

Raiffeisen Sustainable EmergingMarkets Equities

(Original German name: Raiffeisen-Nachhaltigkeit-EmergingMarkets-Aktien)

annual fund report

financial year Mar 1, 2018 – Feb 28, 2019

Note:

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

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Report for the financial year from Mar 1, 2018 to Feb 28, 2019

General fund information

ISIN	Tranche	Income class	Currency	Launch date
AT0000A1TB75	Raiffeisen Sustainable EmergingMarkets Equities (I) A	income-distributing	EUR	Mar 15, 2017
AT0000A1TB42	Raiffeisen Sustainable EmergingMarkets Equities (R) A	income-distributing	EUR	Mar 15, 2017
AT0000A1TB67	Raiffeisen Sustainable EmergingMarkets Equities (I) T	income-retaining	EUR	Mar 15, 2017
AT0000A1TB34	Raiffeisen Sustainable EmergingMarkets Equities (R) T	income-retaining	EUR	Mar 15, 2017
AT0000A1TB83	Raiffeisen Sustainable EmergingMarkets Equities (I) VTA	full income-retaining (outside Austria)	EUR	Mar 15, 2017
AT0000A1TB59	Raiffeisen Sustainable EmergingMarkets Equities (R) VTA	full income-retaining (outside Austria)	EUR	Mar 15, 2017

Fund characteristics

Fund currency	EUR
Financial year	Mar 1 – Feb 28
Distribution/payment/reinvestment date	Jun 1
Type of fund	Investment fund pursuant to § 2 of the Austrian Investment Fund Act, InvFG (UCITS)
Effective management fee for the fund	I-Tranche (EUR): 1.000 % R-Tranche (EUR): 2.000 %
Custodian bank	Raiffeisen Bank International AG
Management company	Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Mooslackengasse 12, A-1190 Vienna Tel. +43 1 71170-0 Fax +43 1 71170-761092 www.rcm.at Companies register number: 83517 w
Fund management	Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
Auditor	KPMG Austria GmbH

Legal notice

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

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

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

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

Dear unitholder,

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. is pleased to present its annual fund report for Raiffeisen Sustainable EmergingMarkets Equities for the financial year from Mar 1, 2018 to Feb 28, 2019. The accounting is based on the price calculation as of Feb 28, 2019.

Fund details

	Feb 28, 2018	Feb 28, 2019
Total fund assets in EUR	6,298,168.56	9,737,566.51
Net asset value/distributing units (I) (AT0000A1TB75) in EUR	106.57	101.44
Issue price/distributing units (I) (AT0000A1TB75) in EUR	111.90	106.51
Net asset value/distributing units (R) (AT0000A1TB42) in EUR	105.51	99.33
Issue price/distributing units (R) (AT0000A1TB42) in EUR	110.79	104.30
Net asset value/reinvested units (I) (AT0000A1TB67) in EUR	106.56	102.46
Issue price/reinvested units (I) (AT0000A1TB67) in EUR	111.89	107.58
Net asset value/reinvested units (R) (AT0000A1TB34) in EUR	105.51	100.42
Issue price/reinvested units (R) (AT0000A1TB34) in EUR	110.79	105.44
Net asset value/fully reinvested units (I) (AT0000A1TB83) in EUR	106.57	102.47
Issue price/fully reinvested units (I) (AT0000A1TB83) in EUR	111.90	107.59
Net asset value/fully reinvested units (R) (AT0000A1TB59) in EUR	105.19	100.09
Issue price/fully reinvested units (R) (AT0000A1TB59) in EUR	110.45	105.09

	Jun 1, 2018	Jun 3, 2019
Distribution/unit (I) (A) EUR	1.0700	1.0100
Distribution/unit (R) (A) EUR	1.0600	0.9900
Outpayment/unit (I) (T) EUR	0.0062	0.0000
Outpayment/unit (R) (T) EUR	0.0000	0.0000
Reinvestment/unit (I) (T) EUR	0.0000	0.0000
Reinvestment/unit (R) (T) EUR	0.0000	0.0000
Reinvestment/unit (I) (VTA) EUR	0.0000	0.0000
Reinvestment/unit (R) (VTA) EUR	0.0000	0.0000

The distribution will occur free-of-charge at the fund's paying agents.

Units in circulation

	Units in circulation on Feb 28, 2018	Sales	Repurchases	Units in circulation on Feb 28, 2019
AT0000A1TB75 (I) A	10.000	0.000	0.000	10.000
AT0000A1TB42 (R) A	29.242	304.000	0.000	333.242
AT0000A1TB67 (I) T	55,431.000	30,729.000	-779.000	85,381.000
AT0000A1TB34 (R) T	95.580	129.675	-1.000	224.255
AT0000A1TB83 (I) VTA	10.000	639.766	0.000	649.766
AT0000A1TB59 (R) VTA	3,573.702	6,064.351	-989.839	8,648.214
Total units in circulation				95,246.477

Development of the fund assets and income statement

Performance in financial year (fund performance)

Distributing units (I) (AT0000A1TB75)

