

Raiffeisen Sustainable Equities

(Original German name: Raiffeisen-Nachhaltigkeitsfonds-Aktien)

Annual fund report

Financial year 2014-2015

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 1 April 2014 to 31 March 2015

Raiffeisen Sustainable Equities is an equity fund. It pursues an investment goal of long-term capital growth subject to a higher level of risk and mainly invests (at least 51 % of its fund assets) in equities or equity-equivalent securities issued by companies which 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. The fund may also invest in other securities, in bonds and money market instruments issued by sovereigns, companies or supranational issuers etc., in units in investment funds and in sight deposits and deposits at notice.

The fund is actively managed and is not limited by means of a benchmark.

General fund information

Tranche	Fund currency	Tranche currency	Launch date	ISIN
ISIN income-distributing (R) (A)	EUR	EUR	13/5/2002	AT0000677901
ISIN income-retaining (R) (T)	EUR	EUR	13/5/2002	AT0000677919
ISIN income-retaining (I) (T)	EUR	EUR	1/3/2011	AT0000A0LSJ0
ISIN full income-retaining (outside Austria) (R) (VTA)	EUR	EUR	29/10/2002	AT0000677927
ISIN savings fund income-distributing (R) (A) *	EUR	EUR	13/5/2002	AT0000677935
ISIN savings fund income-retaining (R) (T) *	EUR	EUR	13/5/2002	AT0000677943

Fund characteristics

Financial year:	1 April – 31 March
Distribution/payment/reinvestment date:	15 June
EU directive compliance:	EU directive-compliant jointly owned fund under the 2011 Austrian Investment Fund Act, as amended (InvFG)
Max. management fee for the fund:	R tranche: 1.50 % I tranche: 0.75 %
Custodian bank:	Raiffeisen Bank International AG
Management company:	Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Schwarzenbergplatz 3, A-1010 Vienna Tel. +43 1 71170-0, Fax +43 1 71170-1092 www.rcm.at Companies register number: 83517 w
Fund management:	Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
Auditor:	KPMG Austria GmbH

* For settlement reasons, a separate ISIN no. applies for current investments (investment fund savings contracts).

Specific fund information during the financial year

Name change:	to 30 September 2014: Raiffeisen Ethics Equities
Change of income class:	as of 1 October 2014: changeover from full reinvestment outside Austria (I) to reinvestment (I)

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 Equities for the financial year from 1 April 2014 to 31 March 2015.

Fund details

	31/3/2014	31/3/2015
Fund assets in EUR	14,351,235.56	27,331,038.27
Net asset value/unit (R) (A) EUR	87.98	113.59
Issue price/unit (R) (A) EUR	92.38	119.27
Net asset value/unit (R) (T) EUR	94.48	123.17
Issue price/unit (R) (T) EUR	99.20	129.33
Net asset value/unit (I) (T) EUR ¹	97.68	128.42
Issue price/unit (I) (T) EUR ¹	102.56	134.84
Net asset value/unit (R) (VTA) EUR	95.10	123.99
Issue price/unit (R) (VTA) EUR	99.86	130.19
	16/6/2014	15/6/2015
Distribution/unit (R) (A) EUR	0.88	1.14
Outpayment/unit (R) (T) EUR	0.0000	0.0000
Outpayment/unit (I) (T) EUR ¹	-	0.0000
Reinvestment/unit (R) (T) EUR	0.0000	0.0024
Reinvestment/unit (I) (T) EUR ¹	-	0.0290
Reinvestment/unit (R) (VTA) EUR	0.0000	0.0025
Reinvestment/unit (I) (VTA) EUR ¹	0.0000	-

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

Units in circulation

	AT0000677901 (R) A	AT0000677919 (R) T	AT0000A0LSJ0 (I) T	AT0000677927 (R) VTA
Units in circulation on 31/3/2014	11,377.120	127,736.313	10.000	13,464.626
Sales	3,913.702	103,741.116	0.000	3,265.987
Repurchases	- 1,092.000	- 36,791.447	0.000	- 2,724.322
Units in circulation	14,198.822	194,685.982	10.000	14,006.291
Total units in circulation on 31/3/2015				222,901.095

¹ As of 1 October 2014, the fully reinvesting I tranche (outside Austria) was converted into a reinvesting I tranche.

Fund details for last 3 financial years

	31/3/2013	31/3/2014	31/3/2015
Total fund assets	15,171,937.84	14,351,235.56	27,331,038.27
Net asset value/distributing units (R) (AT0000677901) in EUR	88.17	87.98	113.59
Net asset value/reinvested units (R) (AT0000677919) in EUR	91.70	94.48	123.17
Net asset value/reinvested units (I) (AT0000A0LSJ0) in EUR ¹	93.89	97.68	128.42
Net asset value/fully reinvested units (R) (AT0000677927) in EUR	92.21	95.10	123.99

¹ As of 1 October 2014, the fully reinvesting I tranche (outside Austria) was converted into a reinvesting I tranche.

