

# Raiffeisen Sustainable Equities

(Original German name: Raiffeisen-Nachhaltigkeit-Aktien)

## **annual fund report**

financial year Apr 1, 2019 – Mar 31, 2020

**Note:**

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

## Table of contents

General fund information .....	3
Fund characteristics.....	3
Legal notice .....	4
Fund details.....	5
Units in circulation.....	6
Development of the fund assets and income statement .....	7
Performance in financial year (fund performance) .....	7
Development of fund assets in EUR.....	9
Fund result in EUR.....	10
A. Realized fund result .....	10
B. Unrealized closing price .....	10
C. Income adjustment.....	11
Capital market report .....	12
Fund investment policy report .....	13
Makeup of fund assets in EUR .....	14
Portfolio of investments in EUR as of Mar 31, 2020.....	16
Calculation method for overall risk .....	21
Remuneration paid to the employees of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. in EUR (financial year 2019 of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.) .....	22
Audit opinion .....	25
Tax treatment .....	28
Fund regulations .....	29
Appendix .....	35

# Report for the financial year from Apr 1, 2019 to Mar 31, 2020

## General fund information

ISIN	Tranche	Income class	Currency	Launch date
AT0000A28LD7	Raiffeisen Sustainable Equities (I) A	income-distributing	EUR	Aug 1, 2019
AT0000677901	Raiffeisen Sustainable Equities (R) A	income-distributing	EUR	May 13, 2002
AT0000A1U685	Raiffeisen Sustainable Equities (RZ) A	income-distributing	EUR	Apr 3, 2017
AT0000A0LSJ0	Raiffeisen Sustainable Equities (I) T	income-retaining	EUR	Mar 1, 2011
AT0000677919	Raiffeisen Sustainable Equities (R) T	income-retaining	EUR	May 13, 2002
AT0000A1U677	Raiffeisen Sustainable Equities (RZ) T	income-retaining	EUR	Apr 3, 2017
AT0000A296N9	Raiffeisen Sustainable Equities (SZ) T	income-retaining	EUR	Sep 2, 2019
AT0000A20EZ2	Raiffeisen Sustainable Equities (I) VTA	full income-retaining (outside Austria)	EUR	May 2, 2018
AT0000677927	Raiffeisen Sustainable Equities (R) VTA	full income-retaining (outside Austria)	EUR	Oct 29, 2002
AT0000A1U693	Raiffeisen Sustainable Equities (RZ) VTA	full income-retaining (outside Austria)	EUR	Apr 3, 2017

## Fund characteristics

Fund currency	EUR
Financial year	Apr 1 – Mar 31
Distribution/payment/reinvestment date	Jun 15
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): 0.750 % R-Tranche (EUR): 1.500 % RZ-Tranche (EUR): 0.750 % SZ-Tranche (EUR): 0.488 %
Max. management fee for subfunds	0.750 %
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

Since the start of the accounting year, the management fee has been calculated for each calendar day based on the respective fund assets, while it had previously been calculated on the basis of the value at the end of each month. The calculation of the custodian bank fee (based on the fund assets) and the custody charge (based on the portfolio assets) has also been converted to a daily basis.

### 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 Apr 1, 2019 to Mar 31, 2020. The accounting is based on the price calculation as of Mar 31, 2020.