Net asset value per unit at start of financial year in EUR	106.57
Distribution on Jun 1, 2018 (net asset value: EUR 102.13) of EUR 1.0700, corresponds to 0.010477 units	
Net asset value per unit at end of financial year in EUR	101.44
Total value incl. units purchased through distribution (1.0105 x 101.44)	102.50
Net income/net reduction per unit	-4.07

Performance of one unit during the financial year in %

-3.82

Distributing units (R) (AT0000A1TB42)

Net asset value per unit at start of financial year in EUR	105.51
Distribution on Jun 1, 2018 (net asset value: EUR 100.75) of EUR 1.0600, corresponds to 0.010521 units	
Net asset value per unit at end of financial year in EUR	99.33
Total value incl. units purchased through distribution (1.0105 x 99.33)	100.38
Net income/net reduction per unit	-5.13

Performance of one unit during the financial year in %

-4.87

Reinvested units (I) (AT0000A1TB67)

Net asset value per unit at start of financial year in EUR	106.56
Outpayment on Jun 1, 2018 (net asset value: EUR 103.17) of EUR 0.0062, corresponds to 0.00006 units	
Net asset value per unit at end of financial year in EUR	102.46
Total value incl. units purchased through outpayment (1.0001 x 102.46)	102.47
Net income/net reduction per unit	-4.09

Performance of one unit during the financial year in %

-3.84

Reinvested units (R) (AT0000A1TB34)

Net asset value per unit at start of financial year in EUR	105.51
Outpayment on Jun 1, 2018 (net asset value: EUR 101.89) of EUR 0.0000, corresponds to 0,000000 units	
Net asset value per unit at end of financial year in EUR	100.42
Total value incl. units purchased through outpayment (1.0000 x 100.42)	100.42
Net income/net reduction per unit	-5.09

Performance of one unit during the financial year in %

-4.82

Fully reinvested units (I) (AT0000A1TB83)

Net asset value per unit at start of financial year in EUR	106.57
Net asset value per unit at end of financial year in EUR	102.47
Net income/net reduction per unit	-4.10

Performance of one unit during the financial year in %

-3.85

Fully reinvested units (R) (AT0000A1TB59)

Net asset value per unit at start of financial year in EUR	105.19
Net asset value per unit at end of financial year in EUR	100.09
Net income/net reduction per unit	-5.10
Performance of one unit during the financial year in %	-4.85

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

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

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

Development of fund assets in EUR

Fund assets on Feb 28, 2018 (59,149.524 units)		6,298,168.56
Distribution on Jun 1, 2018 (EUR 1.0700 x 10.000 distributing units (I) (AT0000A1TB75))		-10.70
Distribution on Jun 1, 2018 (EUR 1,0600 x 329.242 distributing units (R) (AT0000A1TB42))		-349.00
Outpayment on Jun 1, 2018 (EUR 0.0062 x 57,221.00 reinvested units (I) (AT0000A1TB67))		-354.77
Issuance of units	3,656,264.00	
Redemption of units	-173,792.62	
Pro rata income adjustment	67,188.59	3,549,659.97
Overall fund result		-109,547.55
Fund assets on Feb 28, 2019 (95,246.477 units)		9,737,566.51

Fund result in EUR

A. Realized fund result

Ordinary fund result

Income (excl. closing price)		
Interest expenses (incl. negative credit interest)	-0.98	
Dividend income (incl. dividend equivalent)	260,025.67	
		260,024.69
Expenses		
Management fees	-79,521.37	
Custodian bank fees / Custodian's fees	-6,717.01	
Auditing costs	-3,976.88	
Expenses for tax advice / tax representation	-7,058.08	
Custody charge	-5,568.57	
Publicity costs, regulatory fees	-8,950.84	
Costs associated with foreign sales ¹	-1,266.10	
Research expenses	-5,405.11	
		-118,463.96
Ordinary fund result (excl. income adjustment)		141,560.73
Realized closing price		
Profits realized from securities	161,618.91	
Losses realized from securities	-645,854.09	
Realized closing price (excl. income adjustment)		-484,235.18
Realized fund result (excl. income adjustment)		-342,674.45

B. Unrealized closing price

Change in unrealized closing price	298,521.60	
Change in dividends receivable	1,793.89	
		300,315.49

¹ The publicity costs, regulatory fees item may include costs associated with foreign sales that have arisen until September 2018.

C. Income adjustment

Income adjustment for income during financial year	-67,188.59	
		-67,188.59
Overall fund result		-109,547.55

The result for the past financial year includes explicitly reported transaction costs (incl. external transaction-related costs, see item 15a "Transaction costs" in section II of the prospectus) in the amount of 34,715.14 EUR.

Capital market report

Stock markets around the globe recovered strongly in January and February after a very weak fourth quarter in 2018. Above all, a surprise monetary policy change of the US central bank (Fed) drove stock prices up sharply. Renewed fiscal and monetary stimuli, a very negative investor sentiment at the turn of the year and deeply oversold market conditions provided additional fuel for the rally. However, most of the drag factors that pushed stock prices down in the past year continue to persist. These include, for example, weakened global growth, a gradual reduction in global liquidity, trade disputes, Brexit and the risk of a further slowdown in corporate profits.

