

INFORMATION FOR INVESTORS PURSUANT TO § 21 AIFMG

**for the alternative investment fund
(the “Fund” in the following)**

HEMUS

This is a jointly owned special fund pursuant to §§ 163 f in conjunction with
§§ 166 f InvFG 2011¹ in conjunction with the AIFMG².

**managed by
Erste Asset Management GmbH
Am Belvedere 1
A-1100 Vienna
(the “Management Company” in the following)**

¹ Austrian Investment Fund Act [Investmentfondsgesetz] 2011 as amended)

² Austrian Alternative Investment Fund Manager Act [Alternative Investmentfonds Manager-Gesetz] as amended)

Overview of ISINs

AT0000A2F9R2 (dividend-bearing units)

Details on the publication and validity of the document

The Fund is intended solely for sale to certain special fund investors.

The Fund Rules and this document become effective on 16.04.2026.

Note on the provision of documents

The information referenced in this document such as the Fund Rules, key information document, annual reports, and semi-annual reports shall be provided to the investor free of charge in the manner agreed with him.

For better readability gendering has been omitted. The personal terms used refer to all genders.

DISCLAIMER ON THE DISTRIBUTION OF UNITS OF THIS FUND TO RUSSIAN INDIVIDUALS OR LEGAL PERSONS

Sales restriction

Due to the EU sanctions, the issued units of this investment fund may not be sold to Russian citizens or natural persons resident in Russia or to legal persons, entities or bodies established in Russia. This does not apply to citizens of an EU Member State, a country belonging to the European Economic Area or Switzerland and natural persons holding a temporary or permanent residence permit of an EU Member State, a country belonging to the European Economic Area or Switzerland.

This Document may not be circulated in Russia.

DISCLAIMER FOR THE SALE of non-US funds to US investors

The fund registration process was completed with the US Internal Revenue Service (IRS) in the course of the implementation of the US Foreign Account Tax Compliance Act (FATCA).

Therefore, the investment fund is FATCA-compliant pursuant to the provisions defined by this act.

Limitations on Sale

The units issued for this Fund may only be publicly offered or sold in countries in which such a public offer or sale is permitted. Therefore, unless the Management Company or representatives of the Management Company have filed an application with the local supervisory authorities and permission has been granted by the local supervisory authorities, and as long as no such application has been filed or no such permission granted by the supervisory authorities, this prospectus does not represent an offer to buy investment units.

The units have not been and will not be registered pursuant to the 1933 United States Securities Act as amended (hereinafter the "Securities Act of 1933") or pursuant to the securities regulations of a state or other public entity of the United States of America or its territories, possessions or other areas subject to its sovereignty, including the Commonwealth of Puerto Rico (hereinafter collectively designated as the "United States").

The units may not be publicly offered, sold, or otherwise transferred in the United States. The units are being offered and sold on the basis of an exemption from registration pursuant to Regulation S of the Securities Act of 1933. The Management Company and the Investment Fund have not been and will not be registered pursuant to the 1940 United States Investment Company Act as amended, or pursuant to any other US federal laws. Therefore, the units will not be publicly offered or sold in the United States or to or for the account of US persons (in the sense of the definition for the purposes of US federal laws governing securities, goods, and taxes, including Regulation S of the United States Securities Act of 1933 – hereinafter collectively referred to as "US persons"). Subsequent transfers of units in the United States or to US persons are prohibited.

The units have not been admitted for sale or public offering by the US Securities and Exchange Commission (hereinafter designated as the "SEC") or any other supervisory authority in the United States, and no application for admittance for sale or public offering has been rejected by the SEC or any other supervisory authority in the United States; furthermore, neither the SEC nor any other supervisory authority in the United States has released an opinion on the correctness and appropriateness of this document or the advantages of the fund units. The United States Commodity Futures Trading Commission has neither examined nor approved this document or any other sales documents for the Management Company or the Investment Fund.

No party is authorised to provide information or make assurances that are not contained in the document or in the materials referred to in the document. These documents are available to the public at the registered office of the Management Company.

This document may not be circulated in the United States.

Investors who are Restricted Persons pursuant to US Regulation No. 2790 of the National Association of Securities Dealers (NASD 2790) must immediately report any investments in funds from the Management Company.

SECTION I

INFORMATION ABOUT THE MANAGEMENT COMPANY

1. Style and registered office; legal form; establishment; information about the court of registration and register entry; valid law

The Management Company offering the investment fund described in this document is Erste Asset Management GmbH, registered office at Am Belvedere 1, A-1100 Vienna.

Effective 18 June 2008, Finanzierungs-Aktiengesellschaft österreichischer Sparkassen, which was established on 20 June 1979 and later registered as FINAG-Holding AG and FINAG-Holding GmbH, was renamed to Erste Asset Management GmbH.

Effective 31 December 2015, the company RINGTUM Kapitalanlagegesellschaft m.b.H., which was established on 26 May 1988, was merged into Erste Asset Management GmbH as the receiving company. In addition, ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H., which was established on 7 November 1985, was merged into Erste Asset Management GmbH, the receiving company, effective 31 December 2017.

Erste Asset Management GmbH is a management company as defined by the InvFG 2011 and an alternative investment fund manager as defined by the AIFMG. It has the form of a limited liability company under Austrian commercial law (Gesellschaft mit beschränkter Haftung, GmbH), is subject to Austrian law, and is registered with the Vienna Commercial Court under registry number FN 102018 b.

The Management Company maintains a branch in the Czechia by the name of Erste Asset Management GmbH, pobočka Česká Republika. This branch has its registered office at CZ-140 00 Praha 4, Budějovická 1518/13a (Trianon Building), <https://www.erste-am.cz>. The Management Company also has a branch in the Slovak Republic by the name of Erste Asset Management GmbH, pobočka Slovenská republika. This branch has its registered office at SK-832 65 Bratislava, Tomášikova 48, <https://www.erste-am.sk>. Furthermore, the Management Company maintains a branch in Hungary by the name of Erste Asset Management GmbH, Magyarországi Fióktelepe. This branch has its registered office at HU-1138 Budapest, Népfürdő street 24-26, 9th floor, <https://www.erste-am.hu>. The Management Company is authorised to administer investment funds under Austrian law and to administer investment funds under Czech, Slovak and Hungarian law pursuant to § 37 InvFG 2011 in conjunction with § 32 AIFMG.

2. Information about the management

Heinz Bednar
Winfried Buchbauer
Peter Karl (ERSTE Immobilien Kapitalanlagegesellschaft m.b.H.)
Thomas Kraus

The most recent information regarding the members of the management board, taking into account any interim changes, can be found on the website of the Management Company at: <https://www.erste-am.at/de/impressum>

3. Supervisory Board

Rudolf Sagmeister, Chairman (Head of Equity Holding Management, Erste Group Bank AG)
Oswald Huber, Deputy Chairman (Head of Group Markets, Erste Group Bank AG)
Maximilian Clary und Aldringen (management board member, Erste Bank der oesterreichischen Sparkassen AG)
Klaus Felderer (management board member, Sparkasse Kufstein Tiroler Sparkasse von 1877)
Wolfgang Fusek (Head of Securities, Steiermärkische Bank und Sparkassen Aktiengesellschaft)
Harald Gasser
Gerhard Grabner (Business Director, Benediktinerstift Göttweig)
Rainer Hauser (Head of Group Investment Management, Erste Group Bank AG)
Roland Jacubetz (Head of Private Banking and Wealth Management, Erste Bank der oesterreichischen Sparkassen AG)
Michael Koren (management board member, Kärntner Sparkasse Aktiengesellschaft)
Gerhard Lahner (management board member, VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe)
Peter Prober (management board member, Sparkasse Neunkirchen)
Gerald Weber (management board member, WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group)
Martin Cech (Works Council member, Erste Asset Management GmbH)
Regina Haberhauer (Works Council member, Erste Asset Management GmbH)
Heinrich Hubert Reiner (Works Council member, Erste Asset Management GmbH)
Peter Riederer (Works Council member, Erste Asset Management GmbH)
Nicole Weinhengst (Works Council member, Erste Asset Management GmbH)
Manfred Zourek (Works Council member, Erste Asset Management GmbH)

The most recent information about the members of the Supervisory Board, including any changes that have occurred in the meantime, can be found at the Management Company's website at: <https://www.erste-am.at/de/impressum>

4. Registered capital

EUR 3.000.000, paid-in in full.

5. Financial year

The Management Company's financial year is identical to the calendar year.

6. The Management Company has delegated the following activities to third parties:

Compliance (monitoring of employee transactions, maintenance of observation lists and blacklists, market abuse monitoring): Erste Group Bank AG

Internal audit: Erste Group Bank AG (subdelegation to Erste Bank der oesterreichischen Sparkassen AG)

Payroll: Erste Group Services GmbH

Accounting: Erste Group Services GmbH

Reporting duties for derivatives pursuant to Regulation (EU) No. 648/2012 (EMIR): Erste Group Bank AG

Models for the valuation of assets: Refinitiv Austria GmbH (subdelegation to Value & Risk Valuation Services GmbH)

Electronic data processing and IT: Erste Digital GmbH (Simcorp Dimension, FMP/Data Reporting Tools, Adobe Experience Manager (Website));

StatPro (Deutschland) GmbH (StatPro Revolution); Bloomberg Finance L.P. (Bloomberg Port)

Trading Desk/Trading activities for certain investment instruments: Erste Group Bank AG

The other service providers are agents of the Management Company and exercise functions of the Management Company. Their duties are governed in the corresponding delegation agreements.

The Management Company notes that it has delegated tasks to a firm with which it is closely associated, an associated company pursuant to Article 4 (1) 38 of Regulation (EU) No. 575/2013.

7. Remuneration policy of the Management Company

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. 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. 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

https://www.erste-am.at/de/private_anleger/wer-sind-wir/investmentprozess.

8. Obligations of the Management Company

The Management Company must consistently perform its duties in an honest and fair manner and with the necessary level of expertise, care, and diligence and must act in the best interests of the investment funds under its management, the investors holding units in these funds, and the integrity of the market.

The Management Company performs the collective portfolio management, risk management, and liquidity management for the Fund.

However, the Management Company may delegate tasks to third parties (see item 6).

In addition, the Management Company must treat all investors holding units in the investment funds under its management fairly and equally pursuant to § 29 (1) InvFG 2011. Therefore, the Management Company shall not place the interests of a certain group of investors above the interests of another group of investors.

The ability to issue share classes with different characteristics or the issuance of such share classes do not represent preferential treatment of investors.

9. Information about the Management Company's regulatory capital

The Management Company calculates its required regulatory capital pursuant to § 8 InvFG 2011 as well as the additional regulatory capital pursuant to § 7 (3) and (6) 1 AIFMG on a regular basis.

The Management Company holds additional regulatory capital in order to cover the potential professional liability risks arising from its business activities.

The specific method of calculation was agreed upon with the Management Company's financial auditor listed in section II, item 6 and can be disclosed to the investor upon request.

Pursuant to the InvFG 2011, at least half of the share capital or registered capital paid into the company must be invested in gilt-edged assets. Furthermore, the AIFMG stipulates that the additional regulatory capital (for the purpose of sufficiently covering potential liability risks arising from professional negligence) may only be invested in liquid assets or assets that can be readily converted into cash in the short term and may not include speculative positions.

SECTION II

INFORMATION ABOUT HEMUS

1. Designation of the Fund

The Fund's designation is HEMUS, jointly owned special fund pursuant to §§ 163 f in conjunction with §§ 166 f InvFG 2011 in conjunction with the AIFMG (the "Fund" in the following).

The Fund is an alternative investment fund (AIF) and does not comply with Directive 2009/65/EC. Therefore, the Fund is subject to the provisions of both the InvFG 2011 and the AIFMG as well as additional applicable legal regulations.

2. Establishment of the Fund

HEMUS was issued on 04.05.2020 for an open-ended period.

3. Provision of fund documents and information

The information referenced in this document such as the Fund Rules, key information document, annual reports, and semi-annual reports shall be provided to the investor free of charge in the manner agreed with him.

If the regular information pursuant to § 21 (1) 16 AIFMG regarding the percentage of the assets contained in the Fund that are difficult to liquidate and that are therefore subject to special rules, regarding any new rules related to liquidity management for the Fund, and regarding all changes to the maximum leverage that may be used by the Management Company for the account of the Fund, any rights to the reuse of collateral or other guarantees furnished in connection with leverage, and the total amount of leverage used in the Fund is not contained in this document, it can be found in the most recent annual report for the Fund, section "Information pursuant to § 21 AIFMG" – "Calculation of the Global Exposure".

The regular information pursuant to § 21 (1) 16 AIFMG regarding the current risk profile of the Fund and the risk management systems employed by the Management Company to manage these risks can be found in the current key information document under "Risk Indicator".

4. Information about the tax regulations that apply to the Fund, when these are of interest to the Unit-holder. Information about whether taxes are withheld from the returns earned by holders of units in the Fund

Tax treatment for investors subject to unlimited tax liability in Austria

Legal notice:

The tax descriptions are based on the currently known legal conditions. No guarantee can be made that tax assessment will not change as a result of legislation, court decisions, or other legal acts by the fiscal administration. If necessary, you are advised to consult a tax expert.

The German-language annual reports contain detailed information about the tax treatment of paid dividends and dividend-equivalent earnings.

The information below primarily pertains to custody accounts managed in Austria and to investors subject to unlimited tax liability in Austria.

Determination of income at the investment fund level

The earnings of an investment fund consist primarily of the ordinary and extraordinary earnings.