Development of the fund assets and income statement

Performance in financial year (fund performance)

Distributing units (R) (AT0000677901)

Net asset value per unit at start of financial year in EUR	87.98
Distribution on 16/6/2014 (net asset value: EUR 92.13) of EUR 0.88, corresponds to 0.009552 units	
Net asset value per unit at end of financial year in EUR	113.59
Total value incl. units purchased through distribution (1.009552 x 113.59)	114.67
Net income/net reduction per unit	26.69

Performance of one unit during the financial year as % **30.34**

Reinvested units (R) (AT0000677919)

Net asset value per unit at start of financial year in EUR	94.48
Net asset value per unit at end of financial year in EUR	123.17
Net income/net reduction per unit	28.69

Performance of one unit during the financial year as % **30.37**

Reinvested units (I) (AT0000A0LSJ0) ¹

Net asset value per unit at start of financial year in EUR	97.68
Net asset value per unit at end of financial year in EUR	128.42
Net income/net reduction per unit	30.74

Performance of one unit during the financial year as % **31.47**

¹ As of 1 October 2014, the fully reinvesting I tranche (outside Austria) was converted into a reinvesting I tranche.

Fully reinvested units (R) (AT0000677927)

Net asset value per unit at start of financial year in EUR	95.10
Net asset value per unit at end of financial year in EUR	123.99
Net income/net reduction per unit	28.89
Performance of one unit during the financial year as %	30.38

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 31/3/2014 (152,588.059 units)		14,351,235.56
Distribution on 16/6/2014 (EUR 0.88 x 11,278.750 distributing units (R) (AT0000677901))		- 9,925.30
Issuance of units	12,024,553.59	
Redemption of units	- 4,152,215.61	
Pro rata income adjustment	- 32,949.38	7,839,388.60
Overall fund result		5,150,339.41
Fund assets on 31/3/2015 (222,901.095 units)		27,331,038.27

Fund result in EUR

A. Realized fund result

Ordinary fund result

Income (excl. closing price)		
Interest income	110.41	
Income from securities lending transactions	6,965.50	
Interest expenses	- 14.81	
Dividend income (incl. dividend equivalent)	306,459.65	
Austrian dividend income	8,581.89	322,102.64
Expenses		
Management fees	- 274,101.85	
Custodian bank fees	- 15,893.98	
Auditing expenses	- 4,055.46	
Tax consulting fees	- 3,063.53	
Custodian fee	- 6,830.48	
Statutory/publication expenses	- 8,546.18	- 312,491.48
Ordinary fund result (excl. income adjustment)		9,611.16
Realized closing price		
Profits realized from securities	336,100.11	
Losses realized from securities	- 307,479.38	
Realized closing price (excl. income adjustment)		28,620.73
Realized fund result (excl. income adjustment)		38,231.89

B. Unrealized closing price

Change in unrealized closing price		5,079,158.14
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C. Income adjustment

Income adjustment for income during financial year		32,949.38
Overall fund result		5,150,339.41

The result for the past accounting year includes explicitly reported transaction costs in the amount of EUR 27,086.23.

Appropriation of fund result in EUR

Distribution (EUR 1.14 x 14,198.822 distributing units (R) (AT0000677901))	16,186.66
Outpayment pursuant to § 58 (2) InvFG (EUR 0.0000 x 194,685.982 reinvested units (R) (AT0000677919))	0.00
Outpayment pursuant to § 58 (2) InvFG (EUR 0.0000 x 10.000 reinvested units (I) (AT0000A0LSJ0))	0.00
Reinvested amount (R) (reinvestment (AT0000677919))	467.25
Reinvested amount (I) (reinvestment (AT0000A0LSJ0))	0.29
Reinvested amount (R) (full reinvestment (AT0000677927))	35.01
Total	16,689.21
Realized fund result (incl. income adjustment)	71,181.27
Tax loss carryovers utilized in the financial year	- 70,651.74
Asset-based loss and expense allowance	16,159.68
Total	16,689.21

Capital market report

2014 was a highly positive capital market year for most asset classes – commodities alone suffered a strong loss of value. Of the stock markets, the USA once again led the way – with double-digit percentage gains and new record highs on the Dow Jones. After getting off to a strong start to the year, by the end of 2014 most European equities had only realized moderate levels of growth. In overall terms, the stock markets in the emerging markets also performed positively (in euro terms), but the picture for the various countries was once again highly mixed. The EU's weak economy, the Ukraine crisis and the tensions between NATO/the EU and Russia had an impact both on the real economy and also on investor sentiment, in Central and Eastern Europe especially. This likely also played a role in the clear fall which the Austrian stock market (the "gateway to the east") suffered in 2014, despite some attractive valuation levels. Since the turn of the year, a change in market favorites and a certain transformation of roles have been apparent: The European stock markets have realized strong gains and have clearly outperformed stock markets in the USA – and the Austrian stock market is one of the strongest performers to date.

In many industrialized nations, yields on government bonds have fallen to all-time record lows and in the Eurozone especially this trend has continued in 2015 in view of the huge bond-purchasing program initiated by the European Central Bank (ECB). More than half of all government bonds worldwide are now offering yields of less than 1 % p.a. Corporate bonds and high-yield securities have also gained ground. Emerging markets bonds also recovered until late summer 2014, but subsequently weakened slightly in line with the trends for these countries' currencies.

The activities of the central banks and the economic trend remain the key direct factors shaping the financial markets. The global economy is likely to remain sluggish in 2015. There is a need to reduce and to "digest" the excessive lending growth of the past few years in many countries. This is inevitably curbing new investments and economic activity. However, the lower price of oil may considerably boost some countries and likewise the Eurozone. In Europe, much will depend on whether a sound solution is reached for Greece and whether the confrontation with Russia can be brought to a close. Of the industrialized nations, the USA will likely once again achieve the strongest level of growth, but here too there are signs of fatigue. It therefore remains to be seen when, and how strongly, the US central bank will raise interest rates. Despite this, however, in view of the global economic environment even in the USA a strong rise in yields on a broad front appears highly unlikely for the time being. Moreover, US yields are in any case considerably higher than in the EU and Japan.