Most bond markets showed negative total returns in 2018, especially in emerging markets. The latter suffered noticeably from the stronger US dollar, lower risk appetite among investors and a significant rise in US yields over the course of the year. However, the abrupt shift of the Fed's monetary outlook spurred not only equities but also bond markets worldwide. Especially bonds from emerging markets and corporate bonds recovered strongly. In the Eurozone, bond market movements were less pronounced in both 2018 and the first two months of 2019. Still, European corporate bonds, too, have recovered most of their prior year's losses. Government bonds have trended higher as well in recent months. They, too, benefitted from the shift in monetary policy and from the rather benign outlook for growth and inflation rates in the USA, Europe, and Japan.

Among major commodities, prices for industrial and precious metals were down over the course of the past year. Crude oil prices had advanced substantially into fall but then virtually collapsed in the final quarter. In January, it recovered strongly, as did most commodities. The US dollar advanced in 2018, especially against emerging market currencies. The euro retreated versus the US currency as well, and it has traded slightly weaker in the New Year, too.

The US central bank has once again hiked the key interest rate in December 2018, for a ninth time in the current interest rate cycle. At 2.25 – 2.50% it is still very low by historical standards and hovers near the current rate of inflation. In addition, the Fed is gradually reducing its huge bond holdings. It has trimmed its balance sheet by about 500 billion dollars, or roughly 11%, since October 2017. Responding to the sharp decline of US equities prices and somewhat weakening economic data the Fed surprisingly hinted at a pause in its rate hikes in January. In addition, it also pointed to an end to the reduction of the balance sheet in the not too distant future. This seems to confirm that, despite the still very low interest rates, the Fed's overall scope for interest-rate hikes may be significantly lower than in the past.

In contrast to the US Federal Reserve, the ECB is still maintaining its ultra-loose monetary policy for the time being, with negative interest rates. It has postponed eventual key interest rate hikes to 2020. In Japan, rate increases are still not on the agenda at all.

The unprecedented loose monetary policy of the major central banks in recent years has reflected a pronounced weakness in global economic growth. However, many regions are showing robust growth again. Inflation has also picked up in some parts of the world, although in the USA so far, this is more pronounced than in the Eurozone. It remains to be seen how a further gradual slowdown in the still generous overall supply of global liquidity will affect the global economy and inflation rates.

Yield levels are still very low by historical standards almost everywhere in the world. These low bond yields in the major economic blocs have so far strongly supported stock prices. Nonetheless, several stock markets – particularly in the USA – sport rather ambitious valuations. They are thus increasingly vulnerable to further corrections, especially in case of escalating trade conflicts. The financial market environment remains challenging and may provide further major price fluctuations in almost all asset classes over the coming months.

Fund investment policy report

In the period under review, the emerging markets stock markets registered mixed performances on a euro basis. The stock markets in Qatar, Peru, Colombia, Hungary and Brazil realized the highest price gains. Price losses resulted on the stock markets in Turkey, South Africa and China.

The Brazilian stock market benefited from the election victory of right-wing populist Jair Bolsonaro, who positioned himself as a fighter against widespread corruption and scored points with his promise to make the country safer. Investors believe he can push through the necessary reform of the pension and social system. His government program also includes tax cuts and privatization.

The Turkish stock market followed a negative trend, with galloping inflation and the central bank's hesitant response resulting in a devaluation of the currency. It was not before the second half of the reporting period that the lira and the stock market stabilized in the wake of a substantial hike in interest rates.

In 2018, growth on the emerging markets was once again considerably higher than that on the developed markets. For 2019, the economists predict economic growth of over 7 % for India, around 6 % for China and the Philippines and around 4 – 5 % for Indonesia, Malaysia and Thailand. In Brazil, Mexico, Russia, South Korea and Taiwan, the economy is expected to expand by around 2 %, while Turkey is likely to slip into recession.

At the country level, Taiwan, China and India accounted for the fund's largest absolute weightings in the period. At the sector level, the fund's key commitments were financial and information technology stocks. The fund increased its holdings of consumer stocks in Brazil and financial stocks in India and reduced its holdings of pharmaceutical stocks in South Africa.

The number of companies whose annual reports include key sustainability figures has risen further in the reporting period. During company visits, the fund management strives to convince companies not yet providing such data that they are missing out on the added value this important information brings.

Makeup of fund assets in EUR

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

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

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

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

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

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

Type of security	OGAW/§ 166	Currency	Market value in EUR	Share of fund assets
Equities		BRL	1,077,083.03	11.06 %
Equities		CZK	55,393.90	0.57 %
Equities		EUR	96,946.22	1.00 %
Equities		HKD	1,897,106.99	19.48 %
Equities		HUF	70,447.59	0.72 %
Equities		IDR	265,629.66	2.73 %
Equities		INR	910,540.90	9.35 %
Equities		KRW	886,282.59	9.10 %
Equities		MXN	125,101.26	1.28 %
Equities		MYR	230,104.33	2.36 %
Equities		PHP	117,086.12	1.20 %
Equities		PLN	176,768.22	1.82 %
Equities		RUB	228,911.42	2.35 %
Equities		THB	340,012.24	3.49 %
Equities		TWD	1,860,285.50	19.10 %
Equities		USD	192,484.95	1.98 %
Equities		ZAR	773,492.21	7.94 %
Total Equities			9,303,677.13	95.54 %
Equities ADR		USD	185,121.02	1.90 %
Total Equities ADR			185,121.02	1.90 %
Participation certificates		USD	186,773.57	1.92 %
Total Participation certificates			186,773.57	1.92 %
Total securities			9,675,571.72	99.36 %
Bank balances/liabilities				
Bank balances/liabilities in fund currency			63,124.91	0.65 %
Bank balances/liabilities in foreign currency			5,205.79	0.05 %
Total bank balances/liabilities			68,330.70	0.70 %