## Fund details

	Mar 31, 2018	Mar 31, 2019	Mar 31, 2020
Total fund assets in EUR	101,226,006.53	182,980,901.29	315,749,445.65
Net asset value/distributing units (I) (AT0000A28LD7) in EUR	-	-	89.75
Issue price/distributing units (I) (AT0000A28LD7) in EUR	-	-	93.34
Net asset value/distributing units (R) (AT0000677901) in EUR	118.89	132.82	125.17
Issue price/distributing units (R) (AT0000677901) in EUR	123.65	138.13	130.18
Net asset value/distributing units (RZ) (AT0000A1U685) in EUR	102.30	115.14	109.33
Issue price/distributing units (RZ) (AT0000A1U685) in EUR	102.30	115.14	109.33
Net asset value/reinvested units (I) (AT0000A0LSJ0) in EUR	140.50	159.00	152.28
Issue price/reinvested units (I) (AT0000A0LSJ0) in EUR	146.12	165.36	158.37
Net asset value/reinvested units (R) (AT0000677919) in EUR	132.92	149.56	142.31
Issue price/reinvested units (R) (AT0000677919) in EUR	138.24	155.54	148.00
Net asset value/reinvested units (RZ) (AT0000A1U677) in EUR	102.27	115.85	110.95
Issue price/reinvested units (RZ) (AT0000A1U677) in EUR	102.27	115.85	110.95
Net asset value/reinvested units (SZ) (AT0000A296N9) in EUR	-	-	92.27
Issue price/reinvested units (SZ) (AT0000A296N9) in EUR	-	-	92.27
Net asset value/fully reinvested units (I) (AT0000A20EZ2) in EUR	-	110.16	105.98
Issue price/fully reinvested units (I) (AT0000A20EZ2) in EUR	-	114.57	110.22
Net asset value/fully reinvested units (R) (AT0000677927) in EUR	133.77	150.83	144.03
Issue price/fully reinvested units (R) (AT0000677927) in EUR	139.12	156.86	149.79
Net asset value/fully reinvested units (RZ) (AT0000A1U693) in EUR	102.44	116.45	112.04
Issue price/fully reinvested units (RZ) (AT0000A1U693) in EUR	102.44	116.45	112.04
		<b>Jun 17, 2019</b>	<b>Jun 15, 2020</b>
Distribution/unit (I) (A) EUR		-	0.9000
Distribution/unit (R) (A) EUR		1.8000	1.2500
Distribution/unit (RZ) (A) EUR		1.5600	1.0900
Outpayment/unit (I) (T) EUR		0.7552	0.4184
Outpayment/unit (R) (T) EUR		0.5445	0.1808
Outpayment/unit (RZ) (T) EUR		0.5425	0.2816
Outpayment/unit (SZ) (T) EUR		-	0.0386
Reinvestment/unit (I) (T) EUR		3.3448	1.4784
Reinvestment/unit (R) (T) EUR		2.2718	0.3961
Reinvestment/unit (RZ) (T) EUR		2.4346	1.1012
Reinvestment/unit (SZ) (T) EUR		-	0.0805

Reinvestment/unit (I) (VTA) EUR	2.7050	1.3217
Reinvestment/unit (R) (VTA) EUR	2.7523	0.5850
Reinvestment/unit (RZ) (VTA) EUR	3.0110	1.3930

The distribution will occur free-of-charge at the fund's paying agents. Payment will be made by the custodian banks.

## Units in circulation

	Units in circulation on Mar 31, 2019	Sales	Repurchases	Units in circulation on Mar 31, 2020
AT0000A28LD7 (I) A	-	11,791.984	-9,530.000	2,261.984
AT0000677901 (R) A	86,047.295	46,519.014	-16,585.860	115,980.449
AT0000A1U685 (RZ) A	43,010.680	46,172.250	-6,614.386	82,568.544
AT0000A0LSJ0 (I) T	44,133.342	147,460.062	-83,898.665	107,694.739
AT0000677919 (R) T	872,175.951	433,345.646	-199,448.249	1,106,073.348
AT0000A1U677 (RZ) T	106,834.415	139,572.284	-32,712.353	213,694.346
AT0000A296N9 (SZ) T	-	173,377.827	-90,032.521	83,345.306
AT0000A20EZ2 (I) VTA	10.000	495,894.467	-287,576.128	208,328.339
AT0000677927 (R) VTA	111,113.451	409,976.570	-71,821.715	449,268.306
AT0000A1U693 (RZ) VTA	10.000	0.000	0.000	10.000
<b>Total units in circulation</b>				<b>2,369,225.361</b>