What is more, global inflation rates are falling significantly almost everywhere. The ECB is seeking to counter possible deflationary trends through penalty interest rates for banks as well as heavy bond purchases. It remains to be seen whether this will pay off. At any rate, it has already significantly weakened the euro exchange rate, which should provide support for the Eurozone's exports and import some inflation through higher import prices. The ECB's bond purchasing activities should also provide additional stimulus for the European financial markets. In the Eurozone, monetary policy will likely remain expansionary and there is no sign of any significant yield rises any time soon.

In view of continuing low bond yields in the key economic blocs, for these countries' stock markets this "new normality" means inter alia that they are likely less "expensive" than suggested by the valuation models of previous decades. The financial market environment in 2015 will certainly remain challenging and should entail stronger price fluctuations than in 2013 and 2014. This was already apparent in the context of developments in Greece and the decision of the Swiss central bank to no longer prop up the franc's exchange rate against the euro. However, at present the positive factors are still predominant on the financial markets.

Fund investment policy report

The fund invests in equities of companies which focus on sustainability and have above-average ratings in terms of social and environmental criteria. As well as a favorable sustainability assessment, the selected companies must also have attractive financial valuations.

The fund performed very positively in the period under review.

The individual sectors generally performed clearly positively. The energy sector alone provided a slightly negative contribution to the fund's development, due to the strong correction in the price of oil in the 2nd half of the reporting period.

The healthcare, cyclical consumer and non-cyclical consumer sectors fared best.

Of the fund's individual securities, its US securities in particular realized very strong performances thanks to the euro's weakening exchange rate against the US dollar. The fund's strongest American securities included the Marriott hotel chain, the real estate service provider CBRE Group and the entertainment group Walt Disney. Other very strong performers included Sysmex, a Japanese manufacturer of medical instruments, Boiron, a manufacturer of homeopathic products and Neste Oil, a Finnish energy company.

Financials, IT and the cyclical consumer sector accounted for the fund's strongest weightings. The utilities and telecommunications sectors had the lowest weightings. At a regional level, North America was the fund's strongest weighting, followed by Europe, while Japan played a relatively minor role.

The fund's activities were shaped by profit-taking, measures to optimize risk/return perspectives and not least by changes to the sustainability assessment for individual securities.

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

Makeup of fund assets in EUR

Securities	Market value	%
Equities:		
USD	13,374,462.62	48.94
EUR	4,836,331.52	17.70
JPY	2,111,310.58	7.72
GBP	2,007,606.18	7.35
CAD	1,011,577.13	3.70
AUD	537,608.00	1.97
NOK	422,728.58	1.55
CHF	413,011.41	1.51
DKK	383,049.06	1.40
SEK	126,787.47	0.46
Total equities	25,224,472.55	92.30
Participation certificates:		
CHF	455,217.83	1.66
Real estate investment trusts:		
USD	438,376.93	1.60
Total securities	26,118,067.31	95.56
Bank balances		
Bank balances in fund currency	1,181,028.21	4.32
Bank balances in foreign currency	4,924.86	0.02
Total bank balances	1,185,953.07	4.34
Accruals and deferrals		
Interest claims (on securities and bank balances)	- 5.92	0.00
Dividends receivable	27,023.81	0.10
Total accruals and deferrals	27,017.89	0.10
Total fund assets	27,331,038.27	100.00

Portfolio of investments in EUR

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.