Ordinary earnings refers primarily to interest and dividend income. Expenses incurred by the investment fund (such as management fees and auditing fees) reduce the ordinary earnings (exception: domestic dividends) and extraordinary earnings on a proportional basis.

Extraordinary earnings are profits from the realisation of transferable securities (primarily shares, debt instruments, and the associated derivatives) less any realised losses. Loss carryforwards also reduce the profit for the respective period. Any loss that exceeds the earnings can be deducted from the ordinary income.

Unrecognised losses can be carried forward for an unlimited period of time.

Private investors

Full tax withholding (final taxation), no declaration requirement for the investor.

Capital gains tax in the legally required amount will be withheld by the domestic bank making the coupon payments from all (interim) dividends paid to a holder of units in an investment fund provided that these dividends are from capital gains, and provided that the recipient of the dividend payment is subject to capital gains tax. "Payments" made on non-dividend-bearing units are also subject to the withholding of the capital gains tax amounts assessed against the dividend-equivalent earnings (except for KEST-exempt non-dividend-bearing funds) generated by the units under the same conditions.

Private investors generally do not need to file any tax returns in connection with units in an investment fund. The withholding of the capital gains tax fulfils all of the investor's tax obligations. The withholding of capital gains tax covers all final taxation requirements regarding income tax.

Ex c e p t i o n s from final taxation

Final taxation is precluded:

a) For KEST II-exempt debt instruments ("old issues") in the fund portfolio provided that no option declaration has been submitted. Such income must be reported to the tax authorities;

b) For transferable securities in the fund portfolio that are not subject to taxation by the Austrian tax authorities, provided that entitlement to benefits under totalisation agreements is not waived. Such income must be reported on the Austrian income tax return under "Neben den angeführten Einkünften wurden Einkünfte bezogen, für die das Besteuerungsrecht aufgrund von Doppelbesteuerungsabkommen einem anderen Staat zusteht" (In addition to the indicated income, income that is subject to taxation by a different state due to totalisation agreements was also received).

In this case, however, a tax credit can be claimed for the capital gains tax that was withheld for this, or a refund of the capital gains tax can be claimed under § 240 of the Austrian Federal Duties Act (Bundesabgabeordnung, BAO).

Taxation at the investment fund level

The investment fund's ordinary income (interest, dividends) is subject to 27.5% KEST after the deduction of proportionate expenses. Realised price losses (after offsetting against realised price gains) and new loss carryforwards (losses from financial years beginning in 2013) also reduce the ordinary income.

At least 60% of all realised extraordinary income (including when reinvested) is also subject to 27.5% KEST. Any realised net value increases are fully taxable when they are disbursed (in other words if 100% is disbursed, then 100% is taxable; if 75% is disbursed, then 75% is taxable).

Taxation at the unit-holder level

Sale of unit certificates:

For unit certificates purchased before 1 January 2011 (old units), the one-year speculation period still applies (§ 30 EStG in the version prior to the 2011 Budget Accompanying Act [BudgetbegleitG 2011]). These units are no longer tax-relevant.

Unit certificates purchased on or after 1 January 2011 (new units) are subject to the taxation of realised value increases upon the sale of the units regardless of how long they are held. The tax is withheld by the bank managing the securities account, which retains 27.5% KEST on the difference between the sale proceeds and the adjusted acquisition value (acquisition costs are increased by dividend-equivalent earnings and reduced by tax-exempt disbursements).

Loss offsetting in the securities account of the unit-holder

Starting on 1 April 2012, the bank managing the securities account is required to offset price gains, price losses, and earnings (except for old securities and interest earned on cash and savings deposits) from all types of securities in all security accounts of an individual account holder at a single credit institution within one year (so-called loss offsetting). No more than the KEST that has already been paid can be credited. If 27.5% of the realised losses exceeds the KEST that has already been paid, the remaining loss will be documented until the end of the year for future gains and income that are eligible for offsetting. Any losses that cannot be offset against (further) gains and income in the same calendar year are forfeit. Losses cannot be carried forward into the next year.

Investors who are subject to an income tax rate of less than 27.5% are entitled to tax all capital gains that are subject to the tax rate of 27.5% at their lower income tax rate in their income tax return (standard taxation option). Professional expenses (such as securities account fees) cannot be deducted. The capital gains tax that was withheld can be refunded by way of the tax return. If the taxpayer simply wishes to offset losses for the capital gains subject to the 27.5% tax rate, he can exercise the loss offsetting option independent of the standard taxation option. The same applies in cases where relief entitlements can be claimed on the basis of double taxation agreements. This does not require the disclosure of all capital gains that are subject to final taxation.

Corporate investors

Taxation and tax liability on units held as business assets by natural persons

For natural persons who receive income from capital assets or business activities (sole proprietors, partners), all income tax liability on income subject to capital gains tax (interest from debt instruments, domestic and foreign dividends, and other ordinary income) is covered by the withholding of KESt.

All price gains realised in the fund assets are immediately taxable (in other words tax-exempt reinvestment of net value increases is no longer possible). The 27.5% KESt deduction does not represent final taxation, but is simply an advance payment on the special income tax rate.

Gains from the sale of the fund units are also subject to the 27.5% KESt rate. This KESt deduction is in turn simply an advance payment on the special income tax rate of 27.5% (gain = difference between the sale proceeds and the acquisition costs; all dividend-equivalent income that has already been taxed during the holding period or at the time of sale must be deducted from this; the dividend-equivalent income must be recorded separately for tax purposes for the entire period in which the fund units are held. The amortisation of fund units held as business assets reduces the dividend-equivalent income of the year in question accordingly).

The bank may not apply loss offsetting to security accounts that are business assets. Offsetting is only possible in the tax return.

Taxation on units held as business assets by legal entities

The ordinary income (such as interest and dividends) generated by the investment fund is generally taxable.

However, the following are tax exempt:

- Domestic dividends (the KESt deducted upon payment to the investment fund can be refunded)
- Profit shares from holdings in EU corporations
- Profit shares from holdings in foreign corporations that are comparable to a domestic corporate entity pursuant to § 7 (3) Corporation Tax Act (KStG) and whose state of domicile has comprehensive mutual administrative assistance.

Dividends from other countries are subject to corporation tax.

Other specific aspects of the Corporation Tax Act related to dividends are not addressed here because they are not relevant for investment funds.

For fund financial years beginning after 31 December 2012, all price gains realised in the fund assets are immediately taxable (in other words tax-exempt reinvestment of net value increases is no longer possible).

Unless the unit-holding entity is exempt pursuant to § 94 item 5 Income Tax Act (EStG), the banks paying the coupon must also withhold capital gains tax from dividends paid on units held as business assets, or treat payments made on non-dividend funds as capital gains tax to be remitted to the tax office. Capital gains tax that is withheld and paid to the tax authorities can be credited against the assessed corporation tax or refunded.

Gains from the sale of the fund units are subject to (standard) corporation tax (see § 22 [1] and [2] KStG for the current rate). Price losses and impairments can be recognised immediately for tax purposes.

Corporate entities with income from capital assets

For corporate entities (such as registered associations) that receive income from capital assets, all corporation tax liability on such income is covered by the tax withholding. Capital gains tax on tax-exempt dividends is refundable.

For income earned on or after 1 January 2016, the KESt rate increases from 25% to 27.5%. However, corporate entities that receive income from capital assets are still subject to the (standard) corporation tax rate (see § 22 [1] and [2] KStG for the current rate) on such earnings. If the bank making the coupon payments continues to apply the 27.5% KESt rate for such taxpayers, these taxpayers can have the excess KESt that has been retained refunded by the tax office.

Private trusts are fundamentally subject to the (standard) corporation tax rate (interim tax) for all income generated in the investment fund. See § 22 (2) KStG for the current rate.

Domestic dividends (the KESt deducted upon payment to the investment fund can be refunded) and profit shares from holdings in EU corporations and holdings in foreign corporations that are comparable with a domestic corporation subject to § 7 (3) KStG and whose state of domicile has comprehensive mutual administrative assistance are tax exempt.

Dividends from other countries are subject to corporation tax.

Other specific aspects of the Corporation Tax Act related to dividends are not addressed here because they are not relevant for investment funds.

At least 60% of all realised net value increases (price gains from realised equity shares and equity derivatives and from bonds and bond derivatives) are also subject to corporation tax (interim tax), even if they are reinvested. Any realised net value increases are fully taxable when they are disbursed (in other words if 100% is disbursed, then 100% is taxable; if 75% is disbursed, then 75% is taxable).

Unit certificates purchased on or after 1 January 2011 are subject to the taxation of realised value increases upon the sale of the units. The assessment base for taxation is the difference between the sales proceeds and the amortised cost of the units. For the purposes of amortised cost, earnings taxed during the holding period increase the acquisition costs for the unit certificate, while dividend payments and paid capital gains tax reduce the acquisition costs.

5. Reporting date for the annual accounts and information on the frequency of dividend disbursement

The accounting year of the Fund is from 01.07. to 30.06. of the following calendar year.

In accordance with § 58 (2) of the InvFG 2011*) and according to the Fund Rules, disbursement/payment takes place on or after 01.10. of the following accounting year. Interim dividend payments are possible.

The Management Company reserves the right to set an ex-date before the disbursement/payment pursuant to § 58 (2) InvFG 2011 for technical reasons. On the ex-date, the valid issue price used for settlement will be reduced by the coming disbursement/payment.

*) For example for non-dividend-bearing units (not for KEST-exempt non-dividend-bearing units)

The Management Company must prepare an annual report for every accounting year of the Fund and a semi-annual report for the first six months of every accounting year. These reports shall be provided to the investor in the manner agreed with him.

6. Identity of the auditor

Until 31 December 2026: Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Wagramer Str. 19, A-1220 Vienna.

From 1 January 2027: PwC Wirtschaftsprüfung GmbH, Donau-City-Straße 7, A-1220 Vienna.

More detailed information about the natural persons responsible for the audit is available in the relevant annual report, which shall be provided in the manner agreed with the investor.

Obligations of the auditor of the Fund

The responsibility of the auditor of the Fund is to state an opinion on the annual report presented by the Management Company on the basis of its audit.

The audit must be conducted in accordance with § 49 (5) InvFG 2011, in accordance with the legal requirements that apply in Austria, and in accordance with Austrian generally accepted accounting principles, must assess compliance with the applicable legal regulations, such as those defined by the InvFG 2011 in particular, and with the Fund Rules, and must cover the Fund's accounting. These principles require the auditors to follow the standards of their profession and to plan and conduct their audit in a way that enables them to ascertain with a reasonable degree of certainty whether or not the annual report is free of material misstatements.

7. Information on the types and key characteristics of the units, especially

- **Type of entitlement (claim in rem or other entitlement) that the unit represents**
- **Original documents or certificates about these documents, entry in a register or deposit into an account**
- **Characteristics of the units: registered or bearer form, information about the denomination and fractional units, if applicable**
- **Description of the Unit-holders' voting rights, if any**
- **Conditions under which the Fund may be liquidated and details about liquidation, in particular with regard to the entitlements of the Unit-holders**

Joint ownership of the assets held by the Fund is divided into equal units. The number of units is unlimited.

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. A fractional unit can be one tenth (0.10), one hundredth (0.01), or one thousandth (0.001) of a unit certificate.

The fund currency is EUR.

The units are depicted in global certificates (pursuant to § 24 Austrian Securities Deposit Act [Depotgesetz]). The unit certificates are in bearer form. Individual unit certificates will not be issued.

Every purchaser of a fraction of a global certificate acquires joint ownership of all assets contained in the Fund in accordance with his fractional ownership of the global certificate (right in rem).

The unit certificates do not confer any voting rights.

The Management Company shall be permitted to split the units in the Fund with the approval of its Supervisory Board and issue additional unit certificates to the Unit-holders or replace the old unit certificates with new ones when the Management Company deems that such a split would be in the interests of the Unit-holders on the basis of the calculated unit value.

The Management Company may spin-off fund assets that unexpectedly become illiquid into a separate investment fund after authorisation for this is obtained from the Financial Market Authority and notice of this is published (§ 65 InvFG 2011). The Unit-holders shall become unit-holders of the resulting investment fund in accordance with their joint ownership of the Fund; the resulting investment fund shall be liquidated by the depositary bank. After the investment fund is liquidated, the proceeds shall be paid out to the unit-holders.

The Management Company can terminate the administration of the Fund in the following cases:

a) With the authorisation of the Financial Market Authority after notification of the Unit-holders in the agreed manner and a period of notice of (at least) six months. This period of notice can be reduced to (at least) 30 days when it can be proven that all investors have been informed. The Unit-holders shall be entitled to redeem their units in exchange for the payment of the redemption price during this period of notice (unless price calculation has been suspended).

b) With immediate effect (date of the notification of the Unit-holders in the agreed manner) when the fund assets fall below EUR 1,150,000, provided that the Financial Market Authority is notified at the same time.

The termination of the Fund pursuant to § 60 (2) InvFG 2011 is not permitted during the period of notice for termination pursuant to § 60 (1) InvFG 2011.

If administration is ended by way of termination, the Management Company is required to initiate liquidation. Once liquidation is initiated, the Unit-holders' entitlement to the administration of the fund assets is replaced by the Unit-holders' entitlement to proper liquidation, and the Unit-holders' entitlement to the redemption of their units against the current calculated value of the units at any time upon demand is replaced by entitlement to the payment of the liquidation proceeds once liquidation is completed; a request for the payout of illiquid securities by one unit-holder can be approved when all other unit-holders agree to this proportionate payout.

c) - Transfer of the administration of the Fund to a different management company (§ 61 InvFG 2011)
- Merger of multiple investment funds or the transfer of the Fund's assets to another investment fund (§§ 114 ff InvFG 2011)

In each of these cases, notification of the Financial Market Authority, notification of the Unit-holders in the agreed manner, and a period of notice of (at least) three months are required. This period of notice can be reduced to (at least) 30 days when all Unit-holders have been informed; in this case, no notice must be published. The Unit-holders shall be entitled to redeem their units in exchange for the payment of the redemption price during this period of notice.