## Development of the fund assets and income statement

### Performance in financial year (fund performance)

<b>Distributing units (I) (AT0000A28LD7)</b>	
Net asset value per unit at launch of tranche (Aug 1, 2019) in EUR	100.00
Net asset value per unit at end of financial year in EUR	89.75
Net income/net reduction per unit	-10.25
<b>Performance of one unit from launch of tranche (Aug 1, 2019) up to the end of financial year in %</b>	<b>-10.25</b>
<b>Distributing units (R) (AT0000677901)</b>	
Net asset value per unit at start of financial year in EUR	132.82
Distribution on Jun 17, 2019 (net asset value: EUR 135.24) of EUR 1.8000, corresponds to 0.01331 units	
Net asset value per unit at end of financial year in EUR	125.17
Total value incl. units purchased through distribution (1.0133 x 125.17)	126.84
Net income/net reduction per unit	-5.98
<b>Performance of one unit during the financial year in %</b>	<b>-4.51</b>
<b>Distributing units (RZ) (AT0000A1U685)</b>	
Net asset value per unit at start of financial year in EUR	115.14
Distribution on Jun 17, 2019 (net asset value: EUR 117.43) of EUR 1.5600, corresponds to 0.013285 units	
Net asset value per unit at end of financial year in EUR	109.33
Total value incl. units purchased through distribution (1.0133 x 109.33)	110.78
Net income/net reduction per unit	-4.36
<b>Performance of one unit during the financial year in %</b>	<b>-3.78</b>
<b>Reinvested units (I) (AT0000A0LSJ0)</b>	
Net asset value per unit at start of financial year in EUR	159.00
Outpayment on Jun 17, 2019 (net asset value: EUR 163.55) of EUR 0.7552, corresponds to 0.004618 units	
Net asset value per unit at end of financial year in EUR	152.28
Total value incl. units purchased through outpayment (1.0046 x 152.28)	152.98
Net income/net reduction per unit	-6.02
<b>Performance of one unit during the financial year in %</b>	<b>-3.78</b>
<b>Reinvested units (R) (AT0000677919)</b>	
Net asset value per unit at start of financial year in EUR	149.56
Outpayment on Jun 17, 2019 (net asset value: EUR 153.76) of EUR 0.5445, corresponds to 0.003541 units	
Net asset value per unit at end of financial year in EUR	142.31
Total value incl. units purchased through outpayment (1.0035 x 142.31)	142.81
Net income/net reduction per unit	-6.75
<b>Performance of one unit during the financial year in %</b>	<b>-4.51</b>

<b>Reinvested units (RZ) (AT0000A1U677)</b>	
Net asset value per unit at start of financial year in EUR	115.85
Outpayment on Jun 17, 2019 (net asset value: EUR 119.17) of EUR 0.5425, corresponds to 0.004552 units	
Net asset value per unit at end of financial year in EUR	110.95
Total value incl. units purchased through outpayment (1.0046 x 110.95)	111.46
Net income/net reduction per unit	-4.39
<b>Performance of one unit during the financial year in %</b>	<b>-3.79</b>
<b>Fully reinvested units (I) (AT0000A20EZ2)</b>	
Net asset value per unit at start of financial year in EUR	110.16
Net asset value per unit at end of financial year in EUR	105.98
Net income/net reduction per unit	-4.18
<b>Performance of one unit during the financial year in %</b>	<b>-3.79</b>
<b>Fully reinvested units (R) (AT0000677927)</b>	
Net asset value per unit at start of financial year in EUR	150.83
Net asset value per unit at end of financial year in EUR	144.03
Net income/net reduction per unit	-6.80
<b>Performance of one unit during the financial year in %</b>	<b>-4.51</b>
<b>Fully reinvested units (RZ) (AT0000A1U693)</b>	
Net asset value per unit at start of financial year in EUR	116.45
Net asset value per unit at end of financial year in EUR	112.04
Net income/net reduction per unit	-4.41
<b>Performance of one unit during the financial year in %</b>	<b>-3.79</b>
<b>Reinvested units (SZ) (AT0000A296N9)</b>	
Net asset value per unit at launch of tranche (Sep 2, 2019) in EUR	100.00
Net asset value per unit at end of financial year in EUR	92.27
Net income/net reduction per unit	-7.73
<b>Performance of one unit from launch of tranche (Sep 2, 2019) up to the end of financial year in %</b>	<b>-7.73</b>