Type of security	OGAW/§ 166	Currency	Market value in EUR	Share of fund assets
Accruals and deferrals				
Dividends receivable			10,278.23	0.11 %
Total accruals and deferrals			10,278.23	0.11 %
Other items				
Various fees			-16,614.14	-0.17 %
Total other items			-16,614.14	-0.17 %
Total fund assets			9,737,566.51	100.00 %

Portfolio of investments in EUR as of Feb 28, 2019

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

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

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

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

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

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

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

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

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales Units/Nom.	Pool-/ILB Factor	Price	Market value in EUR	Share of fund assets
Equities		BRTIETACNPR7	AES TIETE ENERGIA SA-PREF TIET4	BRL	61,930	14,810			2.280000	33,200.19	0.34 %
Equities		BRABEVACNOR1	AMBEV SA ABEV3	BRL	13,620	5,900			18.360000	58,796.90	0.60 %
Equities		BRBBDCACNPR8	BANCO BRADESCO SA-PREF BBDC4	BRL	9,127	4,557			44.440000	95,368.89	0.98 %
Equities		BREGIEACNOR9	ENGIE BRASIL ENERGIA SA EGIE3	BRL	7,950	4,370			42.100000	78,696.21	0.81 %
Equities		BREQLACNOR0	EQUATORIAL ENERGIA SA - ORD EQTL3	BRL	4,800	2,300			82.980000	93,652.48	0.96 %
Equities		BRITUBACNPR1	ITAU UNIBANCO HOLDING S-PREF ITUB4	BRL	8,500	10,000	4,600		35.910000	71,769.34	0.74 %
Equities		BRKLBNCNDAM18	KLABIN SA - UNIT KLBIN1	BRL	15,480	6,900			18.270000	66,498.85	0.68 %
Equities		BRKROTACNOR9	KROTON EDUCACIONAL SA KROT3	BRL	56,300	56,300			11.090000	146,806.25	1.51 %
Equities		BRRENTACNOR4	LOCALIZA RENT A CAR RENT3	BRL	20,200	9,500			34.610000	164,383.26	1.69 %
Equities		BRLRENACNOR1	LOJAS RENNER S.A. LREN3	BRL	10,400	5,100			44.050000	107,716.91	1.11 %
Equities		BRNATUACNOR6	NATURA COSMETICOS SA NATU3	BRL	8,600	3,800			48.200000	97,465.32	1.00 %
Equities		BRVIVTACNPR7	TELEFONICA BRASIL S.A.-PREF VIVT4	BRL	5,600	2,600			47.640000	62,728.43	0.64 %
Equities		CZ0008019106	KOMERCNI BANKA AS KOMB	CZK	1,490	690			953.500000	55,393.90	0.57 %
Equities		LT0000127466	AUGA GROUP AB AUG1L	EUR	251,156	251,156			0.386000	96,946.22	1.00 %
Equities		BMG0957L1090	BEIJING ENTERPRISES WATER GR 371	HKD	420,000	420,000			4.810000	226,109.73	2.32 %
Equities		CNE100000296	BYD CO LTD-H 1211	HKD	51,000	22,500			50.000000	285,407.29	2.93 %
Equities		KYG3777B1032	GEELY AUTOMOBILE HOLDINGS LT 175	HKD	84,000	144,000	60,000		15.040000	141,400.85	1.45 %
Equities		HK0992009065	LENOVO GROUP LTD 992	HKD	412,000	412,000			7.200000	332,012.63	3.41 %
Equities		KYG875721634	TENCENT HOLDINGS LTD 700	HKD	18,660	20,300	6,000		340.200000	710,511.05	7.30 %
Equities		KYG9829N1025	XINYI SOLAR HOLDINGS LTD 968	HKD	468,000	468,000			3.850000	201,665.44	2.07 %
Equities		HU0000153937	MOL HUNGARIAN OIL AND GAS PL MOL	HUF	6,820	2,940			3,266.000000	70,447.59	0.72 %
Equities		ID1000118201	BANK RAKYAT INDONESIA PERSER BBRI	IDR	545,090	292,700	123,000		3,870.000000	132,094.22	1.36 %
Equities		ID1000129000	TELEKOMUNIKASI INDONESIA PER TLKM	IDR	545,400	388,510			3,910.000000	133,535.44	1.37 %
Equities		INE238A01034	AXIS BANK LTD AXSB	INR	23,490	14,790			718.200000	208,118.96	2.14 %
Equities		INE016A01026	DABUR INDIA LTD DABUR	INR	24,490	10,690			434.600000	131,299.09	1.35 %
Equities		INE860A01027	HCL TECHNOLOGIES LTD HCLT	INR	11,600	5,100			1,060.350000	151,736.64	1.56 %
Equities		INE001A01036	HOUSING DEVELOPMENT FINANCE HDFC	INR	10,160	4,460			1,841.000000	230,744.16	2.37 %
Equities		INE467B01029	TATA CONSULTANCY SVCS LTD TCS	INR	7,430	5,330			2,058.100000	188,642.05	1.94 %
Equities		KR7021240007	COWAY CO LTD 021240	KRW	2,690	3,430	2,180		93,300.000000	197,010.12	2.02 %
Equities		KR7051900009	LG HOUSEHOLD & HEALTH CARE 051900	KRW	140	210	190		1,254,000.000000	137,809.83	1.42 %
Equities		KR7055550008	SHINHAN FINANCIAL GROUP LTD 055550	KRW	5,630	7,250	4,560		43,250.000000	191,138.92	1.96 %