ISIN	SECURITY TITLE	CURRENCY	VOLUME 31/3/2015	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
EQUITIES IN EURO								
FR0000120404	ACCOR SA INH. EO 3	EUR	8,250	6,196	140	48.680000	401,610.00	1.47
NL0000009132	AKZO NOBEL EO 2	EUR	1,886	656	89	71.120000	134,132.32	0.49
NL0010273215	ASML HOLDING EO -,09	EUR	3,000	1,011	161	95.090000	285,270.00	1.04
DE0005190003	BAY.MOTOREN WERKE AG ST	EUR	1,870	662	91	118.000000	220,660.00	0.81
ES0113211835	BCO BIL.VIZ.ARG.NOM.EO-49	EUR	11,340	3,754	662	9.410000	106,709.40	0.39
FR0000131104	BNP PARIBAS INH. EO 2	EUR	3,730	1,306	199	57.260000	213,579.80	0.78
FR0000061129	BOIRON SA INH. EO 1	EUR	2,100	732	95	105.000000	220,500.00	0.81
FR0000125338	CAP GEMINI INH. EO 8	EUR	2,130	738	122	78.120000	166,395.60	0.61
DE0005552004	DEUTSCHE POST AG NA O.N.	EUR	7,980	5,403	193	29.370000	234,372.60	0.86
DE0006048432	HENKEL AG+CO.KGAA VZO	EUR	1,870	658	88	110.650000	206,915.50	0.76
DE0006483001	LINDE AG O.N.	EUR	1,000	357	57	192.500000	192,500.00	0.70
DE0008430026	MUENCH.RUECKVERS.VNA O.N.	EUR	2,600	900	136	202.350000	526,110.00	1.92
FI0009013296	NESTE OIL CORP.	EUR	6,880	7,318	438	25.160000	173,100.80	0.63
AT0000743059	OMV AG AKT. O.N.	EUR	5,360	3,226	3,208	25.770000	138,127.20	0.51
NL0006144495	REED ELSEVIER NAM. EO-,07	EUR	10,180	3,519	568	23.410000	238,313.80	0.87
ES0173516115	REPSOL S.A. INH. EO 1	EUR	5,770	3,026	256	17.445000	100,657.65	0.37
DE0007164600	SAP SE O.N.	EUR	5,380	1,721	341	67.360000	362,396.80	1.33
FR0000121972	SCHNEIDER ELEC. INH. EO 4	EUR	3,320	1,144	161	72.340000	240,168.80	0.88
FR0010613471	SUEZ ENVIRONNEMENT EO 4	EUR	19,600	6,954	991	16.425000	321,930.00	1.18
BE0003884047	UMICORE S.A. NEW	EUR	2,850	1,011	161	39.145000	111,563.25	0.41
AT0000746409	VERBUND KAT.A O.N.	EUR	6,800	2,423	388	15.885000	108,018.00	0.40
NL0000395317	WESSANEN NV. NAM. EO 1	EUR	21,328	21,328		6.250000	133,300.00	0.49
EQUITIES IN US DOLLARS								
US88579Y1010	3M CO. DL-,01	USD	2,400	2,400		166.050000	367,977.84	1.35
US00846U1016	AGILENT TECHS INC. DL-,01	USD	7,200	3,921	287	41.720000	277,362.88	1.01
US0091581068	AIR PROD. CHEM. DL 1	USD	2,533	900	164	153.800000	359,718.74	1.32
US03524A1088	ANHEUSER-BUSCH INBEV ADR	USD	2,690	923	133	123.550000	306,878.58	1.12
US00206R1023	AT + T INC. DL 1	USD	8,938	3,100	536	32.970000	272,101.44	1.00
US0758871091	BECTON, DICKINSON DL 1	USD	2,087	800	99	145.640000	280,656.21	1.03
US0640581007	BK N.Y. MELLON DL -,01	USD	7,100	7,100		40.290000	264,135.73	0.97
US1101221083	BRISTOL-MYERS SQUIBB DL-10	USD	7,640	2,500	460	65.760000	463,902.49	1.70
US1344291091	CAMPBELL SOUP CO.DL-,0375	USD	9,260	3,199	530	46.450000	397,162.51	1.45
US12504L1098	CBRE GROUP INC. A DL-,01	USD	9,860	4,896	536	36.410000	331,489.01	1.21
US17275R1023	CISCO SYSTEMS DL-,001	USD	14,099	4,900	801	27.650000	359,960.62	1.32
US1890541097	CLOROX CO. DL 1	USD	4,337	1,500	223	110.760000	443,551.36	1.62
US20825C1045	CONOCOPHILLIPS DL-,01	USD	5,370	2,550	800	64.000000	317,340.72	1.16
US2254471012	CREE INC. DL-,00125	USD	5,700	5,700		35.405000	186,342.11	0.68
US2310211063	CUMMINS INC. DL 2.50	USD	3,101	1,100	186	140.140000	401,268.83	1.47
US2441991054	DEERE CO. DL 1	USD	1,530	500	94	88.610000	125,183.10	0.46
US2546871060	DISNEY (WALT) CO.	USD	2,793	900	163	106.120000	273,677.89	1.00
US2788651006	ECOLAB INC. DL 1	USD	2,800	1,893	69	114.790000	296,779.32	1.09
US38259P5089	GOOGLE INC. A DL-,001	USD	657	473	33	561.135000	340,411.54	1.25
US4052171000	HAIN CELESTIAL GRP DL-,01	USD	2,570	2,570		64.280000	152,538.87	0.56
US42809H1077	HESS CORP. DL 1	USD	3,220	1,830	451	68.560000	203,844.14	0.75
US4581401001	INTEL CORP. DL-,001	USD	10,595	3,800	1,168	31.460000	307,773.50	1.13
US4592001014	INTL BUS. MACH. DL-,20	USD	1,846	1,950	104	162.670000	277,275.00	1.01
US4783661071	JOHNSON CONTROLS DL-,0139	USD	8,067	2,900	467	49.830000	371,171.39	1.36
US4878361082	KELLOGG CO. DL -,25	USD	5,804	2,100	308	65.500000	351,026.78	1.28
US49338L1035	KEYSIGHT TECHS DL-,01	USD	2,300	2,300		36.120000	76,709.14	0.28
US5719032022	MARRIOTT INTL A DL-,01	USD	3,023	1,100	167	81.500000	227,492.61	0.83
US58933Y1055	MERCK CO. DL-,01	USD	7,029	2,500	384	58.340000	378,644.38	1.39
US5949181045	MICROSOFT DL-,00000625	USD	7,752	2,800	515	40.960000	293,187.37	1.07
US6005441000	MILLER (HERMAN) DL-,20	USD	6,960	2,499	326	27.610000	177,438.23	0.65
US6081901042	MOHAWK INDS INC. DL-,01	USD	942	300	53	184.720000	160,670.58	0.59
US6658591044	NORTHN TRUST CORP.DL1,666	USD	5,400	5,400		69.930000	348,681.44	1.27
US68389X1054	ORACLE CORP. DL-,01	USD	3,966	1,400	2,801	43.440000	159,079.45	0.58
US6964293079	PALL CORP. DL-,10	USD	3,550	3,550		101.630000	333,136.20	1.22
US7427181091	PROCTER GAMBLE	USD	4,580	1,596	247	82.720000	349,822.35	1.28
US8475601097	SPECTRA ENERGY DL -,001	USD	5,670	2,000	330	36.660000	191,931.86	0.70
US8552441094	STARBUCKS CORP.	USD	5,005	1,700	327	95.980000	443,564.08	1.62
US8574771031	STATE STREET CORP. DL 1	USD	5,014	1,800	279	73.880000	342,044.62	1.25
US8676524064	SUNPOWER CORP. DL -,01	USD	5,124	5,124		31.450000	148,799.45	0.54
US8715031089	SYMANTEC CORP. DL-,01	USD	12,278	4,300	866	23.550000	266,986.98	0.98

Any discrepancies in terms of % shares of the fund assets result from rounding-off.