Periods of notice that differ from the legally required periods of notice may be arranged through a corresponding agreement with the Unit-holder or a mutual agreement with all of the Unit-holders.

In the event of a fund merger, the Unit-holders are entitled to exchange their fund units (for units of a different investment fund with a similar investment policy) at the valid exchange ratio and to the payment of any applicable settlement amount.

d) Spin-off of fund assets

Subject to the applicable legal regulations and regulatory requirements, the Management Company may segregate certain assets from the other assets of the Fund if their economic or legal characteristics have changed significantly or have become uncertain due to extraordinary circumstances. The Unit-holders shall become unit-holders of the resulting investment fund in accordance with their joint ownership of the Fund.

e) Other reasons for termination

The right of the Management Company to manage an investment fund expires when the investment firm loses its authorisation, when the decision is made to liquidate the investment firm, or when its authorisation is rescinded (§ 60 [3] InvFG 2011). If the administration of the

Fund is terminated by way of loss of authorisation, the depositary bank shall assume the temporary management of the Fund and must initiate the liquidation of the Fund if the administration of the Fund is not transferred to a different management company within six months.

Once liquidation is initiated, the Unit-holders' entitlement to the administration of the fund assets is replaced by the Unit-holders' entitlement to proper liquidation, and the Unit-holders' entitlement to the redemption of their units against the current calculated value of the units at any time upon demand is replaced by entitlement to the payment of the liquidation proceeds once liquidation is completed; a request for the payout of illiquid securities by one unit-holder can be approved when all other unit-holders agree to this proportionate payout.

8. Information about exchanges or markets on which the units are listed or traded, if applicable

The units are issued and redeemed by the depositary bank. An application for listing can be filed, but is not currently planned by the Management Company.

9. Procedure and terms for the issue and/or sale of units

Issue of units

Units are issued in accordance with the Fund Rules.

The units in the Fund are held by no more than ten Unit-holders, who are all known to the Management Company.

If a natural person acquires units, the minimum investment is EUR 250,000.

Units may only be transferred with the authorisation of the Management Company.

Details can be found in Article 1 of the Fund Rules.

There is no principal limitation on the number of units that can be issued or of the corresponding certificates. Units can be purchased from the depositary bank. The Management Company reserves the right to temporarily or permanently suspend the issue of units.

Order acceptance deadlines:

- for orders through systems connected to the depositary bank (especially orders placed in branches of Erste Bank der oesterreichischen Sparkassen AG and Sparkassen): 15:45 (CET, Vienna local time)
- for orders from all other customers (sales, trading, etc.): 15:00 (CET, Vienna local time)

Front-end surcharge

The issue price is the unit value rounded up to the next cent. No front-end surcharge will be applied.

Settlement date

The issue price shall be the unit price calculated by the depositary bank on the Austrian bank business day (simultaneously a securities trading day) **two bank business days** (which are also exchange trading days) after the date on which the order is received by the depositary bank (taking the order deadlines into account), i.e. the "closing date", plus any applicable front-end surcharge. The value date for debiting the purchase price shall be two bank business days after the closing date.

10. Procedures and terms for the repurchase and redemption of units and conditions under which repurchase and redemption may be suspended

Redemption of units

Units are redeemed in accordance with the Fund Rules.

The Unit-holders can demand the redemption of their units at any time by presenting their unit certificates or by submitting a redemption order to the depositary bank. The Management Company is obligated to accept the return of the units against payment of the redemption price, which is the current value of a unit, for the account of the Fund.

Provided that the Unit-holders are appropriately notified in the agreed manner, the payment of the redemption price and the calculation of the redemption price may be suspended temporarily and made dependent upon the sale of assets in the Fund and the receipt of the proceeds from the sale of assets under extraordinary conditions and when this is deemed necessary to protect justified Unit-holder interests.

Extraordinary conditions may, in particular, include significant market dislocations, sanctions-related trading restrictions, liquidity shortages, valuation or settlement disruptions, or serious operational events (e.g. IT or cyber incidents), as well as the preparation of fund measures (e.g. liquidations or mergers). The Unit-holders must be informed in the agreed manner when the Management Company resumes the redemption of units as specified in § 56 InvFG 2011.

The most recent available prices will generally be used to calculate the price of the Fund. If the Fund's assets include units in other investment funds, the most recent prices published for the sub-funds will be used.

Order acceptance deadlines:

- for orders through systems connected to the depositary bank (especially orders placed in branches of Erste Bank der oesterreichischen Sparkassen AG and Sparkassen): 15:45 (CET, Vienna local time)
- for orders from all other customers (sales, trading, etc.): 15:00 (CET, Vienna local time)

Settlement date

The redemption price shall be the unit price calculated by the depositary bank on the Austrian bank business day (simultaneously a securities trading day) **two bank business days** (which are also exchange trading days) after the date on which the order is received by the depositary bank (taking the order deadlines into account), i.e. the "closing date". The value date for crediting the redemption price shall be two bank business days after the closing date.

10a. Liquidity Management Tools

In addition to the segregation described in Section II, item 7, and the suspension described in Section II, item 10, the Management Company has defined the following liquidity management tools for the protection of Unit-holders' interests: redemption gates and extension of notice period. The simultaneous application of selected liquidity management tools is permitted if required to protect Unit-holders' interests.

Redemption gates

Redemption gates may be temporarily applied, taking market conditions and expected payment flows into consideration. This applies to all redemption orders that have not yet been executed at the time the redemption gate is activated. For as long as the redemption gate is activated, all affected redemption orders will be executed proportionally in accordance with the applicable execution rate. The unexecuted portion of the redemption order will lapse, and a new redemption order may need to be submitted for that portion.

Extension of notice period

The Management Company may temporarily extend the notice period. This does not impact the redemption frequency. The extension pertains only to the period between the order acceptance deadline and the execution of redemption orders. This applies to all redemption orders that have not yet been executed at the time the extension of notice period is activated. Once it has been deactivated, all pending redemption orders will be executed in accordance with the procedures defined in Article 4 of the Fund Rules and Section II, item 10, of this document. The redemption price is based on the unit value on the settlement date after the expiry of the (extended) notice period.

Information on activation and deactivation

Information on activations and deactivations will be communicated to investors in the manner agreed with them.

11. Description of the rules for calculating and using the generated earnings and description of Unit-holder entitlements to the fund earnings

This information can be found in the Fund Rules.

12. Description of the investment objectives of the Fund, including the financial objectives (such as capital or earnings growth), the investment policy (such as specialisation in geographical regions or sectors of the economy), any restrictions included in this investment policy, and information about any techniques and instruments or powers to take out loans that can be used in administering the Fund and information on the risk management and risk profile of the Fund

The Special Fund aims to achieve capital growth. In order to meet this objective, the Fund buys and sells assets that are permitted according to the Austrian Investment Fund Act and the Fund Rules within the framework of its investment policy and based on the fund manager's assessment of economic conditions, the situation on the capital markets, and the outlook on the stock exchanges.

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

The investment and issuer limits for UCITS apply analogously to the Special Fund with the exceptions specified in §§ 166 f InvFG.

If legally permissible (§ 164 [4] InvFG 2011), the investment limits may be exceeded by 100%.

Transferable securities (including securities with embedded derivative financial instruments) may comprise up to 100% of the fund assets.

Money market instruments may comprise up to 100% of the fund assets.

The Fund has neither distinct nor cumulative objectives offering returns in line with money market rates or preserving the value of the investment pursuant to Article 1 (1) lit. c) of Regulation (EU) 2017/1131 (Money Market Fund Regulation) and is thus not a money market fund as defined by the Money Market Fund Regulation.

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.

Shares in investment funds (UCITS, UCI) may comprise up to 50% of the fund assets per individual issue and may comprise up to 100% in aggregate total.

Shares in investment funds in the form of "other asset portfolios" may comprise up to 10% of the fund assets per individual issue and may comprise up to 100% in aggregate total. If this "other asset portfolio" may according to its fund terms and conditions invest no more than 10% of its fund assets in total in shares in undertakings for collective investments, shares in this "other asset portfolio" may comprise up to 50% of the fund assets per individual issue and up to 100% in aggregate total.

Shares in domestic special purpose funds pursuant to the InvFG may comprise up to 50% of the fund assets per individual issue and may comprise up to 100% in aggregate total provided that all shareholders of the special purpose fund to be purchased authorise this purchase before it is effected.

Shares in undertakings for collective investments pursuant to § 166 (1) 3 InvFG may not be purchased.

Shares in real estate funds may not be purchased.

Units may be purchased in investment funds that employ different investment restrictions, instruments, and/or investment strategies than those of HEMUS. Deviations may especially occur with regard to the investment strategy, the use of investment instruments (transferable securities, money market instruments, units in investment funds, derivative instruments, demand deposits and deposits with the right to be withdrawn, and units in undertakings for collective investments pursuant to § 166 [1] 3 InvFG and units in real estate funds) and short-term loans, securities lending, and repurchase agreements. This will not change the global exposure profile of the Fund materially at any time. Information on the calculation of the global exposure for the Fund can be found in item 12.J - II), in the "Method of Calculating Global Exposure" section of the annual report, and in the section "Information for investors pursuant to § 21 AIFMG".

A list of the countries in which these target funds may be registered can be found on the website of the Management Company at <https://www.erste-am.at/de/private-anleger/wer-sind-wir/investmentprozess>.

Demand deposits and deposits with the right to be withdrawn with a maximum term of 12 months may comprise up to 100% of the fund assets. There are no minimum bank balance requirements.

Derivative financial instruments can be used as part of the investment strategy up to 100% of the fund assets and for hedging purposes.

Disclosure pursuant to Art. 7 of Regulation (EU) 2020/852 (Taxonomy Regulation):

The underlying investments of this financial product do not take the EU criteria for ecologically sustainable economic activity into account.

Disclosure pursuant to Art 7 of Regulation (EU) 2019/2088 (Disclosure Regulation):

The principal adverse impacts (PAI) on sustainability factors are not taken into account in this Fund or in the selection of the assets it holds. Even though individual assets may have a sustainable orientation, the investment process does not explicitly include the taking into account of sustainability criteria.

The expansion of the investment process to include sustainability criteria beyond the minimum criteria of the Management Company is not practical due to the currently pursued strategy of the Fund and/or the specific asset class.

It is thus not possible to systematically manage or calculate the PAI of the Fund's investments.

Information about any benchmark can be found in the individual agreements with the investor(s) in the Special Fund.

Investment policy techniques and instruments

A) Transferable securities

Transferable securities are

- a) Equities and other equivalent transferable securities,
- b) Bonds and other debt that is evidenced by certificates,
- c) All other negotiable financial instruments (such as stock rights) that entitle the holder to purchase financial instruments as defined by the InvFG 2011 by means of subscription or exchange, with the exception of the techniques and instruments specified in § 73 InvFG 2011.

The criteria in § 69 (1) InvFG 2011 must be met for an instrument to be considered a security.

Transferable securities also include the following pursuant to § 69 (2) InvFG 2011:

- 1. Units in closed-ended funds in the form of an investment company or investment fund,
- 2. Units in closed-ended funds in contractual form,
- 3. Financial instruments pursuant to § 69 (2) 3 InvFG 2011.

The Management Company purchases transferable securities that are admitted on one of the Austrian or foreign exchanges listed in the Annex or traded on one of the regulated markets listed in the Annex provided that the regulated market is recognised, open to the public, and operates regularly. In addition, transferable securities can be purchased from new issues for which the terms require that an application be filed for official listing on an exchange or in a regulated market with the requirement that admission to the desired market be obtained within one year after the issue is placed.

Unlisted securities and other rights evidenced by paper

Without prejudice to the provisions set out in the preceding paragraphs, up to 10% of the fund assets in total may be invested in transferable securities that are not admitted to one of the exchanges listed in the Annex or traded on one of the regulated markets listed in the Annex. Transferable securities from new issues that are admitted to trading as specified above within one year after issue do not fall under this limit.

B) Money market instruments

Money market instruments are instruments that are customarily traded on the money market, that are liquid, whose value can be determined exactly at any time, and that meet the requirements of § 70 (1) InvFG 2011.

Money market instruments may be acquired for the Fund that

- 1. Are admitted on one of the Austrian or foreign exchanges listed in the Annex or traded on one of the regulated markets listed in the Annex when the regulated market is recognised, open to the public, and operates regularly.
- 2. Are customarily traded on the money market, can be freely transferred, are liquid, and their value can be determined exactly at any time, for which sufficient information is available, including information that allows the suitably accurate assessment of the credit risks associated with an investment in the instrument, even if they are not traded on regulated markets so long as the instrument or the issuer itself is subject to legal deposit and investor protection regulations, provided that they
 - a) Were issued or are guaranteed by a national, regional, or municipal political entity or the central bank of a Member State, the European Central Bank, the European Union, or the European Investment Bank, a non-Member State, or, if it is a federal state, a member of the federation, or a public international body of which at least one Member State is a member, or
 - b) Were issued by a business entity whose transferable securities are admitted to one of the Austrian or foreign exchanges listed in the Annex or are traded on one of the regulated markets listed in the Annex, or
 - c) Were issued or are guaranteed by a bank that is subject to regulatory supervision according to the criteria laid down in Community law, or were issued or are guaranteed by a bank that is subject to and complies with supervisory regulations that in the opinion of the Austrian Financial Market Authority are at least as stringent as those under Community law, or

d) Were issued by another party belonging to a category approved by the Financial Market Authority, provided that investor protection regulations apply to investments in these instruments that are equivalent to letters a) to c), and provided that the issuer is either a business entity with capital stock of at least EUR 10 million that prepares and publishes its annual accounts in accordance with the regulations of Directive 78/660/EC, or is a legal entity that is responsible for finance management in a group of one or more listed companies, or is a legal entity that finances the collateralisation of debt in company or contractual form by using a line of credit granted by a bank; the line of credit must be guaranteed by a bank that meets the criteria listed in item 2 letter c).