financial year Mar 1, 2018 – Feb 28, 2019

Raiffeisen Sustainable EmergingMarkets Equities

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Type of security	OGAW/\$	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales Units/Nom.	Pool- ILB Factor	Price	Market value in EUR	Share of fund assets
Equities		KR7000660001	SK HYNIX INC 000660	KRW	2,410	3,220	3,070		73,700.000000	139,424.52	1.43 %
Equities		KR7017670001	SK TELECOM 017670	KRW	1,070	1,430	870		263,000.000000	220,899.20	2.27 %
Equities		MXP001661018	GRUPO AEROPORT DEL SURESTE-B ASURB	MXN	8,210	3,910			333.500000	125,101.26	1.28 %
Equities		MYL115500000	MALAYAN BANKING BHD MAY	MYR	55,300	33,300	8,700		9.580000	114,455.40	1.18 %
Equities		MYL501400005	MALAYSIA AIRPORTS HLDGS BHD MAHB	MYR	65,360	39,300	4,600		8.190000	115,648.93	1.19 %
Equities		PHY0488F1004	AYALA LAND INC ALI	PHP	155,000	182,100	103,100		44.650000	117,086.12	1.20 %
Equities		PLPEKAO000016	BANK PEKAO SA PEO	PLN	1,700	740			113.100000	44,570.40	0.46 %
Equities		PLCFRPT00013	CYFROWY POLSAT SA CPS	PLN	4,559	4,559			25.000000	26,420.71	0.27 %
Equities		PLPZU0000011	POWSZECHNY ZAKLAD UBEZPIECZE PZU	PLN	5,980	2,540			40.870000	56,655.33	0.58 %
Equities		PLBZ00000044	SANTANDER BANK POLSKA SA SPL	PLN	560	220			378.400000	49,121.78	0.50 %
Equities		RU000A0DKVS5	NOVATEK PJSC NVTK	RUB	5,000	9,300	4,300		1,095.400000	73,026.62	0.75 %
Equities		RU0009029540	SBERBANK OF RUSSIA PJSC SBER	RUB	56,920	42,380	29,700		205.400000	155,884.80	1.60 %
Equities		TH0268010R11	ADVANCED INFO SERVICE-NVDR ADVANC-R	THB	13,600	13,600			182.000000	69,286.85	0.71 %
Equities		TH0221010R10	BTS GROUP HOLDINGS PCL-NVDR BTS-R	THB	279,560	279,560			10.500000	82,168.41	0.84 %
Equities		TH0481010R10	CENTRAL PATTANA PCL-NVDR CPN-R	THB	25,800	14,600	12,000		76.000000	54,887.55	0.56 %
Equities		TH0003010R12	SIAM CEMENT PCL-NVDR SCC-R	THB	4,700	2,600	2,200		472.000000	62,098.40	0.64 %
Equities		TH0015010R16	SIAM COMMERCIAL BANK P-NVDR SCB-R	THB	18,800	18,800			136.000000	71,571.03	0.73 %
Equities		KYG202881093	CHAILEASE HOLDING CO LTD 5871	TWD	47,727	24,837			121.000000	164,851.40	1.69 %
Equities		TW0002412004	CHUNGHWA TELECOM CO LTD 2412	TWD	46,700	19,700			107.000000	142,640.81	1.46 %
Equities		TW0002891009	CTBC FINANCIAL HOLDING CO LT 2891	TWD	279,300	121,800			20.850000	166,234.10	1.71 %
Equities		TW0002884004	E.SUN FINANCIAL HOLDING CO 2884	TWD	221,986	103,086			22.100000	140,042.86	1.44 %
Equities		TW0002454006	MEDIATEK INC 2454	TWD	21,700	10,200			280.000000	173,444.64	1.78 %
Equities		TW0002912003	PRESIDENT CHAIN STORE CORP 2912	TWD	12,100	8,600	3,000		318.500000	110,011.46	1.13 %
Equities		TW0002330008	TAIWAN SEMICONDUCTOR MANUFAC 2330	TWD	120,700	92,000			239.000000	823,470.98	8.46 %
Equities		TW0001216000	UNI-PRESIDENT ENTERPRISES CO 1216	TWD	65,200	28,700			75.000000	139,589.25	1.43 %
Equities		BMG2519Y1084	CREDICORP LTD BAP	USD	900	900			243.440000	192,484.95	1.98 %
Equities		ZAE000066692	ASPEN PHARMACARE HOLDINGS LT APN	ZAR	6,160	2,710			141.400000	54,840.54	0.56 %
Equities		ZAE000156550	MONDI LTD MND	ZAR	6,110	2,890			349.150000	134,315.09	1.38 %
Equities		ZAE000200457	MR PRICE GROUP LTD MRP	ZAR	4,070	1,790			222.000000	56,887.78	0.58 %
Equities		ZAE000015889	NASPERS LTD-N SHS NPN	ZAR	1,170	830	700		3,017.000000	222,245.38	2.28 %
Equities		ZAE000004875	NEDBANK GROUP LTD NED	ZAR	6,196	2,776			285.150000	111,238.81	1.14 %
Equities		ZAE000255360	OLD MUTUAL LTD OMU	ZAR	51,750	51,750			23.320000	75,981.96	0.78 %
Equities		ZAE000006284	SAPPI LIMITED SAP	ZAR	15,300	15,300			73.000000	70,321.13	0.72 %
Equities		ZAE000058517	SPAR GROUP LIMITED/THE SPP	ZAR	3,760	3,760			201.330000	47,661.52	0.49 %
Equities ADR		US40415F1012	HDFC BANK LTD-ADR HDB	USD	2,100	1,300			100.340000	185,121.02	1.90 %
Participation certificates		XS1476553554	HSBC BANK PLC HSBC 0 08/15/19	USD	80,580	41,280			2.638310	186,773.57	1.92 %
Total licensed securities admitted to trading on the official market or another regulated market										9,675,571.72	99.36 %
Total securities										9,675,571.72	99.36 %
Bank balances/liabilities											
				EUR						63,124.91	0.65 %
				TWD						5,205.79	0.05 %
Total bank balances/liabilities										68,330.70	0.70 %