ISIN	SECURITY TITLE	CURRENCY	VOLUME 31/3/2015	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
EQUITIES IN US DOLLARS								
US88076W1036	TERADATA (DEL.) DL-,01	USD	6,519	2,400	435	43.570000	262,264.85	0.96
US88162G1031	TETRA TECH INC. DL-,01	USD	5,130	1,803	302	24.150000	114,394.74	0.42
US9078181081	UNION PAC. DL 2,50	USD	2,694	2,842	1,069	110.090000	273,852.69	1.00
US92220P1057	VARIAN MEDICAL SYS DL 1	USD	3,400	3,400		94.790000	297,586.33	1.09
US92343V1044	VERIZON COMM. INC. DL-,10	USD	2,900	1,013	162	49.120000	131,530.93	0.48
US92826C8394	VISA INC. CL. A DL -,0001	USD	4,008	4,368	1,056	65.660000	242,996.57	0.89
US9668371068	WHOLE FOODS MKT	USD	8,774	3,800	421	52.350000	424,117.17	1.55
EQUITIES IN BRITISH POUNDS								
GB0008762899	BG GRP PLC LS-,10	GBP	27,950	10,540	1,648	8.520000	325,519.79	1.19
GB0030913577	BT GROUP PLC LS 0.05	GBP	59,200	20,257	3,272	4.482500	362,742.12	1.33
GB0033195214	KINGFISHER LS-,157142857	GBP	35,080	12,106	1,096	3.648000	174,932.46	0.64
GB0005603997	LEGAL GENL GRP PLCLS-,025	GBP	39,700	13,929	1,916	2.830000	153,579.39	0.56
GB00B08SNH34	NATIONAL GRID PLC NEW	GBP	22,250	7,877	1,262	8.844000	268,989.13	0.98
GB00B43G0577	PREMIER OIL LS-,125	GBP	51,730	33,874	1,712	1.375000	97,230.20	0.36
GB0004835483	SABMILLER DL-,10	GBP	3,900	3,900		36.055000	192,214.48	0.70
JE00B2QKY057	SHIRE PLC LS-,05	GBP	3,114	3,114		54.300000	231,139.64	0.85
JE00B8KF9B49	WPP PLC LS-,10	GBP	9,450	3,235	487	15.580000	201,258.97	0.74
EQUITIES IN JAPANESE YEN								
JP3112000009	ASAHI GLASS	JPY	33,615	12,000	1,609	780.000000	201,760.54	0.74
JP3942400007	ASTELLAS PHARMA INC.	JPY	12,214	4,300	811	1,988.000000	186,845.57	0.68
JP3835620000	BENESSE HOLDINGS INC.	JPY	7,075	2,500	425	3,780.000000	205,791.18	0.75
JP3551500006	DENSO CORP.	JPY	2,793	1,000	149	5,451.000000	117,153.60	0.43
JP3902900004	MITSUBISHI UFJ FINL GRP	JPY	44,951	15,800	2,459	756.500000	261,671.73	0.96
JP3165650007	NTT DOCOMO INC.	JPY	18,440	6,457	1,017	2,105.000000	298,690.58	1.09
JP3866800000	PANASONIC CORP.	JPY	27,756	9,700	1,944	1,578.000000	337,032.97	1.23
JP3419400001	SEKISUI CHEM.	JPY	11,695	4,000	710	1,572.000000	141,469.00	0.52
JP3351100007	SYSMEX CORP.	JPY	7,000	5,628	228	6,700.000000	360,895.41	1.32
EQUITIES IN SWISS FRANCS								
CH0002497458	SGS S.A. NA SF 1	CHF	103	39	3	1,890.000000	185,780.41	0.68
CH0011075394	ZURICH INSUR.GR.NA.SF0,10	CHF	720	258	38	330.700000	227,231.00	0.83
EQUITIES IN CANADIAN DOLLARS								
CA0636711016	BK MONTREAL CD 2	CAD	3,872	2,300	3,828	75.030000	211,315.22	0.77
CA0641491075	BK NOVA SCOTIA	CAD	5,047	1,800	2,453	62.710000	230,213.39	0.84
CA1363751027	CANADIAN NATL RAILWAY CO.	CAD	3,676	1,300	224	83.660000	223,693.74	0.82
CA3759161035	GILDAN ACTIVEWEAR SV	CAD	5,516	6,516	2,900	37.610000	150,899.59	0.55
CA73755L1076	POTASH CORP. SAS. INC.	CAD	6,538	2,300	362	41.100000	195,455.19	0.72
EQUITIES IN NORWEGIAN CROWNS								
NO0003733800	ORKLA NK 1,25	NOK	19,170	6,776	835	60.850000	134,255.75	0.49
NO0010096985	STATOIL ASA NK 2,50	NOK	9,650	3,730	2,531	142.900000	158,711.99	0.58
NO0005668905	TOMRA SYSTEMS ASA NK 1	NOK	16,580	6,083	648	68.000000	129,760.84	0.47
EQUITIES IN SWEDISH CROWNS								
SE0000109290	HOLMEN AB B SK 50	SEK	4,020	1,409	205	293.800000	126,787.47	0.46
EQUITIES IN DANISH CROWNS								
DK0060448595	COLOPLAST NAM. B DK 1	DKK	3,410	1,177	167	526.500000	240,359.46	0.88
DK0060336014	NOVOZYMES A/S NAM. B DK 2	DKK	3,310	1,074	165	322.000000	142,689.60	0.52
EQUITIES IN AUSTRALIAN DOLLARS								
AU000000ANZ3	A.N.Z. BKG GRP	AUD	10,080	3,596	516	36.360000	258,541.76	0.95
AU000000WBC1	WESTPAC BKG	AUD	10,110	3,578	468	39.130000	279,066.24	1.02
PARTICIPATION CERTIFICATES IN SWISS								
CH0012032048	ROCHE HLDG AG GEN.	CHF	1,800	785	75	265.000000	455,217.83	1.66
REAL ESTATE INVESTMENT TRUSTS IN US DOLLARS								
US9621661043	WEYERHAEUSER CO. DL 1,25	USD	14,313	4,900	787	33.170000	438,376.93	1.60
TOTAL SECURITIES PORTFOLIO							262,118,067.31	95.56