Money market instruments that do not meet these criteria and that are also not traded on a regulated market may make up no more than 10% of the total fund assets.

C) Units in investment funds / in other assets / in undertakings for collective investments / in real estate funds

Units in investment funds pursuant to § 71 InvFG 2011 / in other assets pursuant to § 166 InvFG 2011

1. Units in a single investment fund (investment funds and open-ended investment companies) pursuant to § 71 (1) InvFG 2011 that fulfil the requirements of Directive 2009/65/EC (UCITS) may make up **no more than 50% of the fund assets per individual issue**.

2. Units in a single investment fund pursuant to § 71 (2) InvFG 2011 which does not meet the requirements of Directive 2009/65/EC (UCI) and whose sole purpose is

- To invest money contributed by a group of investors for their joint account in transferable securities and other liquid financial investments under the principles of risk diversification, and

- Whose units can be redeemed or paid out directly or indirectly from the assets of the investment fund upon request by the unit-holder,

may comprise **up to 50% of the fund assets per individual issue**, provided that

a) These are approved under legal regulations that place them under regulatory supervision that in the opinion of the Austrian Financial Market Authority is equivalent to that prescribed by Community law and there is sufficient certainty of collaboration between the authorities, and

b) The protection afforded to the unit-holders is equivalent to that afforded to unit-holders of investment funds that meet the requirements of Directive 2009/65/EC (UCITS), and that are in particular equivalent to the requirements of Directive 2009/65/EC in terms of regulations for asset segregation, the acceptance of loans, the granting of loans, and the uncovered selling of transferable securities and money market instruments, and

c) Semi-annual and annual reports are published on the activities of the investment fund, and these reports provide a clear view of the assets, liabilities, earnings, and transactions in the reporting period.

The criteria specified in the Information and Equivalency Determination Ordinance (Informationen- und Gleichwertigkeitsfestlegungsverordnung [IG-FestV]) as amended must be applied to assess the equivalency of the protection afforded to the unit-holders pursuant to b).

3. The Management Company may also purchase for the Fund units in other investment funds that are directly or indirectly administered by the Management Company or by a firm that is associated with the Management Company by way of joint administration or control or through a direct or indirect material equity interest.

4. Units in investment funds in the form of "other assets" pursuant to § 166 InvFG 2011 may comprise **up to 10% of the fund assets per individual issue**. If these "other assets" may according to their fund rules invest **no more than 10%** of their assets in total in units in undertakings for collective investments, units in these "other assets" may comprise **up to 50% of the fund assets per individual issue**.

Units in undertakings for collective investments pursuant to § 166 (1) 3 InvFG 2011

Does not apply.

Units in real estate funds pursuant to § 166 (1) 4 InvFG 2011

Does not apply.

Units in other special purpose funds pursuant to § 166 (1) 2 InvFG 2011

Units in domestic special purpose funds may comprise **up to 50% of the fund assets per individual issue** provided that all unit-holders of the special purpose funds to be purchased authorise this purchase before it is effected.

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

Bank deposits in the form of demand deposits or deposits with the right to be withdrawn with a maximum term of 12 months may be held under the following conditions:

1. Demand deposits or deposits with the right to be withdrawn may be held at one credit institution with a term of no more than 12 months and in the amount of **no more than 20%** of the fund assets provided that the credit institution in question
 - Has its registered office in a Member State, or
 - Is domiciled in a non-Member State and is subject to supervisory regulations that in the opinion of the Austrian Financial Market Authority are equivalent to those under Community law.
2. Until 24.06.2026: Regardless of any deposit limits, an investment fund may invest no more than 20% of its assets in a combination of transferable securities or money market instruments issued by, deposits held with, or OTC derivatives purchased from a single credit institution.
From 25.06.2026: Regardless of any deposit limits, an investment fund may invest no more than 20% of its assets in a combination of transferable securities or money market instruments issued by this credit institution and/or deposits held with this credit institution and/or derivative transactions concluded with this credit institution that are not centrally cleared.

There are no minimum bank balance requirements.

E) Repurchase agreements

No repurchase agreements pursuant to Regulation (EU) 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse) are concluded for the Fund.

F) Securities lending

No securities lending transactions pursuant to Regulation (EU) 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse) are concluded for the Fund.

G) Total return swaps

No total return swaps pursuant to Regulation (EU) 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse) are concluded for the Fund.

H) Derivative financial instruments

I. Listed and unlisted derivative financial instruments

Derivative financial instruments, including equivalent instruments settled in cash, may be purchased for the Fund if they are admitted to one of the exchanges listed in the Annex, if they are traded on one of the regulated markets listed in the Annex, or if they are not admitted to an exchange or traded on a regulated market (OTC derivatives) provided that

- a) The underlying instruments are instruments as defined in the Fund Rules or are financial indices, interest rates, exchange rates, or currencies that the Fund is permitted to invest in according to the investment objectives defined in its Fund Rules,
- b) The counterparties in the transactions with OTC derivatives are banks subject to regulatory supervision and from a category approved through decrees of the Austrian Financial Market Authority,
- c) The OTC derivatives are subject to reliable and transparent daily valuation and can be sold, liquidated, or settled by means of an offsetting transaction at a reasonable fair value at any time at the initiative of the Management Company and
- d) They do not lead to the delivery or transfer of assets other than those listed in § 67 (1) InvFG 2011.

This also includes instruments designed to transfer the credit risk of one of the above-mentioned instruments.

II. Purpose

Derivative financial instruments can be used as part of the Fund's investment strategy and also for hedging purposes.

I) Loans

Short-term loans of **up to 10%** of the fund assets may be taken out.
This can cause the risk of the Fund to rise to the same extent.

J) Risk management and risk profile of the Fund

I. Risk management

The Management Company has established an independent risk management unit, which is structurally and functionally separate from the operational departments.

The Management Company has defined and implemented appropriate and documented risk management principles and maintains these principles. The risk management principles must contain procedures necessary to assess market, liquidity, counterparty, and other risks, including operational risks, on an ongoing basis.

The Management Company employs a risk management system that enables it to monitor and measure at any time the risks associated with its investment positions and the relative share of these risks in the global exposure profile of the fund portfolio. Stress tests are conducted periodically in order to evaluate the impact of significant potential changes on the market.

Quantitative risk limits are defined as part of the investment strategy and investment policy of the Fund in item 12.J) - II) of this document.

The Management Company employs procedures that ensure compliance with the risk limits.

The Management Company may conduct transactions with derivative financial instruments for hedging purposes and as part of the Fund's investment strategy. Because of this, the risk of loss that is associated with the assets in the Fund can increase at least temporarily. See the item "Risk notices" for a complete description of the use of derivative financial instruments and the potential risks that are associated with this.

Until 24.06.2026: The default risk for OTC derivative transactions by the Fund may not exceed the following levels:

From 25.06.2026: The risk exposure from derivative transactions that are not cleared through a central counterparty within the meaning of Regulation (EU) No 648/2012 may not exceed the following thresholds:

- a) 10% of the fund assets when the counterparty is a credit institution pursuant to § 72 InvFG 2011,
- b) Otherwise 5% of the fund assets.

Investments in index-based derivatives are not taken into account with regard to the specific investment limits for an investment fund. If a derivative is embedded in a security or money market instrument, it must be taken into account in determining overall compliance with the requirements specified above.

II. Global exposure

Commitment approach

The Management Company uses the commitment approach to calculate the global exposure pursuant to § 89 InvFG 2011. In this approach, all positions in derivative financial instruments including embedded derivatives pursuant to § 73 (6) InvFG 2011 are converted to the market value of an equivalent position in the underlying asset of the derivative in question.

Netting and hedging agreements are taken into account in the calculation of the global exposure provided that they do not ignore apparent and significant risks and that they clearly reduce the Fund's exposure to risk.

Positions in derivative financial instruments that do not generate additional risk for the Fund do not have to be included in the calculation.

The detailed calculation methods for calculating the global exposure and its quantitative and qualitative structure under the commitment approach can be found in the currently amended FMA Regulation on Risk Calculation and Reporting of Derivative Instruments.

The global exposure associated with the derivative instruments calculated in this way may not exceed the net value of the fund assets.

III. Leverage

Conditions under which the Fund may use leverage

Depending on market conditions, derivative financial instruments may be employed and loans taken out, provided that this is permitted by the Fund Rules. Techniques aimed at managing the Fund's duration and yield curve may also be used. Forward exchange agreements may be used to hedge currencies.

The Fund may use (in particular) swaps, futures, and options for the purpose of leverage.

Information on the type, category, and origin of any derivatives used

Futures, options, options on futures, swaps, forwards, swaptions, warrants, and CDS based on the following underlying instruments may be used: interest rates, currencies, indices, commodities, equities, and bonds.

The specified derivatives can also be embedded in another financial instrument (embedded derivative) and are either traded on an exchange or stem from the OTC segment.

Description of other restrictions on the use of leverage

There are no further restrictions on the use of leverage beyond the limits defined in the sections under Article 3 of the Fund Rules entitled Derivative financial instruments and Risk measurement methods and the maximum level of leverage specified in lit. b) of this item.

Agreements regarding collateral and the reuse of assets

Provided that the use of derivatives, securities lending, and/or repurchase agreements for the Fund is permitted by the Fund Rules, collateral is accepted in order to reduce counterparty risk. This collateral must meet the applicable legal criteria with regard to liquidity, valuation, creditworthiness, correlation, and the risks associated with the management and enforceability of the given collateral. Further information about securities lending and the eligible collateral for securities lending transactions can especially be found in item 12. F).

The collateral for derivatives and/or repurchase agreements can consist of transferable securities or money market instruments from the investment grade segment that are issued or guaranteed by an EEA member state or one or more local authorities of an EEA member state or by an EEA central bank, of claims against international organisations pursuant to Article 118 of Regulation (EU) 575/2013, or of securities and money market instruments issued by an OECD country (that is not a member of the EEA) with a rating of AAA- to AA- (or equivalent).

Due to the high rating applied to this collateral under law (Article 114 ff of Directive [EU] 575/2013), no haircut is applied unless required by mandatory regulations (in particular Regulation [EU] No. 2016/2251 EMIR). The party taking the collateral may not reuse assets.

For information about the potential risks associated with the use of leverage, see the section Risk notices/Risk associated with derivative financial instruments and item 12.I), "Loans".

a) Calculation of leverage

Leverage is any method that increases the Fund's risk exposure through borrowing, securities lending, the use of leverage embedded in derivatives, or any other manner.

The leverage of the Fund is expressed as the ratio between the Fund's exposure and its net asset value; the Fund's exposure must be calculated according to both the gross method and the commitment method for calculating the exposure of an AIF.

Gross method for calculating the exposure of an AIF

Under the AIF gross method, the exposure is defined as the sum of the absolute values of all positions held by an investment fund, although certain positions listed in Regulation (EU) No. 231/2013 may be excluded.

Derivatives are included using the market value of an equivalent position in the underlying instrument or the nominal value; netting and hedging agreements are not taken into account in the gross method.

Details regarding this method of calculation can be found in Articles 7, 9, 10, and 11 Regulation (EU) No. 231/2013.

Commitment method for calculating the exposure of an AIF

Under the AIF commitment method, the exposure is also defined as the sum of the absolute values of all positions held by an investment fund, though certain positions listed in Regulation (EU) No. 231/2013 may be excluded.

Derivatives are included using the market value of an equivalent position in the underlying instrument or the nominal value; however, netting and hedging agreements that do not ignore apparent and significant risks and that clearly reduce the exposure are not taken into account in the calculation of derivative positions.

Positions in derivative financial instruments that do not generate additional risk for the Fund do not have to be included in the calculation. Details regarding this method of calculation can be found in Articles 8, 9, 10, and 11 Regulation (EU) No. 231/2013.

b) Maximum leverage that may be used for the Fund

The maximum level for the Fund according to the AIF gross method amounts to 510% of the net asset value.

The maximum level for the Fund according to the AIF commitment method amounts to 210% of the net asset value.

Any changes to the maximum level of leverage that may be used by the Management Company for the Fund will be disclosed in the current annual report under "Information pursuant to § 21 AIFMG – Method of Calculating the Global Exposure".

c) Information regarding the highest leverage used for the Fund in the last accounting year

This information can be found in the current annual report under "Information pursuant to § 21 AIFMG – Method of Calculating the Global Exposure".

IV. Liquidity risk management

The Management Company employs the following procedure for monitoring the liquidity risk of the Fund:

The liquidity of an investment fund is calculated using the BVI method (method for calculating the performance of funds). Stress tests are conducted in order to quantify the liquidity under extraordinary liquidity conditions. The input factors for the BVI method are tested under various stress scenarios.