Type of security	OGAW/\$ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales Units/Nom.	Pool-/ILB Factor	Price	Market value in EUR	Share of fund assets
Accruals and deferrals											
Dividends receivable										10,278.23	0.11 %
Total accruals and deferrals										10,278.23	0.11 %
Other items											
Various fees										-16,614.14	-0.17 %
Total other items										-16,614.14	-0.17 %
Total fund assets										9,737,566.51	100.00 %

ISIN	Income class		Currency	Net asset value per unit	Units in circulation
AT0000A1TB75	I	income-distributing	EUR	101.44	10.000
AT0000A1TB42	R	income-distributing	EUR	99.33	333.242
AT0000A1TB67	I	income-retaining	EUR	102.46	85,381.000
AT0000A1TB34	R	income-retaining	EUR	100.42	224.255
AT0000A1TB83	I	full income-retaining (outside Austria)	EUR	102.47	649.766
AT0000A1TB59	R	full income-retaining (outside Austria)	EUR	100.09	8,648.214

Exchange rates

Foreign currency assets were converted into EUR on the basis of the exchange rates applicable on Feb 27, 2019

Currency		Price (1 EUR =)
Brazilian Reals	BRL	4.253000
Czech Koruna	CZK	25.647500
Hong Kong Dollars	HKD	8.934600
Hungarian Forint	HUF	316.180000
Indonesian Rupiah	IDR	15,969.648250
Indian Rupees	INR	81.061900
South Korean Won	KRW	1,273.929450
Mexican Pesos	MXN	21.886550
Malaysian Ringgit	MYR	4.628650
Philippines Pesos	PHP	59.108200
Polish Zloty	PLN	4.313850
Russian Rubles	RUB	75.000050
Thai Baht	THB	35.723950
Taiwan Dollars	TWD	35.031350
US Dollars	USD	1.138250
South African Rand	ZAR	15.882850