Any discrepancies in terms of % shares of the fund assets result from rounding-off.

Financial year: 1 April 2014 – 31 March 2015

Raiffeisen Sustainable Equities

	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
BANK BALANCES		
EUR BALANCES	1,181,028.21	4.32
BALANCES IN OTHER EU CURRENCIES		
GBP	769.27	0.01
NOK	3,660.09	0.01
BALANCES IN NON-EU CURRENCIES		
CHF	160.81	0.00
JPY	27.48	0.00
USD	307.21	0.00
TOTAL BANK BALANCES	1,185,953.07	4.34
ACCRUALS AND DEFERRALS		
INTEREST CLAIMS	-5.92	0.00
DIVIDENDS RECEIVABLE	27,023.81	0.10
TOTAL ACCRUALS AND DEFERRALS	27,017.89	0.10
TOTAL FUND ASSETS	27,331,038.27	100.00
NET ASSET VALUE PER UNIT		
TRANCHE R INCOME-DISTRIBUTING	EUR	113.59
TRANCHE R INCOME-RETAINING	EUR	123.17
TRANCHE I INCOME-RETAINING	EUR	128.42
TRANCHE R FULL INCOME-RETAINING	EUR	123.99
UNITS IN CIRCULATION		
TRANCHE R INCOME-DISTRIBUTING	UNITS	14,198.822
TRANCHE R INCOME-RETAINING	UNITS	194,685.982
TRANCHE I INCOME-RETAINING	UNITS	10,000
TRANCHE R FULL INCOME-RETAINING	UNITS	14,006.291

FROZEN SECURITIES FORMING PART OF THE PORTFOLIO OF INVESTMENTS (SECURITIES LENDING TRANSACTIONS)

ISIN	SECURITY TITLE	CURRENCY	VOLUME 31/3/2015
ES0113211835	BCO BIL.VIZ.ARG.NOM.EO-49	EUR	11,340

EXCHANGE RATES

FOREIGN CURRENCY ASSETS WERE CONVERTED INTO EUR ON THE BASIS OF THE EXCHANGE RATES APPLICABLE ON 30/3/2015

CURRENCY	UNIT	PRICE
AUSTRALIAN DOLLAR	AUD 1 EUR =	1.417600
CANADIAN DOLLAR	CAD 1 EUR =	1.374800
SWISS FRANC	CHF 1 EUR =	1.047850
DANISH CROWN	DKK 1 EUR =	7.469500
BRITISH POUND	GBP 1 EUR =	0.731550
JAPANESE YEN	JPY 1 EUR =	129.954550
NORWEGIAN CROWN	NOK 1 EUR =	8.688600
SWEDISH CROWN	SEK 1 EUR =	9.315400
US DOLLAR	USD 1 EUR =	1.083000

Any discrepancies in terms of % shares of the fund assets result from rounding-off.

SECURITIES PURCHASES AND SALES DURING THE PERIOD UNDER REVIEW NOT LISTED UNDER THE PORTFOLIO OF ASSETS:

ISIN	SECURITY TITLE	CURRENCY	PURCHASES ADDITIONS	SALES DISPOSALS
EQUITIES IN CANADIAN DOLLARS				
CA0977512007	BOMBARDIER INC. CL. B	CAD		46,300
EQUITIES IN SWISS FRANCS				
CH0126881561	SWISS RE AG NAM. SF -,10	CHF	902	3,202
EQUITIES IN EURO				
FR0000120164	CGG SA INH. EO-,4	EUR		6,000
NL0000303600	ING GROEP NV CVA EO -,24	EUR		11,015
FI0009007835	METSO CORP.	EUR		3,849
DE0007236101	SIEMENS AG NA	EUR		738
IE00B1RR8406	SMURFIT KAPPA GR. EO-,001	EUR		4,215
EQUITIES IN BRITISH POUNDS				
GB00B4WQ2Z29	AGGREKO PLC LS-,13708387	GBP		3,584
GB00B85KYF37	INTERCONT.HOTELS GRP	GBP		3,052
GB00BN33FD40	INTERCONT.HOTELS GRP	GBP	2,626	2,626
GB0004082847	STAND. CHART. PLC DL-,50	GBP		8,000
GB00BH4HKS39	VODAFONE GROUP PLC	GBP		42,497
EQUITIES IN SWEDISH CROWNS				
SE0000108656	ERICSSON B (FRIA)	SEK		12,575
EQUITIES IN US DOLLARS				
US00287Y1091	ABBVIE INC. DL-,01	USD		1,940
US00817Y1082	AETNA INC. DL-,01	USD		2,982
US2003401070	COMERICA INC. DL 5	USD		2,000
US38259P7069	GOOGLE INC.C DL-,001	USD	217	217
US4282361033	HEWLETT-PACKARD DL-,01	USD		7,000
US46625H1005	JPMORGAN CHASE DL 1	USD		4,558
US6200763075	MOTOROLA SOLUTIONS DL-,01	USD		3,028
SUBSCRIPTION RIGHTS IN EURO				
FR0011870914	ACCOR SA -ANR.WAHL.D.-	EUR	2,194	2,194
NL0010674909	AKZO NOBEL -ANR.- WAHL.D.	EUR	1,319	1,319
NL0010866596	AKZO NOBEL -ANR.- WAHL.D.	EUR	1,230	1,230
ES0613211970	BCO BIL.VIZ.ARG. -ANR.-	EUR	8,248	8,248
ES0613211988	BCO BIL.VIZ.ARG. -ANR.-	EUR	7,586	7,586
ES0613211996	BCO BIL.VIZ.ARG. -ANR.-	EUR	7,586	7,586
NL0010862454	REED ELSEVIER -ANR.-WAHL.	EUR	6,661	6,661
NL0010730396	REED ELSEVIER -ANR.-WAHL.D.	EUR	19	19
ES0673516946	REPSOL S.A. -ANR.-	EUR	2,744	2,744
ES0673516953	REPSOL S.A. -ANR.-	EUR	3,700	3,700

Further information on securities lending transactions

1. Overall risk (exposure) (average security holdings lent during the reporting period versus average fund volume):

1.28 %

On the reporting date 31 March 2015 the following securities had been lent:

ISIN	SECURITY TITLE	CURRENCY	VOLUME	MARKET VALUE (incl. any interest accrued)
			31/3/2015	31/3/2015
ES0113211835	BCO BIL.VIZ.ARG.NOM.EO-49	EUR	11,340	106,709.40

2. Identity of the counterparties for securities lending transactions:

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

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

Under the securities lending agreement concluded between the management company and Raiffeisen Bank International AG, Raiffeisen Bank International AG is obliged to provide collateral for loaned securities. Sight deposits (which are not used to purchase further assets and are thus held as deposits with the custodian bank), bonds, equities, convertible bonds and units in investment funds are permitted as collateral. Sight deposits do not undergo any valuation markdown, and the value of the collateral thus amounts to 100 % of the value of the lent securities. Other collateral (bonds, equities, convertible bonds and units in investment funds) will be valued daily on the basis of a value-at-risk calculation. The maximum foreseeable loss for this other collateral is calculated over a period of three business days, with a probability of 99 % (confidence interval). The value determined plus a markup of 10 % represents the applicable valuation markdown. This valuation markdown will amount to at least 5 % of the value of this other collateral. Recognition of this haircut will entail delivery of the required volume of additional collateral.

At the end of the financial year, the collateral had the following makeup:

Sight deposits: 0.00 %

Bonds: 73.49 %

Equities: 26.51 %

Units in investment funds: 0.00 %

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

Income: EUR 6,965.50

Costs: N/A

Further information on repurchase agreements

The fund did not enter into any repurchase agreements during the period under review.

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

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

Vienna, 30 June 2015

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.



Mag. (FH) Dieter Aigner



Mag. Rainer Sonnabl

Audit opinion

We have audited the annual fund report including the accounting as of 31 March 2015 issued by Raiffeisen Kapitalanlage-Gesellschaft m. b. H., Vienna, for its fund Raiffeisen Sustainable Equities for the financial year from 1 April 2014 to 31 March 2015.

Responsibility of the statutory representatives for the annual fund report, management of the asset portfolio and the accounting

The statutory representatives of the management company/the custodian bank are responsible for the accounting, valuation of the asset portfolio, calculation of withholding taxes, preparation of the annual fund report and management of the asset portfolio in accordance with the provisions of the Austrian Investment Fund Act, the supplementary provisions in the fund regulations and the tax regulations. This responsibility includes the setup, execution and maintenance of an internal control system where this is significant for the registration and valuation of the fund and preparation of the annual fund report so that this report is free from significant factual misstatements resulting from intentional or unintentional errors; selection and application of suitable valuation methods; estimates which appear appropriate in view of applicable outline conditions.

Responsibility of the bank auditor and description of the type and scope of the statutory audit of the annual fund report

We are responsible for providing an audit opinion for this annual fund report on the basis of our audit.

We performed our audit in accordance with § 49 para. 5 of the Austrian Investment Fund Act whilst complying with the applicable Austrian statutory regulations and principles of proper balance-sheet auditing. These principles require our compliance with rules of professional conduct and our planning and execution of the audit so that we are able to form an opinion with a reasonable degree of certainty on whether the annual fund report is free from significant factual misstatements.