V. Risk and return profile

The current risk and return profile for the Fund (SRI) can be found in the key information document (KID).

Risk notices

The Fund may invest significant portions of its assets in investment funds (UCITS, UCI) pursuant to § 71 InvFG 2011.

Information regarding the potential for the Fund to exhibit increased volatility due to the composition of its portfolio can be found in the key information document for the Fund under "What are the risks and what could I get in return?". The key information document shall be provided to the investor in the agreed manner.

The Fund may invest significant portions of its assets in derivative financial instruments (including swaps and other OTC derivatives) pursuant to § 73 InvFG 2011.

The Fund may invest significant portions of its fund assets in demand deposits or deposits with the right to be withdrawn with a maximum term of 12 months pursuant to § 72 InvFG 2011.

The key considerations in the selection of the investment instruments are security, growth, and/or earnings. In this, it must be noted that the selected securities offer potential for price increases, but that they also entail risks.

General

The prices of the transferable securities in the Fund can rise or fall compared with the purchase price paid upon acquisition. If the investor sells units in the Fund at a point in time at which the prices of the transferable securities in the Fund have fallen compared with the point in time at which he purchased his units, this will result in the investor not recovering the entire amount invested in the Fund. If the Management Company performs a mistrade with transferable securities traded on an exchange and/or traded over the counter that was not recorded in the Fund's accounts as having an impact on the calculated value, the profits and losses from such trades will go to the Management Company.

This list is not exhaustive and the risks mentioned here can impact the Fund to varying degrees.

Material risks

a) The risk that the entire market for an asset class develops negatively and that this negatively influences the price and value of these assets (market risk)

The development of prices for transferable securities depends in particular on the development of the capital markets, which in turn are influenced by the general state of the global economy and the economic and political conditions in the respective countries.

One particular form of market risk is the risk of interest rate changes. This is the possibility that the general interest rate level on the market can change compared with the point in time at which a fixed-income security or money market instrument was issued. Changes in interest rate levels can result from changes in the economic conditions and subsequent reactions by the respective central bank, among other

factors. When general interest rate levels rise, this typically means that the prices of fixed-income securities and money market instruments fall. In contrast, when general interest rate levels fall, this typically causes the prices of fixed-income securities and money market instruments to rise. In both cases, the changes in the price cause the return on the security to be roughly the same as the average market interest rate. However, these price fluctuations vary depending on the term of the fixed-income security. Fixed-income securities with shorter terms are subject to lower price risk than longer-term securities. Fixed-income securities with shorter terms also tend to have lower yields than fixed-income securities with longer terms, however. Depending on the market conditions, "negative credit interest" may be applied to demand deposits and deposits with the right to be withdrawn.

b) The risk that the issuer or a counterparty will be unable to meet its contractual obligations (credit risk or issuer risk)

In addition to the general trends on the capital markets, the individual development of the respective issuer of the security also has an effect on the price of the security. Even when securities are selected very carefully, there is no way to preclude losses if the issuer incurs significant losses in its business operations or becomes insolvent, for example. One form of credit risk or issuer risk is also the risk of creditor participation in the restructuring of a bank (also called a bail-in). The measures intended in such a case may result in the creditor losing all capital invested in a bank.

c) The risk that a transaction is not handled as expected within a transfer system because a counterparty fails to pay or deliver by the deadline or as expected (settlement risk)

This category covers the risk that settlement does not take place as expected in the transfer system because a counterparty does not pay or deliver as expected or pays later than agreed. Settlement risk is the risk that the agreed consideration is not received upon execution of a transaction.

Especially when purchasing unlisted financial products or when conducting transactions through a transfer agent, there is the risk that a transaction will not be executed as expected because the counterparty fails to pay or deliver as agreed, or that losses will be incurred due to operational errors during the execution of a transaction.

When purchasing foreign hedge funds, payment is often not made in immediate return for the units. Rather, the units are often delivered at a later time, and there is the risk that the unit price will be paid and the units will not actually be delivered. In the event that the hedge fund units are not delivered, the Fund may only be entitled to a refund of the unit price.

d) The risk that a position cannot be liquidated at a fair price at the desired time (liquidity risk)

Taking into account the opportunities and risks associated with investments in equities and bonds, the Management Company especially purchases transferable securities for the Fund that are admitted for trading on Austrian or foreign exchanges or that are traded on organised markets that are recognised and open to the public and that operate regularly.

In spite of this, the problem may arise for individual securities at certain times or in certain exchange segments that a security cannot be sold at the desired time. In addition, there is the risk that instruments that are traded in a rather narrow market segment can be subject to significant price volatility.

In addition, transferable securities can be purchased from new issues for which the terms require that an application be filed for official listing on an exchange or in an organised market with the requirement that admission to the desired market be obtained within one year after the issue is placed.

The Management Company is authorised to purchase transferable securities that are traded on an exchange or regulated market in the EEA, or on one of the exchanges or regulated markets listed in the Annex.

The target funds in which a hedge fund-of-funds invests may be subject to restrictions in terms of the redemption of units or how frequently they are valued. For this reason, the purchase of units in such investments funds involves the risk that it will not be possible to redeem the units and liquidate the position at the desired time.

e) The risk that the value of an investment will be influenced by changes in an exchange rate (exchange rate or currency risk)

Another variant of market risk is currency risk. Unless specified otherwise, assets in an investment fund can be denominated in a different currency from that of the investment fund. The Fund receives its income, repayments, and sale proceeds from such investments in the currencies in which the respective instrument is denominated. The value of these currencies can fall relative to the currency of the Fund. This means that there is the risk that the value of the units will be negatively impacted when the Fund invests in currencies different from that in which it is denominated.

f) The risk of the loss of assets held by the Fund as a result of the insolvency of, negligence by, or fraudulent action on the part of the depositary bank or the sub-depositary bank (custody risk)

The safekeeping of the fund assets is associated with the risk of loss caused by the insolvency of the depositary, violations of the depositary's duties, or fraudulent action on the part of the depositary or one of its subagents.

g) The risks arising from concentration on specific investments or markets (concentration risk)

Risks can also arise from a concentration of the investments in certain assets or markets.

h) The performance risk and information about whether guarantees from third parties are in place and if limitations apply to such guarantees (performance risk)

The value of assets acquired for the Fund can develop differently than expected at the time of purchase. This means that no guarantee can be provided that the value will develop positively, unless a third party provides a guarantee to this effect.

i) Information about the financial capacity of any guarantor

The risk of an investment is higher or lower depending on the financial capacity of a guarantor that has issued a guarantee on the instrument.

j) The risk of inflexibility caused by the product itself or by restrictions imposed when switching to other investment funds (inflexibility risk)

The risk of inflexibility can be caused by the product itself or by restrictions imposed when switching to other investment funds.

Under certain circumstances, when the Fund invests in undertakings for collective investments pursuant to § 166 (1) 3 InvFG 2011, these instruments may not be valued on a daily basis, and the daily redemption of units in these instruments may not be possible. Restrictions may also apply to the issue and redemption of units in the Fund itself.

k) Inflation risk

The earnings generated by an investment can be negatively impacted by the development of inflation. The invested capital itself can suffer from a general deterioration in the purchasing power of a monetary unit, and the development of inflation can also have a direct (negative) influence on the price of assets in the Fund.

l) The risk affecting the capital in the Fund (capital risk)

The risk affecting the capital in the Fund can arise above all from the sale of the fund assets at a lower price than was paid for their acquisition. This also covers the risk of capital depletion in the event of the redemption of units and excessive payout of investment yields as dividends to the Unit-holders.

m) The risk of changes in other framework conditions, including tax regulations

The value of the assets in the Fund can be negatively influenced by developments in countries in which investments are held, for example because of international political developments, changes in government policy, taxation, restrictions on foreign investments, currency fluctuations, and other changes in the legal system or in the regulatory framework. Trading may also take place on exchanges that are not as strictly regulated as those in the USA or the EU.

n) The risk that the values of certain securities can deviate from their actual selling prices because of prices formed on illiquid markets (valuation risk)

Especially in times when market participants are faced with problems obtaining liquidity because of financial crises and a general lack of confidence, the values of certain transferable securities and other financial instruments as determined by market forces may decline, and this can make it difficult to determine the value of the asset in the Fund. If investors in an investment fund simultaneously redeem large numbers of units under such conditions, the fund management may be forced to sell securities at prices different from their actual valuation rates in order to maintain the necessary level of liquidity in the Fund.

o) Country or transfer risk

Country risk is the risk that a foreign debtor, despite being solvent, will be unable to complete a transaction by the deadline or at all because of the inability or unwillingness of the country in which the debtor is registered to execute transfers. As a result, payments to which the Fund is entitled may not occur or may occur in a currency that can no longer be converted due to foreign exchange restrictions.

p) Risk associated with the use of liquidity management tools, including the suspension of redemptions and the segregation of fund assets

Generally, Unit-holders can demand the redemption of their units at any time. However, the Management Company may temporarily suspend the redemption of units under extraordinary circumstances, and the unit price may be lower than it was before redemption was suspended.

In the case of a segregation, there is a risk that the assets that have become unexpectedly illiquid and have been segregated cannot be sold for an extended period of time and that, as a result, only partial payment of liquidation proceeds – or possibly no payment at all – may be made over a long period.

The potential use of a liquidity management tool within the meaning of Section II, item 10a, includes

- in the case of redemption gates, the risk that an order will only be partially executed,
- in the case of an extension of notice period, the risk that redemptions will be executed at a later date and at the redemption price applicable at that time.

q) Operational risk

The risk of loss for the Fund that can result from inadequate internal processes, human error, or system failure at the Management Company; or from external events, legal and documentation risks, and risks that can result from the Fund's trading, settlement, and valuation procedures.

r) Risks in connection with units in investment funds (sub-funds)

The risks of sub-funds purchased for the Fund are closely related to the risks of the assets held in these sub-funds and the investment strategies pursued by these sub-funds.

As the managers of the individual sub-funds act independently of each other, multiple sub-funds may pursue identical or contradictory investment strategies. This can cause a cumulation of existing risks, or can cause advantages of different strategies to offset each other.

s) Securities lending risk

If the Fund lends transferable securities, these securities are subject to the risk that the counterparty will return them with a delay or fail to deliver them. Particularly in the event that the securities borrower suffers financial losses, it is possible that the borrower will not be able to honour his obligations to the Fund in this connection (default risk).

If the securities borrower provides the Fund with collateral in connection with the lending transaction, this collateral is subject to collateral risk.

Securities lending transactions can also entail operational risks such as posting errors and errors in the delivery of the lent securities. If the borrower of the securities makes use of the borrowed securities, this can entail the risk that the securities borrower will be unable to purchase the securities in question on the market upon expiration of the lending agreement due to a lack of liquidity, for example, and that the securities in question can therefore not be returned (liquidity risk).

t) Collateral risk

If third parties provide collateral to the Fund, this collateral is subject to the typical investment risk (such as market, credit, currency, interest rate, and counterparty risk), including the risk that it will not be possible to liquidate a position at an acceptable price in good time (liquidity risk), the risk that is associated with the safekeeping of the collateral (custody risk), and the operational risk that is associated with collateral management such as errors in the calculation of the required collateral.

u) Risks associated with derivative financial instruments

As part of its administration of the Fund, the Management Company may purchase derivative instruments subject to certain requirements and restrictions and provided that the transactions in question are expressly permitted in the Fund Rules.

It is expressly noted that specific risks may be associated with derivative products, including:

- a) The time-limited rights that are acquired may lapse or may decrease in value.**
- b) The risk of loss cannot be determined, and may exceed collateral provided under the transaction.**
- c) Transactions intended to preclude or limit the risks may be impossible to execute, or may only be possible at a price that results in a loss.**
- d) The risk of loss may rise when the obligations from such transactions or the consideration to be provided under the transaction is denominated in a foreign currency.**

The following additional risks may be encountered in transactions with OTC derivatives:

- a) Problems with the sale of OTC financial instruments to third parties, as there is no organised market for them; settling the obligations that have been entered into can be difficult or may entail significant costs because of the individual agreement (liquidity risk);
- b) The economic success of the OTC transaction can be put at risk by the default of the counterparty (counterparty risk).

v) Sustainability risks

A sustainability risk is an event or condition relating to the aspects of the environment, social issues, or corporate governance whose occurrence could potentially have material negative effects on the value of the investment.

The sustainability risks are not depicted as a separate risk type but are included in the existing risk categories because they impact existing risk types to which the investment funds are potentially exposed.

To determine the manner in which sustainability risks are taken into account in investment decisions, the relevant sustainability risks were first identified. Next, the identified risks were "translated" into the existing risk categories and measured and evaluated at this time.

The following relevant sustainability risks were identified:

- Environmental risks relating to mitigating the effects of climate change, adaptation to climate change and the transition to a lower-carbon economy, protecting biodiversity, resource management, waste, and other harmful emissions.
- Social risks relating to working and safety conditions and compliance with recognised labour standards, respecting human rights, and production safety.
- Governance risks relating to the due diligence obligations of corporate managers, measures for fighting bribery and corruption, and compliance with the pertinent laws and regulations.

The identified sustainability risks have been incorporated into the definitions of the risk indicators and ratings. Data from external providers are also used when gathering sustainability-related data for internal analyses. The external data may be incomplete, imprecise, or unavailable at times. The providers of sustainability ratings also take different influences into account and apply different weightings, meaning that a company that is the target of an investment can have different sustainability scores. There is therefore the risk of a security or issuer being assessed incorrectly. A proprietary rating model called ESGenius is used to limit this risk. In this rating model, the predominant sustainability approaches on the market (ethically oriented approach versus a risk view) are combined into an overall view during the analysis. Combining the different providers reduces any data gaps and also verifies the plausibility of the different approaches.