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

Type of security	OGAW/§ 166	ISIN	Security title	Currency		Purchases Additions	Sales Disposals
Equities		KYG2953R1149	AAC TECHNOLOGIES HOLDINGS IN 2018	HKD		2,000	8,750
Equities		CNE1000001Q4	CHINA CITIC BANK CORP LTD-H 998	HKD		148,100	326,100
Equities		KYG2R55E1030	CHINA EVERBRIGHT GREENTECH L 1257	HKD		95,900	225,720
Equities		HK0257001336	CHINA EVERBRIGHT INTL LTD 257	HKD		15,000	116,220
Equities		HK0941009539	CHINA MOBILE LTD 941	HKD		15,100	27,000
Equities		HK1093012172	CSPC PHARMACEUTICAL GROUP LT 1093	HKD		104,000	104,000
Equities		CNE100000WS1	HUANENG RENEWABLES CORP-H 958	HKD		181,800	894,950
Equities		CNE1000003X6	PING AN INSURANCE GROUP CO-H 2318	HKD		500	11,000
Equities		KYG8087W1015	SHENZHOU INTERNATIONAL GROUP 2313	HKD		6,200	22,510
Equities		ID1000116700	INDOFOOD CBP SUKSES MAKMUR T ICBP	IDR		10,100	75,860
Equities		ID1000125107	KALBE FARMA TBK PT KLBK	IDR		163,200	620,540
Equities		ID1000111602	PERUSAHAAN GAS NEGARA PERSER PGAS	IDR		397,000	397,000
Equities		INE117A01022	ABB INDIA LTD ABB	INR		260	4,060
Equities		KR7051910008	LG CHEM LTD 051910	KRW			350
Equities		MXP4948K1056	GRUMA S.A.B.-B GRUMAB	MXN		2,340	7,430
Equities		MYL4863O0006	TELEKOM MALAYSIA BHD T	MYR		2,300	35,600
Equities		MYL7113O0003	TOP GLOVE CORP BHD TOPG	MYR		61,230	61,230
Equities		PHY0967S1694	BANK OF THE PHILIPPINE ISLAN BPI	PHP		10,220	38,790
Equities		PHY8076N1120	SM PRIME HOLDINGS INC SMPH	PHP		172,400	172,400
Equities		RU000A0JPKH7	RUSHYDRO PJSC HYDR	RUB		2,020,600	9,415,540
Equities		TH0016010R14	KASIKORNBANK PCL-NVDR KBANK-R	THB		4,200	15,700
Equities		TH0128010R17	MINOR INTERNATIONAL PCL-NVDR MINT-R	THB		14,300	54,300
Equities		TW0002408002	NANYA TECHNOLOGY CORP 2408	TWD		11,000	40,000
Equities		TW0002303005	UNITED MICROELECTRONICS CORP 2303	TWD		55,400	207,600
Equities		ZAE000255915	ABSA GROUP LTD ABG	ZAR		4,050	4,050
Equities		ZAE000174124	ABSA GROUP LTD BGAN	ZAR		540	4,050
Equities		ZAE000067211	IMPERIAL LOGISTICS LTD IPL	ZAR		910	3,090
Equities		ZAE000261913	MOTUS HOLDINGS LTD MTH	ZAR		3,090	3,090
Equities		ZAE000070660	SANLAM LTD SLM	ZAR		1,290	14,060
Equities ADR		US45104G1040	ICICI BANK LTD-SPON ADR IBN	USD		20,800	32,200
Equities ADR		US8740391003	TAIWAN SEMICONDUCTOR-SP ADR TSM	USD		900	10,200

Information on securities lending transactions and repurchase agreements

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

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

Total return swaps and similar derivative instruments

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

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

Calculation method for overall risk

Calculation method for overall risk

Simplified approach

Remuneration paid to the employees of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. in EUR (financial year 2017 of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.)

Total number of employees	245
Number of risk-bearers	83
Fixed remuneration	21,133,401.94
Variable remuneration (bonuses)	4,033,484.17
Total remuneration for employees	25,166,886.11
of which remuneration for managing directors	1,363,876.85
of which remuneration for managers (risk-bearers)	2,522,848.03
of which remuneration for other risk-bearers	8,394,504.63
of which remuneration for employees in positions of control	232,087.44
of which remuneration for employees in the same income bracket as managing directors and risk-bearers due to their overall remuneration	0.00
Total remuneration for risk-bearers	12,513,316.95

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

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

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

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

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

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

- Since the performance period 2015, in accordance with the regulatory requirements a portion of the variable remuneration for risk-bearers is paid out in the form of units in an investment fund managed by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. In addition, as required by law portions of the variable remuneration of risk-bearers are deferred and paid out over a period of several years.
- The supervisory board of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. resolves the general remuneration policy principles specified by the remuneration committee, reviews them at least once a year and is responsible for their implementation and for monitoring of this issue. The supervisory board most recently fulfilled this duty on Nov 29, 2018. It has not identified any need for changes or any irregularities in relation to the remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
- In addition, at least once per year a central and independent internal review determines whether the company's remuneration policy has been implemented in accordance with the applicable remuneration regulations and procedures. The internal auditing division of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. published its most recent report on Aug 28, 2018. This report has not resulted in any material findings concerning the remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
- The remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. has not been subject to any significant changes in the reporting period.

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

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

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

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

Vienna, 6 June 2019

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.


Mag. Rainer Schnabl


Mag. (FH) Dieter Aigner


Ing. Michal Kustra

Audit opinion

Report on the annual fund report

Audit opinion

We have audited the annual fund report issued by Raiffeisen Kapitalanlage-Gesellschaft m.b.H., Vienna, for its fund Raiffeisen Sustainable EmergingMarkets Equities , consisting of the portfolio of investments as of February 28, 2019, the income statement for the financial year ending as of this date and the other disclosures required under Annex I Schedule B of the 2011 Austrian Investment Fund Act (Investmentfondsgesetz, InvFG).

In our view, the annual fund report complies with applicable statutory requirements and provides a true and fair view of the net assets and financial position as of February 28, 2019 as well as the earnings position for the fund for the financial year ending as of this date, in compliance with Austrian commercial law, the provisions of InvFG 2011.