An audit includes the performance of audit activities to obtain documentation of the figures and other disclosures in the annual fund report. The audit activities are chosen at the discretion of the bank auditor, with consideration of its assessment of the risk of significant factual misstatements due to intentional or unintentional errors. In performing the risk assessment, the bank auditor gives consideration to the internal control system where this is of significance for preparation of the annual fund report and valuation of the asset portfolio, so as to specify suitable audit activities with consideration of the applicable outline conditions. No audit opinion is provided on the effectiveness of the internal control measures implemented by the management company and the custodian bank, however. The audit also includes an assessment of the appropriateness of the valuation methods used and the key estimates made by the statutory representatives as well as an evaluation of the overall statement provided in the annual fund report.

In our opinion we have obtained sufficient and suitable documentation for our audit, so that it provides an adequate degree of certainty on which to base our judgment.

Audit outcome

Our audit has not met with any objections. On the basis of our audit findings, in our view the annual fund report as of 31 March 2015 for Raiffeisen Sustainable Equities complies with the statutory regulations.

Compliance with the Austrian Investment Fund Act and the fund regulations

Pursuant to § 49 (5) InvFG our audit includes an assessment of whether this report complies with the Austrian Federal Act on Investment Funds (Austrian Investment Fund Act) and the fund regulations. We have implemented our audit in accordance with the above principles, so that we are able to determine with a sufficient level of certainty whether this report complies with the provisions of the Austrian Investment Fund Act and the fund regulations.

According to our audit findings, the provisions of the Austrian Federal Act on Investment Funds (Austrian Investment Fund Act) and the fund regulations have been complied with.

Report on activities performed during the past financial year

We have undertaken a critical assessment of the disclosures provided by the management company's management in the annual fund report on its activities in the past financial year, but these were not subject to special audit activities in accordance with the above principles. Accordingly, our audit opinion does not include an evaluation of this information. In the context of the overall picture set out in this annual fund report, these disclosures are consistent with the information provided in the rest of the report.

Vienna, 30 June 2015

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Wilhelm Kovsca
Auditor

pp. Rainer Pasching
Auditor

Tax treatment

Please see our website www.rcm.at for detailed information on the fund's tax treatment, prepared on the basis of the audited annual fund report.

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 Equities**, a jointly owned fund pursuant to the **Austrian Investment Fund Act 2011, as amended** (InvFG).

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

Article 1 Fund units

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

The unit certificates shall be represented by global certificates for each unit class and – at the discretion of the management company – by actual securities.

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 payment offices referred to in the prospectus are the payment offices for unit certificates and the handover offices for income coupons (actual securities).

Article 3 Investment instruments and principles

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

The investment fund invests at least 51 % of its fund assets in the form of directly purchased individual securities which are not held directly or indirectly through investment funds or derivatives in equities or equity-equivalent securities issued by companies which 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.

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

Securities

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

Money market instruments

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

Securities and money market instruments

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

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

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

Units in investment funds

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

Derivative instruments

Derivative instruments may exclusively be used 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), as amended.

Sight deposits or deposits at notice

Sight deposits and deposits at notice with notice periods not exceeding 12 months may amount to **up to 25 %** 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 notice periods 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, those income coupons which are not yet due and the renewal certificate.

Article 5 Accounting year

The investment fund's accounting year runs from April 01 to March 31.

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 15 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 15 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.

Unitholders' entitlement to the distribution of income shares shall become time-barred after five years. After this period, such income shares shall be treated as income of the investment fund.

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 15 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 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 15 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 an exemption from capital gains tax.

If these preconditions have not been met as of the outpayment 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 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 pursuant to § 94 of the Austrian Income Tax Act or for an exemption from capital gains tax.

Article 7 Management fee, reimbursement of expenses, liquidation fee

The management company shall receive for its management activity an annual remuneration of up to **1.75 %** of the fund assets, calculated on the basis of the values at the end of each month.

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 Communities, 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://mifiddatabase.esma.europa.eu/Index.aspx?sectionlinks_id=23&language=0&pageName=REGULATED_MARKETS_Display&subsection_id=0¹

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 EU pursuant to § 67 (2) item 2 InvFG:

1.3.1. United Kingdom London Stock Exchange Alternative Investment Market (AIM)

1.4. 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.	Croatia:	Zagreb Stock Exchange
2.3.	Montenegro:	Podgorica
2.4.	Russia:	Moscow (RTS Stock Exchange); Moscow Interbank Currency Exchange (MICEX)
2.5.	Switzerland:	SWX Swiss Exchange
2.6.	Serbia:	Belgrade
2.7.	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

¹ Click on "view all" 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:

<http://www.fma.gv.at/de/unternehmen/boerse-wertpapierhandel/boerse.html> - scroll down - link "List of Regulated Markets (MiFID Database; ESMA)" - "view all"]

3.17.	Peru:	Bolsa de Valores de Lima
3.18.	Philippines:	Manila
3.19.	Singapore:	Singapore Stock Exchange
3.20.	South Africa:	Johannesburg
3.21.	Taiwan:	Taipei
3.22.	Thailand:	Bangkok
3.23.	USA:	New York, 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 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 in the NASDAQ system, Over the Counter Market (markets organized by NASD such as Over-the-Counter Equity Market, Municipal Bond Market, Government Securities Market, Corporate Bonds and Public Direct Participation Programs) Over-the-Counter-Market for Agency Mortgage-Backed Securities

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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