A variety of tools can be used to manage and limit sustainability risks when making investment decisions. These tools are described on the Management Company's website at

https://www.erste-am.at/content/dam/at/eam/common/files/EAM_Handbuch_Nachhaltigkeit_Sustainability_Guide.pdf.

Other principles and methods may be used for the special funds issued by the Management Company if third-party management or consulting services are used for these funds. A description of these tools will be provided to the investor in the manner agreed with him.

The forward-looking assessment of the likely impacts of sustainability risks on the Fund's yield is based on the fact that an investment fund may achieve different performance or a lower yield in certain market phases compared with other financial products whose underlying assets are not selected on the basis of sustainability criteria and sustainability risks. However, the Management Company believes that taking sustainability risks into account can have a positive impact on yield because the resulting lower weighting or complete exclusion of securities from certain issuers in the portfolio can also mitigate or preclude disproportionately negative returns stemming from the occurrence of a sustainability risk.

w) Risk in connection with units in real estate funds (sub-funds)

The earnings of real estate funds consist of the annual dividend disbursements (if the fund is a dividend fund as opposed to a non-dividend-bearing fund) and the development of the calculated value of the real estate fund, and cannot be determined in advance. The development of the value of real estate funds depends on the investment policy specified in the fund rules, market developments, and the individual properties and other permissible assets (e.g. transferable securities, bank deposits) held in the real estate fund. Real estate funds are subject to earnings risk caused by possible property vacancies. Problems with initial rental can especially arise when the real estate fund completes its own development projects. Vacancies can have negative effects on the value of the real estate fund and can also reduce dividend disbursements.

In addition to bank deposits, real estate funds invest liquid assets in other instruments, especially interest-rate-bearing securities. These portions of the fund assets are subject to special risks that apply to the selected form of investment. When the real estate fund invests in foreign projects outside of the euro currency area, the investor will also be subject to currency risk.

In addition, the redemption of units in real estate funds may be subject to restrictions. Under extraordinary circumstances, redemption may be temporarily suspended until assets in the fund portfolio can be sold and the proceeds from such sales are received. In particular, the fund's rules can specify that the redemption of units can be suspended for a longer period of up to two years after the redemption of a large quantity of units. In such a case, the redemption price cannot be paid during this period.

x) Key personnel risk

Funds that exhibit extremely positive investment results in a given time period owe this success to the individuals managing the portfolio and thus the effective decisions of its management. However, the composition of the fund management can change. It is possible that new decision-makers will be less successful.

y) Risks associated with investments in undertakings for collective investments pursuant to § 166 (1) 3 InvFG 2011

The risks of the Fund are directly related to the risks of the individual units in undertakings for collective investments pursuant to § 166 (1) 3 InvFG 2011 in which it invests. These undertakings typically entail higher levels of risk than traditional investment funds because, due to their investment strategy, they are subject to few or no statutory restrictions with regard to the selection and diversification of investment instruments. Depending on the investment strategy pursued by undertakings for collective investments pursuant to § 166 (1) 3 InvFG 2011 and the investment instruments purchased for the Fund, the risks associated with the investment can be substantial, moderate, or low. In addition, these undertakings can generally employ strategies that impact the value of the assets contained in their portfolios (leverage and short selling). This allows the undertaking to generate profits and losses that far exceed the performance of the underlying assets. However, the unit-holder's risk is limited to the capital invested in the given undertaking. Unit-holders are under no obligation to make additional capital contributions!

The development of global stock markets in recent years has shown that significant price corrections are possible after massive price gains, especially for investment funds that invest in equities. Such price developments are also possible in the future. This means that significant price fluctuations can be expected for this Fund because choosing the optimal time to buy and sell securities is extremely important in such a volatile segment. It is impossible to predict the development of the capital markets or the development of the individual issuers. Earnings achieved in the past are not a guarantee that similar earnings can be achieved in the future. The Management Company strives to minimise the risks inherent to investing in securities while at the same time to maximise earnings potential. However, no guarantee can be given for the anticipated success of an investment. Express note is made of the increased risk associated with an investment in this Fund.

In this, special attention is paid to risk diversification. The exact investment limits are subject to the respective applicable provisions of the InvFG 2011.

This description does not take the investor's individual risk profile into account; the investor is advised to seek individualised professional advice if necessary.

Processing of transactions

The Management Company expressly states that it can have transactions for the Fund completed through a firm with which it is closely associated, an associated company pursuant to Article 4 (1) 38 of Regulation (EU) No. 575/2013.

See Annex 1 for the principles for the best possible execution of trade decisions.

13. Rules for asset valuation and price determination

The value of a unit shall be determined by dividing the total value of the Fund including earnings by the number of units. The depositary bank shall determine the total value of the Fund on the basis of the prices of the transferable securities, money market instruments, and subscription rights contained in the Fund plus the value of the financial investments, cash and cash equivalents, account balances, claims, and other rights held by the Special Fund, less any liabilities.

Description of the valuation procedure for the Fund and the calculation methods for the valuation of assets, including the procedures for the valuation of assets that are difficult to measure

The prices of the individual assets shall be calculated as follows:

- The value of assets that are traded on exchanges or other regulated markets is generally calculated on the basis of the latest available closing prices.
- If an asset is not traded on an exchange or a regulated market or if the price does not reflect the actual value (e.g. in the case of very limited liquidity), it is valued using valuation models.
- Units in a UCITS or UCI are generally valued at the most recent redemption prices or, in the case of exchange traded funds (ETFs), at the latest available closing prices.
- Forward exchange agreements are valued by the Management Company using current market prices.

Assets are generally valued at their market prices. Less liquid assets for which no market prices are available are valued using valuation models. With the exception of forward exchange agreements, models are only used in collaboration with a qualified and independent external service provider. The valuation models that are employed are approved by the management of the Management Company and are regularly reviewed for plausibility by the responsible organisational unit of the Management Company.

If an asset is identified as having a material risk of an inappropriate valuation (as defined by Article 71 [2] of Regulation [EU] No. 213/2013) based on the available master data, the asset shall be valued with the help of an external service provider.

If, in extraordinary cases, neither a price nor a valuation model is available, the Management Company will decide on how to proceed in collaboration with the Valuation Committee, which is made up of representatives of Erste Group Bank AG and Erste Asset Management Group.

Investors should note that contingent claims, such as claims in connection with a securities class action, will only be reflected in the calculated value of the Fund following their actual settlement due to the uncertainty associated with such claims. After it becomes known that bankruptcy proceedings have been initiated, the price of the affected securities is set to zero unless the Management Company determines that a different value is appropriate in individual cases. Claims from bankruptcy proceedings will only be reflected in the calculated value of the Fund following their actual (partial) settlement due to the uncertainty associated with such payments. In the event of such a retroactive payment, the historical calculated value will be corrected. If such payments or other payments are received after the liquidation of the Fund, these sums will be donated to reputable charity organisations.

The percentage of assets contained in the Fund that are difficult to liquidate and that are therefore subject to special guidelines can be found in the most recent annual report for the Fund, section "Information pursuant to § 21 AIFMG – Illiquid securities".

Frequency of price calculation

The issue and redemption price is calculated at the times listed in the Fund Rules.

14. Universal terms for the issue and redemption of units

The most recent available prices will generally be used to calculate the price of the Fund. If the Fund's assets is composed of units in other investment funds, the most recent prices published for the sub-funds will be used.

Front-end surcharge

The issue price is the unit value rounded up to the next cent. No front-end surcharge will be applied.

Disclosure of the issue and redemption prices

The investor shall be provided with information on issue and redemption prices in the agreed manner.

Costs for unit issue and redemption

The issue and redemption of units by the depositary bank as well as the purchase of units shall not be subject to additional charges except for the calculation of any applicable front-end surcharge or back-end commission in accordance with the Fund Rules.

The extent to which individual investors are charged additional fees for the purchase and redemption of unit certificates depends on the individual agreements between the investor and the credit institution managing his security deposit account, and is therefore not under the influence of the Management Company.

15. Information about the method, amount, and calculation of the fees to be paid by the Fund to the Management Company, depositary bank, or third parties and the compensation to be paid to the Management Company, depositary bank, or third parties by the Fund to cover costs incurred

Administrative costs

The Management Company shall receive an **annual** fee for its administrative activities **amounting 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 sub-funds in which the Fund invests may charge administration fees of up to 5,00%.

Other costs

In addition to the fees to which the Management Company is entitled, the following costs and expenses must be covered by the Fund:

a) Transaction costs

This includes the costs incurred in the purchase and sale of assets in the fund portfolio, provided that these costs can be allocated directly to the Fund and provided that they are not taken into account by way of transaction cost inclusion in the price of the asset.

Transaction costs also include currency conversion costs and the costs for the reporting of derivative financial instruments and for the central clearing of OTC derivatives (pursuant to Regulation [EU] 648/2012 [EMIR]).

The theoretical maximum value at the time of the preparation of this document amounts to 3.00% of the fund assets.

b) Costs for the financial auditor and tax representation

The fee paid to the financial auditor depends on the volume of the Fund and also on its investment principles. The costs for tax consultation include the calculation of the tax data per unit, including for Unit-holders who are not subject to unlimited tax liability in Austria (and these costs are charged when necessary based on the prevailing circumstances).

The theoretical maximum value at the time of the preparation of this document amounts to 5.00% of the fund assets.

c) Publication costs (including supervisory costs)

This includes the costs incurred in the publication of information that must be made available by law to Unit-holders in Austria and abroad. In addition, all costs charged by supervisory authorities (such as costs in connection with supervisory reporting duties) and costs resulting from compliance with legal sales requirements in countries in which the Fund is sold may be charged to the Fund as permitted by the applicable legal regulations. This includes the costs incurred for the authorisation of the Fund by foreign authorities (especially translation costs, registration fees, costs for document notarisation, etc.).

The costs for the creation and use of a durable data storage medium (except in cases where this is prohibited by law) are also included.

The theoretical maximum value at the time of the preparation of this document amounts to 3.00% of the fund assets.

d) Costs for the depositary bank

The Fund will be charged customary securities account fees, costs for coupon collection, and, if applicable, customary fees for the safekeeping of foreign securities and financial instruments in other countries (securities account fees). The Fund will also be charged a monthly fee for the other services rendered by the depositary bank, especially the tasks listed in section III, including the tasks that have been delegated to it (depositary bank fee), as well as costs for the conversion of unit certificate transactions in unit categories in foreign currency.

The theoretical maximum value at the time of the preparation of this document amounts to 2.70% of the fund assets.

e) Costs for external consulting that are not included in the administration fee

If external consultants or managers are employed for the Fund, all costs incurred in this connection will be reported under this item and charged to the Fund unless they are already covered by the administration fee.

No costs are currently incurred for external consulting that are not included in the administration fee. If costs are incurred in the future, this must be agreed with the investor in writing.

f) Costs for licences, research, and certification

Expenses for the Fund, particularly for licences (e.g. licences required for investment such as for financial indices, benchmarks, derivative-free benchmark portfolios for calculating the VaR, and licences required for the Fund's designation), for ratings (if ratings are used to evaluate the creditworthiness and assess the risk of an asset), and for research, financial analyses, and market and price information systems that are employed for the benefit of the Unit-holders, can be charged to the Fund at the discretion of the Management Company, provided that the interests of the Unit-holders are protected. Costs for the certification of certain product features can also be charged to the Fund (such as costs for certification with the Austrian Ecolabel or other sustainability labels).

There are no licence costs or costs for research and certifications at this time. If costs are incurred in the future, this must be agreed with the investor in writing.

g) Costs for the exercise of voting rights

In the case of an investment in shares, the Management Company can delegate the exercise of voting rights on these shares to third parties (see item 20), which can result in additional costs.

No costs are incurred for the exercise of voting rights at this time. If costs are incurred for the exercise of voting rights in the future, this must be agreed with the investor in writing.

The items above can be found under "Fund result" in the section of the current annual report titled Income Statement and Changes in Fund Assets.

The theoretical maximum values listed under item 15 represent the estimates of the Management Company at the time of the preparation of this document. The possibility that these values will be reached is particularly high in the event of a significant decline in the fund assets.

Benefits

The Management Company notes that it only accepts non-cash benefits (such as for research, financial analyses, market reports, participation in conferences, etc.) in connection with its administration of the Fund when they are used solely in the interests of the Unit-holders. To this end, the Management Company can conclude agreements with trading partners under which part of the transaction costs can be credited and used to purchase such benefits from third parties, as well. For equities transactions, these non-monetary benefits amount to no more than 0.12% of the respective transaction total.

The Management Company aims to improve the quality of its management service by accepting these benefits.

The Management Company is permitted to make reimbursements (in the sense of commissions) from the administration fees that it receives. The payment of such reimbursements does not entail additional costs for the Fund.

Reimbursements (in the sense of commissions) paid by third parties are forwarded to the Fund after deduction of any associated costs and stated in the annual report.

16. The Management Company makes use of services from the following external consultants/managers:

No such services are used.

17. Information about the measures taken for making payments to Unit-holders, buying back or redeeming units, and distributing information about the Fund

Income is distributed and units are redeemed by the depositary bank (see section III). Dividends are forwarded to the Unit-holders via the respective banks managing the Unit-holders' securities accounts. This also applies to any shares distributed abroad.

All publications and notifications pertaining to the unit certificates shall be communicated in the manner agreed with the investor.

18. Past performance of the Fund, if applicable

The current past performance will be made available to the investor in an agreed manner.

