grade (IG) rating in the form of directly purchased individual instruments, in other words not indirectly or directly through investment funds or through derivatives.

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) may comprise up to 100% of the fund assets.

b) Money market instruments

Money market instruments may comprise up to 100% 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.

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, 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) as amended.

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 25% 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 securities and/or money market instruments, the Fund can hold a proportion of transferable securities and/or money market instruments 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

Does not apply.

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 3.5% 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 1.0% 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 1.00% 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)<br>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  |
| 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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