Basis for the audit opinion

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

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

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

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

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

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

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

In addition, the following applies:

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

Other information

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

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

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

Vienna, 6 June 2019

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Wilhelm Kovsca
Auditor

Tax treatment

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

Fund regulations

Fund regulations pursuant to the Austrian Investment Fund Act 2011

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

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

Article 1 Fund units

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

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

Article 2 Custodian bank (custodian)

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

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

Article 3 Investment instruments and principles

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

At the individual stock level (i.e. not including units in investment funds, derivative instruments and sight deposits or deposits at notice) the investment fund exclusively invests in securities and/or money market instruments whose issuers are classified as sustainable on the basis of social, ecological and ethical criteria. The fund will not invest in certain sectors such as the arms industry or green/genetic engineering of plants as well as companies which violate labor and human rights etc. At least 51 % of its fund assets are invested in the form of directly purchased individual securities (i.e. which are not held indirectly through investment funds or derivatives), in equities and equity-equivalent securities issued by companies which are headquartered or mainly active in emerging markets in Asia, Latin America, Africa, Europe and the Middle East. In addition to the relevant list issued by the World Bank, the definition provided by the MSCI Emerging Market Index and the JPM EMBI Global Diversified Index is used as a basis for "emerging market" classification.

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

Securities

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

Money market instruments

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

Securities and money market instruments

The fund may purchase not fully paid-in securities or money market instruments and subscription rights for such instruments or other not fully paid-in financial instruments.

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

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

Units in investment funds

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

Derivative instruments

Derivative instruments may account for up to 49 % of the fund assets within the framework of the investment fund's strategy and for hedging purposes.

Investment fund's risk measurement method

The investment fund applies the following risk measurement method:

Commitment approach

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

The overall risk for derivative instruments which are not held for hedging purposes is limited to 49 % of the overall net value of the fund assets.

Sight deposits or deposits at notice

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

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

Short-term loans

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

Repos

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

Securities lending

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

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

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

Article 4 Issuance and redemption modalities

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

The value of units will be calculated on each day of stock market trading.

Issuance and subscription fee

Units will be issued on any banking day.

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

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

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

Redemption and redemption fee

Units will be redeemed on any banking day.

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

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

Article 5 Accounting year

The investment fund's accounting year runs from March 1 to February 28/29.

Article 6 Unit classes and appropriation of income

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

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

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

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

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

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

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

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

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

Appropriation of income in case of income-retaining unit certificates without capital gains tax deducted (full income retention – domestic and foreign tranches)

Income during the accounting year net of costs shall not be distributed. No payment pursuant to InvFG will be made. June 1 of the following accounting year shall be the key date pursuant to InvFG in case of failure to pay capital gains tax on the annual income.

The management company shall ensure through appropriate proof from the custodians that at the time of payout the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for exemption as per § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

If these preconditions have not been met as of the payment date, the amount calculated pursuant to InvFG shall be paid out by the custodian bank in the form of credit.

Appropriation of income in case of income-retaining unit certificates without capital gains tax deducted (full income retention – foreign tranche)
Income-retaining unit certificates without deducted capital gains tax shall only be sold outside Austria.

Income during the accounting year net of costs shall not be distributed. No payment pursuant to InvFG will be made.

The management company shall ensure through appropriate proof that as of the payment date the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

Article 7 Management fee, reimbursement of expenses, liquidation fee

The management company shall receive for its management activity an annual remuneration of up to 2 % of the fund assets, calculated on the basis of the values at the end of each month. This remuneration will be included in the calculation of the unit value on each day of stock exchange trading in the form of an accrual.

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

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

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

At the liquidation of the investment fund, the custodian bank shall receive remuneration amounting to 0.5 % of the fund assets.

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

Appendix

List of stock exchanges with official trading and organized markets

1. Stock exchanges with official trading and organized markets in the member states of the EEA

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

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

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

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

http://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_mifid_rma¹

1.2. The following stock exchanges are to be included in the directory of Regulated Markets:

1.2.1. Luxembourg Euro MTF Luxembourg

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

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

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

- | | | |
|------|-----------------------|--|
| 2.1. | Bosnia & Herzegovina: | Sarajevo, Banja Luka |
| 2.2. | Montenegro: | Podgorica |
| 2.3. | Russia: | Moscow (RTS Stock Exchange);
Moscow Interbank Currency Exchange (MICEX) |
| 2.4. | Switzerland: | SWX Swiss-Exchange |
| 2.5. | Serbia: | Belgrade |
| 2.6. | Turkey: | Istanbul (for Stock Market, “National Market” only) |

3. Stock exchanges in non-European states

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

¹Click on “Show table columns” to open the directory. The link may be modified by the Austrian Financial Market Authority (FMA) or by the European Securities and Markets Authority (ESMA).

You may access the directory as follows by way of the FMA’s website:

<https://www.fma.gv.at/kapitalmaerkte/allgemeine-rechtsaufsicht-ueber-boersen/> – scroll down – link “List of Regulated Markets” – “Show table columns”.

3.20.	South Africa:	Johannesburg
3.21.	Taiwan:	Taipei
3.22.	Thailand:	Bangkok
3.23.	USA:	New York, American Stock Exchange (AMEX), New York Stock Exchange (NYSE), Los Angeles/Pacific Stock Exchange, San Francisco/Pacific Stock Exchange, Philadelphia, Chicago, Boston, Cincinnati
3.24.	Venezuela:	Caracas
3.25.	United Arab Emirates:	Abu Dhabi Securities Exchange (ADX)

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

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

5. Stock exchanges with futures and options markets

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

Appendix

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