The past performance shown here is not a reliable indication of future performance.

The performance is calculated by the Management Company according to the OeKB method, based on data provided by the depositary bank (using any available indicative values when the payment of the redemption price is suspended). The calculation of the performance does not include individual costs such as the front-end surcharge, the back-end commission, other fees, commissions and other expenses. These would reduce the performance if they were included.

Notice for investors with a different functional currency than the fund currency: The yield can rise or fall as a result of currency fluctuations.

19. Profile of the typical investor for whom the Fund is designed

This product is intended for investors with basic knowledge and with no or only limited experience with investing in funds, who wish to increase the value of their investment over the recommended holding period and/or who are seeking regular returns, and who are also willing to accept a potential financial loss in terms of their originally invested capital.

A recommended holding period for units in this Fund can be found in the key information document under the item "How long should I hold it and can I take money out early?".

20. Voting rights policy

The Management Company exercises the membership and creditor rights associated with the assets of the managed investment funds autonomously and exclusively in the best interests of the investors and the integrity of the market.

In all matters that could have a long-term impact on the interests of the investors, the Management Company as a responsible shareholder must exercise voting rights autonomously and exclusively in the best interests of the Unit-holders or must delegate this to a third party with explicit instructions for how to exercise these rights.

To this end, it may rely on information that it receives from the depositary bank, the portfolio manager, the company, or third parties, or that it learns from the press.

The Management Company is always prepared to provide information about the exercise of its membership and creditor rights. The Management Company must apply particular diligence and prudence when exercising voting rights in relation to associated companies. This applies in particular in relation to the depositary bank, to companies belonging to the same group, and to companies that can exercise a material influence over companies in the group.

In the event that the Fund invests in shares, the Management Company can commission a voting rights consultant to exercise the voting rights associated with these shares. Further information can be found in the voting rights policy of the Management Company. Information about the voting rights policy of the Management Company will be provided to the investor free of charge in the manner agreed with him.

21. Principles for the best possible execution of trade decisions

See Annex 1.

22. Procedure for handling investor complaints

Further information can be found at the website of the Management Company:
<https://www.erste-am.at/de/private-anleger/wer-sind-wir/anlegerbeschwerden>

23. Any costs or fees to be paid directly by the Unit-holder and those to be paid from the assets of the Fund

The fees for the safekeeping of the unit certificates of the Unit-holder are based on the agreement made between the Unit-holder and the bank managing his securities account.

There are no costs beyond those specified in items 14 and 15.

The costs specified in item 14 must be paid directly by the Unit-holder, and the costs specified in item 15 (administrative costs and other costs) are paid from the assets of the Fund.

24. Description of the procedures under which the Fund can change its investment strategy, its investment policy, or both

This document was prepared in accordance with the currently valid Fund Rules.

The Fund can change its investment strategy and/or its investment policy by way of an amendment to this document and the adaptation of the key information document and, if applicable, by way of an amendment to the Fund Rules or in the manner agreed with the investor. The investor shall be informed of the change(s) in the manner agreed with him.

The Management Company is also entitled to elaborate on the Fund Rules with further information in this document within the scope permitted by law.

25. Prime brokers

The services of a prime broker are not currently utilised.

26. Investor rights

Investor rights pertain to rights that are directly enforceable by the investor in the sense of any claims for damages against the Management Company, the depositary bank, or sub-depositaries due to culpable violations of the obligations that apply to each of these entities.

The obligations of the Management Company towards the investors are not affected by the delegation of tasks or by subcontracting/subdelegation to third parties. The Management Company is liable for the conduct of these third parties in the same way it is liable for its own conduct.

The liability of the depositary is not affected by the delegation of tasks to a sub-depositary unless a legally permissible release of liability pursuant to § 19 (13) AIFMG is in place.

General information on the relationship between Unit-holders and the Fund

Right of joint ownership

The Unit-holders are joint owners of the assets of the Fund in accordance with the number of units they own. Therefore, every fund unit represents a right in rem, in this case the right of joint ownership, to the fund assets. As segregated assets, the fund assets are strictly

separated from the assets of the Management Company, thus protecting them from all claims against the assets of the Management Company. In the event of the insolvency of the Management Company, these assets are eligible for segregation.

Fund units are generally issued in an unlimited number.

According to the prevailing interpretation of Austrian law, the investment agreement concluded between the Unit-holders and the Management Company qualifies as an agency agreement pursuant to §§ 1002 ff Austrian Civil Code (Allgemeines Bürgerliches Gesetzbuch; ABGB). It obligates the Management Company to manage the fund assets jointly owned by the Unit-holders and to perform the legal acts and legal transactions required to do so. In this, the Management Company must always act in the interests of the Unit-holders.

The Management Company is not required to achieve success (such as a specific performance target for the fund assets), but is required to manage the fund assets with the due diligence of a prudent manager. The Management Company acts in its own name and for the account of the Unit-holders. In general, only the Management Company may dispose of the fund assets. When doing so, it must comply with the investment limits and requirements specified by law and by the Fund Rules.

In addition, the Management Company is obligated to grant the Unit-holders the status of joint owners upon payment of the issue price; this task has been delegated to the depositary bank. In return, the Unit-holders are obligated to pay the issue price plus a front-end surcharge and the administration fee to the Management Company. See items 14 and 15 for information on the costs and fees.

Court of jurisdiction/applicable law

The legal relationship between the Management Company and the investor is subject to Austrian law, expressly precluding the choice-of-law rules defined therein. The place of performance is the registered office of the Management Company. The court of jurisdiction is the competent court for the registered office of the Management Company. This does not supersede the competent court of jurisdiction for consumers.

Enforcement of rights

Investor complaints related to the provisions of the InvFG 2011 can be filed with the Joint Conciliation Board of the Austrian Banking Industry (Austrian member of FIN-NET).

Legal disputes connected with investments in this Fund are subject to Austrian law, expressly precluding the choice-of-law rules defined therein. In order to enforce their rights, investors can take legal action in the competent courts.

The recognition and enforcement of judgements within the territory of the Republic of Austria depends on what country the judgement was rendered in.

Council Regulation (EC) No 1215/2012 of 12 December 2012 on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters (the Brussels Regime, in the currently amended version) is applicable in Austria. Judgements rendered by competent courts pursuant to the Brussels Regime are recognised and enforced in Austria.

In addition, Regulation (EC) No 805/2004 of the European Parliament and the Council of 21 April 2004 creating a European Enforcement Order for uncontested claims (as amended) applies in Austria. Claims deemed to be enforceable in the state of origin pursuant to this regulation are enforced in Austria without further recognition or order of enforcement.

There are also other European regulations that form the basis for the recognition and enforcement of judgements in Austria.

In all other cases, the recognition and enforcement of foreign judgements in Austria must be determined in legal proceedings under national law.

Along with the direct entitlements and rights of investors based on the investment agreement and their status as joint owners, investors have secondary contractual rights (such as claims for damages) vis-à-vis the Management Company in the event of the culpable violation of the obligations that apply to the Management Company. These rights are based on general civil law.

The obligations of the Management Company towards the investors are not affected by the delegation of tasks or by subcontracting to third parties. The Management Company is liable for the conduct of these third parties in the same way it is liable for its own conduct.

Right to redeem units

In general, the Unit-holders can demand the redemption of their units at any time by presenting their unit certificates or by submitting a redemption order to the depositary bank; the depositary bank must accept these units at the prevailing redemption price.

For additional information, see section II, item 10.

Right to information

The Unit-holders are entitled to receive information about the investment limits of the Fund, the risk management methods, and the latest developments regarding risks and returns from the Management Company upon request.

Voting rights

The unit certificates do not confer voting rights.

For information on the voting rights policy regarding individual investment instruments, see item 20.

Information regarding investor complaints

The Management Company has established internal processes for the appropriate and prompt handling of investor complaints. Complaints can be lodged at no charge, including through the Management Company's website. More detailed information can be found at the website: www.erste-am.at/de/private-anleger/wer-sind-wir/anlegerbeschwerden

27. Conflicts of interest

More detailed information about the guidelines for handling any conflicts of interest can be found on the website of the Management Company at: www.erste-am.at/de/private-anleger/wer-sind-wir/investmentprozess

SECTION III

Information about the depositary bank (depositary)

1. Style, legal form; registered office and location of headquarters if this is not the same as the registered office

The depositary bank is Erste Group Bank AG, Am Belvedere 1, A-1100 Vienna, trade register number 33209m, court of registry: Vienna Commercial Court.

2. Primary business activity and duties of the depositary bank

Erste Group Bank AG has taken on the function of the depositary bank for the Fund. The selection of the depositary bank for funds was generally authorised by the Financial Market Authority at the request of the Management Company. The Financial Market Authority must be notified of a change of depositary bank.

Erste Group Bank AG is a credit institution under Austrian law. Its main business activity is the provision of current and savings accounts, the extension of loans, and securities brokerage.

Erste Group Bank AG is responsible for the functions specified in § 19 (7), (8), and (9) AIFMG, and, in particular, is tasked with holding the assets of the Fund that are eligible to be held in custody, with managing the accounts and portfolios of the Fund, and with the technical processing of the issue and redemption of unit certificates. In addition, it is responsible for the safekeeping of the unit certificates for the investment funds managed by the Management Company. In particular, it must ensure that in transactions involving the fund assets, the consideration is transferred to the depositary bank immediately and that the earnings of the Fund are used in accordance with the legal regulations and the Fund Rules.

Erste Group Bank AG employs sub-depositaries. A list of these sub-depositaries can be found in "Annex: List of Sub-Depositaries". The most recent information about these sub-depositaries and information about any conflicts of interest can be found on the website of the Management Company at:

<https://www.erste-am.at/de/private-anleger/wer-sind-wir/investmentprozess>

In addition, Erste Group Bank AG performs the following tasks as part of a delegation of tasks pursuant to § 18 AIFMG:

- o NAV calculation (including fund accounting)
- o Income distribution based on the decisions of the Management Company
- o Settlement of contracts (including the sending of certificates)
- o Recording of subscription and redemption orders, processing of subscription and redemption orders, and communication requirements

The fees to be paid to the Management Company for its administration of the Fund and the compensation to be paid to the Management Company for the costs it incurs in the management of the Fund must be paid by the depositary bank according to the Fund Rules from the accounts that it manages for the Fund. The depositary bank is authorised to charge to the Fund the fees to which it is entitled for the safekeeping of the Fund's securities and for the management of the Fund's accounts. In this, the depositary bank is only permitted to act on the basis of instructions from the Management Company.

The Management Company notes that it has delegated tasks to a firm with which it is closely associated, an associated company pursuant to Article 2 (1) 5 AIFMG.

Detailed information about the (additional) duties required of Erste Group Bank AG by law and in accordance with the depositary bank contract will be provided upon request.

Annex: List of Sub-Depositaries

The depositary of the Fund is Erste Group Bank AG.

The depositary can use the following sub-depositaries for the safe-keeping of assets that can be held in custody.

In this case, these sub-depositaries take on the function of the safe-keeping of the assets that can be held in custody.

Sub-depositaries:

- Clearstream Banking Lux, 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg
- Commerzbank AG, Neue Börsenstrasse 1, D-60261 Frankfurt/Main, Germany
- UBS Switzerland AG, Badenerstrasse 574, CH-8098 Zurich, Switzerland
- Citibank Europe plc, 1 North Wall Quay, IE-Dublin 1, Ireland
- Erste Bank Hungary Zrt., Népfürdő u. 24-26 Europe Tower, HU-1138 Budapest, Hungary
- Euroclear, 1, Boulevard du Roi Albert II, 1210 Brussel, Belgium
- Ceska sporitelna A.S., Budejovicka 1518/13a, CZ-14000 Praha 6, Czechia
- Slovenska Sporitelna, A.S., Tomášikova 48, 832 37 Bratislava, Slovak Republic
- Banca Comerciala Romana, 5, Regina Elisabeta Bvd, Sector 3, 030016 Bucharest, Romania
- Bank Handlowy w Warszawie S.A. Senatorska Street 16, 00-923 Warsaw, Poland
- Erste & Steiermärkische Bank, Ivana Lucica 2, HR-10000 Zagreb, Croatia
- Erste Asset Management d.o.o., Ivana Lucica 2, HR-10000 Zagreb, Croatia
- Erste Bank A.D., Bulevar Milutina Milankovica 3a, SR-11070 Novi Beograd, Serbia
- OTP Banka d.d., Vita Kraigherja 4, Maribor, Slowenien
- Citibank N.A., 388 Greenwich Street, New York, NY 10013, U.S.A.
- Deutsche Bank S.A. - Banco Alemão, Av. Brigadeiro Faria Lima, nº 3900 - 14º andar, Itaim Bibi, BR-04538-132 São Paulo, Brazil
- HSBC Ltd. India, 11th floor, Building 3, NESCO-IT Park, NESCO Complex, Western Express Highway, Goregaon East, IN-400063 Mumbai, India
- HSBC Bank (Taiwan) Ltd., 11/F, No. 369, Section 7, Zhongxiao East Road, Nangang District, TW-115 Taipei-City, Taiwan
- Raiffeisenbank dd Bosnia I Hercegovina, Ulica Zmaja od Bosne d.d., BIH-71000 Sarajevo, Bosnia and Herzegovina
- AO Raiffeisenbank, Smolenskaya-Sennaya Square, 28, 119002 Moscow, Russia

Sub-depositaries for sub-funds:

- Clearstream Global Securities Services, (Dublin Branch), Custom House Plaza, Block 6/I.F.S.C., IE-Dublin 1, Ireland
- Allfunds Bank S.A.U., 30 Boulevard Royal, L-2449 Luxembourg, Luxembourg

Domestic sub-depositaries:

- Unicredit Bank Austria AG, Rothschildplatz 1, A-1020 Vienna, Austria
- Raiffeisen Bank International, Am Stadtpark 9 (P.O. Box 50), A-1030 Vienna, Austria
- OEKB CSD GmbH, Strauchgasse 3, A-1011 Vienna, Austria
- Schelhammer Capital, Burgring 16, P.O. Box 922, A-8010 Graz, Austria
- Raiffeisenlandesbank Oberösterreich AG, Europaplatz 1a, A-4020 Linz, Austria

The most recent information about these sub-depositaries can be found on the website of the Management Company at:

<https://www.erste-am.at/de/private-anleger/wer-sind-wir/investmentprozess>

Annex 1

Principles for the best possible execution of trade decisions for investment funds

1. Introduction

The Management Company shall act in the best interests of the investment funds under its administration when it executes trade decisions for the management of the portfolios of these funds and when it forwards orders for the execution of trade decisions to other parties for the management of the portfolios of these funds. In this, it shall do everything in its power to achieve the best possible result for the investment fund. The following principles for the best possible execution of trade decisions (best execution policy) apply to this end. These principles apply to the purchase and sale of financial instruments as part of the management of a fund.

2. Execution criteria

The following criteria are relevant for achieving the best possible result:

- Rate/price
- Costs
- Probability of execution and settlement
- Speed
- Type and scope of the order.

The best possible result is not determined solely by the rate/price. The relative importance of the specified criteria is determined on the basis of the following factors:

- Objectives, investment policy, and specific risks of the investment fund
- Characteristics of the order
- Characteristics of the financial instruments covered by the order
- Characteristics of the execution venues

This is not an exhaustive list of all factors. Depending on the type and characteristics of the transaction, other factors including time criteria, volume criteria, and unforeseen events may also be relevant.

As the Management Company is obligated not only to execute trading decisions in the best manner possible, but also to act in the best interests of the investment funds under its management, all trading decisions must be made taking all relevant factors into account. This includes ensuring the best possible access to research services. To this end, the Management Company may enter into commission sharing agreements with trading partners under which part of the transaction costs billed are credited and can be used for the procurement of research services from third parties.

If the management of the Fund has been delegated to an external fund manager, this manager must apply a best execution policy and must execute all transactions in accordance with the principles contained in this policy.

3. Execution venues

Transactions can be executed through regulated markets, through multilateral trading facilities (MTFs), or through other means (including as over the counter [OTC] transactions). When executing trading decisions through trading partners, these execution principles and the existing broker lists are taken into account.

Transactions with bonds are generally completed through trading platforms or directly with the counterparties. Here, price, volume, and block criteria are specifically taken into account when making the decision. In cases of first-time issue, the probability of allocation is especially taken into account along with the criteria specified above.

When deciding which counterparties are eligible as trading partners in general, various criteria including the reliability of quotes, processing, post-transaction service, and trading behaviour are taken into account.

For equities, exchange traded funds, and exchange traded bonds and certificates, liquidity is a major factor in making decisions. When the liquidity is high, the criteria of rate/price and speed are weighted more highly, while the criteria of type and scope of the order and probability of execution and settlement are weighted more highly when the liquidity is low.

OTC financial instruments, exchange traded derivatives, foreign currency transactions, and forward exchange agreements are usually processed through Erste Group Bank AG for technical reasons. Erste Group Bank AG will execute the buy and sell orders by way of trades

for its own account. In these transactions, the price will vary depending on the market situation of the instrument in question. In this case, the best execution policy of Erste Group Bank AG will be applied.

4. Customer instructions relating to special funds

If the customer expressly instructs that an order be completed on a specific market or platform, we will comply with these instructions. This best execution policy will not apply in this case, and the Management Company expressly notes that the best possible execution cannot be guaranteed for this reason.

5. Review of the fundamental parameters

The markets selected according to these principles are reviewed by the Management Company once per year and adapted as needed. A review is also completed when there is reason to believe that material criteria that made a specific market suitable according to these principles no longer apply.

HEMUS **(special purpose fund)**

HEMUS (the “Special Purpose Fund” or the “Fund” in the following) is a special purpose fund in the form of an “other asset portfolio” pursuant to the **Austrian Investment Fund Act 2011 (InvFG) as amended** in conjunction with the **Alternative Fund Manager Act (AIFMG) as amended**.

The Special Purpose Fund is managed by Erste Asset Management GmbH (the “Management Company” in the following), which is domiciled in Vienna.

Article 1 **Fund Shares**

The partial ownership of the fund assets is evidenced by certificates having the characteristics of a bearer share.

The share certificates are depicted in global certificates. For this reason, individual share certificates cannot be issued.

The shares in the Special Purpose Fund are held by no more than ten Shareholders who must be known to the Management Company.

If a natural person acquires shares, the minimum investment is EUR 250,000.

A Shareholder can also be a group of Shareholders for which all rights of the Shareholders in the group in relation to the Management Company are executed uniformly by a single representative; in this case, each natural person must fulfil the minimum investment amount.

Share certificates may only be transferred with the authorisation of the Management Company.

Article 2 **Custodian Bank (Depositary)**

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

The payment offices for share certificates are the custodian bank (depositary) or other payment offices named in the “Information for Investors pursuant to § 21 AIFMG”.

Article 3 **Investment Instruments and Principles**

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

The investment and issuer limits for UCITS apply analogously to the Special Purpose Fund with the exceptions specified in §§ 166 f InvFG.

If legally permissible (§ 164 [4] InvFG 2011), the investment limits may be exceeded by 100%.

a) Securities

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.

The Fund has neither distinct nor cumulative objectives offering returns in line with money market rates or preserving the value of the investment pursuant to Article 1 (1) lit. c) of Regulation (EU) 2017/1131 (Money Market Fund Regulation) and is thus not a money market fund as defined by the Money Market Fund Regulation.

c) Securities and money market instruments

The Fund may purchase 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.

Securities and money market instruments may only 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.

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) Shares in investment funds

Shares in investment funds (UCITS, UCI) may **comprise up to 50%** of the fund assets per individual issue and may comprise **up to 100% in aggregate total**.

Shares in investment funds in the form of "other asset portfolios" may comprise **up to 10%** of the fund assets per individual issue and may comprise **up to 100% in aggregate total**. If this "other asset portfolio" may according to its fund terms and conditions invest **no more than 10%** of its fund assets **in total** in shares in undertakings for collective investments, shares in this "other asset portfolio" may comprise **up to 50%** of the fund assets per individual issue and **up to 100% in aggregate total**.

Shares in domestic special purpose funds pursuant to the InvFG may **comprise up to 50%** of the fund assets per individual issue and may comprise **up to 100% in aggregate total** provided that all shareholders of the special purpose fund to be purchased authorise this purchase before it is affected.

e) Shares in undertakings for collective investments pursuant to § 166 (1) 3 InvFG

Does not apply.

f) Shares in real estate funds

Does not apply.

g) Demand deposits or callable deposits

Demand deposits and callable deposits with a maximum term of 12 months may comprise **up to 100%** of the fund assets.

There are no minimum cash deposit requirements.

h) Repurchase agreements

Does not apply.

i) Securities lending

Does not apply.

j) Derivative financial instruments

Derivative instruments can be used as part of the investment strategy **up to 100%** of the fund assets and for hedging purposes.

k) Risk measurement method(s) of the Special Purpose Fund

The Special Purpose Fund applies the following risk measurement method: **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.

l) Acceptance of short-term loans

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

m) Leverage pursuant to the AIFMG

Leverage may be used. Further information can be found in the "Information for Investors pursuant to § 21 AIFMG".

Article 3a Liquidity Management Measures

The Management Company has defined the following liquidity management measures for the protection of Unit-holders' interests: redemption restrictions and an extension of the redemption notice period. The simultaneous application of selected liquidity management measures is permitted if required to protect Unit-holders' interests.

A redemption restriction may be temporarily applied, taking market conditions and expected payment flows into consideration.

The Management Company may temporarily extend the redemption notice period. This does not impact the redemption frequency.

Article 4 Accounting and Valuation Standards, Issue and Return Procedure

Accounting and valuation standards

Transactions executed by the Special Purpose Fund (e.g. purchases and sales of securities), earnings, and compensation for expenses are recorded in the Fund's accounts as promptly as possible in an orderly and complete manner.

Particularly administration fees and interest income (including from coupon bonds, zero bonds, and deposits) are recorded on an accrual basis over the reporting period.

The **total value of the Special Purpose Fund** shall be determined on the basis of the prices of the securities, money market instruments, investment funds, and subscription rights contained in the Special Purpose Fund plus the value of the financial investments, cash and cash equivalents, account balances, claims, and other rights held by the Special Purpose Fund, less any liabilities.

The prices of the individual assets shall be determined as follows:

a) The value of assets that are listed or traded on an exchange or other regulated market is generally determined on the basis of the latest published prices.

b) If an asset is not listed or traded on an exchange or other regulated market or if the price reported for an asset that is listed or traded on an exchange or other regulated market does not adequately reflect its actual fair value, prices from reliable data providers, market prices for securities of the same type, or other recognised valuation methods will be used.

Issue and return procedure

The share value shall be calculated in EUR.

The share value is calculated at the same time as the issue and return price.

Calculation method

The most recent published prices will generally be used to calculate the net asset value (NAV).

Issue of shares and issue premium

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

The issue price is the share value rounded up to the next cent. No issue premium will be charged.

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

Return of shares and return fee

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

The return price is the share value rounded down to the next cent. No return fee will be charged.

Upon request by the Shareholder, his shares in the Special Purpose Fund shall be redeemed at the current return price in return for the share certificate.

Article 5

Financial Year

The financial year of the Special Purpose Fund is from 1 July to 30 June.

Article 6

Share Classes and Use of Earnings

The Special Purpose Fund features three different share classes and the corresponding certificates: dividend shares, non-dividend shares with capital gains tax payment, and non-dividend shares without capital gains tax payment, with certificates being issued for one share each and also for fractional shares.

Use of earnings for dividend shares

The earnings generated during the financial year (interest and dividends) less all costs can be distributed as deemed appropriate by the Management Company. Dividend disbursement may be suspended in the interests of the Shareholders. Dividends may also be paid at the discretion of the Management Company from earnings generated by the sale of fund assets, including subscription rights. Fund assets may be paid out in the form of dividends and interim dividends.

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 shares **on or after 1 October** of the following financial 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 shares unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the share certificates can only be held by Shareholders who are not subject to Austrian personal or corporate income tax or who meet the conditions for exemption from capital gains tax according to § 94 EStG at the time of payment.

Use of earnings for non-dividend shares with capital gains tax payment (non-dividend shares)

The earnings generated by the Fund during the financial year less all costs will not be paid out. In the case of non-dividend shares, 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 shares unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the share certificates can only be held by Shareholders who are not subject to Austrian personal or corporate income tax or who meet the conditions for exemption from capital gains tax according to § 94 EStG at the time of payment.

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

The earnings generated by the Fund during the financial 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 financial year.

The Management Company shall provide suitable proof from the banks managing the corresponding securities accounts that the share certificates could only be held by Shareholders who are not subject to Austrian personal or corporate income tax or who met 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

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 also be entitled to compensation for all expenses incurred in the administration of the Fund.

Upon liquidation of the Special Purpose Fund, the party processing the liquidation shall receive no fee.

Article 8

Provision of Information to Investors

The Information for Investors pursuant to § 21 AIFMG, including the Fund Terms and Conditions, the key information document, the annual and semi-annual reports, the issue and return prices, and other information, shall be provided to the investor in the manner agreed with him.

Further information and details about this Special Purpose Fund can be found in the Information for Investors pursuant to § 21 AIFMG.

Annex to the Fund Rules

List of exchanges with official trading and organised markets (As of November 2025)

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 ESMA. The ESMA publishes a list of all regulated markets on its website and updates it regularly.

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

https://registers.esma.europa.eu/publication/searchRegister?core-esma_registers_upreg

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.

1.2. 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.	Channel Island	The International Stock Exchange (TISE)
2.3.	Montenegro:	Podgorica
2.4.	Russia:	Moscow Exchange
2.5.	Switzerland:	SIX Swiss Exchange AG, BX Swiss AG
2.6.	Serbia:	Belgrade
2.7.	Turkey:	Istanbul (only "National Market" on the stock market)
2.8.	United Kingdom of Great Britain and Northern Ireland:	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

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 National Stock Exchange of India Limited (NSE) India International Exchange (IFSC)
3.8.	Indonesia:	Jakarta
3.9.	Israel:	Tel Aviv
3.10.	Japan:	Tokyo, Osaka, Nagoya, Fukuoka, Sapporo

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, Auckland
3.17.	Peru:	Bolsa de Valores de Lima
3.18.	Philippines:	Philippine Stock Exchange
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, Nasdaq
3.24.	Venezuela:	Caracas
3.25.	United Arab Emirates:	Abu Dhabi Securities Exchange (ADX)

4. Organised markets in countries outside of the European Union

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.	South Africa:	Johannesburg Stock Exchange (JSE), South African Futures Exchange (SAFEX)
5.13.	Turkey:	TurkDEX
5.14.	USA:	NYCE American, Chicago Board Options Exchange, Chicago Board of Trade, Chicago Mercantile Exchange, Comex, FINEX, ICE Future US Inc. New York, Nasdaq, New York Stock Exchange, Boston Options Exchange (BOX)