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 4.00 % 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

<b>Fund assets on Mar 31, 2019 (1,263,335.134 units)</b>		<b>182,980,901.29</b>
Distribution on Jun 17, 2019 (EUR 1.8000 x 88,932.701 distributing units (R) (AT0000677901))		-160,078.86
Distribution on Jun 17, 2019 (EUR 1.5600 x 47,285.513 distributing units (RZ) (AT0000A1U685))		-73,765.40
Outpayment on Jun 17, 2019 (EUR 0.7552 x 113,713.834 reinvested units (I) (AT0000A0LSJ0))		-85,876.69
Outpayment on Jun 17, 2019 (EUR 0.5445 x 867,844.340 reinvested units (R) (AT0000677919))		-472,541.24
Outpayment on Jun 17, 2019 (EUR 0.5425 x 116,431.107 reinvested units (RZ) (AT0000A1U677))		-63,163.88
Issuance of units	271,479,069.01	
Redemption of units	-103,227,598.27	
Pro rata income adjustment	-857,440.02	167,394,030.72
<b>Overall fund result</b>		<b>-33,770,060.29</b>
<b>Fund assets on Mar 31, 2020 (2,369,225.361 units)</b>		<b>315,749,445.65</b>

## Fund result in EUR

### A. Realized fund result

<b>Ordinary fund result</b>	
<b>Income (excl. closing price)</b>	
Interest income	30.67
Income from securities lending transactions	6,432.14
Interest expenses (incl. negative credit interest)	-24,755.57
Dividend income (incl. dividend equivalent)	4,275,994.80
Austrian dividend income	6,491.95
	<b>4,264,193.99</b>
<b>Expenses</b>	
Management fees	-3,589,554.36
Custodian bank fees / Custodian's fees	-241,599.89
Auditing costs	-10,005.80
Expenses for tax advice / tax representation	-1,200.00
Custody charge	-105,148.29
Publicity costs, regulatory fees	-27,404.57
Costs associated with foreign sales	-769.28
Cost of advisers and other service providers	-7,287.45
Research expenses	-60,661.00
	<b>-4,043,630.64</b>
<b>Ordinary fund result (excl. income adjustment)</b>	<b>220,563.35</b>
<b>Realized closing price</b>	
Profits realized from securities	5,852,849.99
Losses realized from securities	-5,071,815.84
<b>Realized closing price (excl. income adjustment)</b>	<b>781,034.15</b>
<b>Realized fund result (excl. income adjustment)</b>	<b>1,001,597.50</b>

### B. Unrealized closing price

<b>Change in unrealized closing price</b>	-35,937,839.91
<b>Change in dividends receivable</b>	308,742.10
	<b>-35,629,097.81</b>

C. Income adjustment

Income adjustment for income during financial year	857,440.02	
		<b>857,440.02</b>
<b>Overall fund result</b>		<b>-33,770,060.29</b>

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 464,687.61 EUR.

## Capital market report

While 2019 was one of the best stock market years in recent decades (average global appreciation well over 20%, in euro terms even about 30%), the first quarter of 2020 saw the fastest and steepest stock market correction in modern economic history. However, this only relates to the speed of the crash, not the magnitude. With the COVID-19 pandemic, all previous economic forecasts and profit expectations for companies have become obsolete. The bond markets also reacted sharply to the drastically changed global economic landscape. While most government bonds in the developed countries gained (especially in the USA), the riskier bond market segments (corporate bonds, emerging market bonds) fell sharply. The actors in the financial markets are trying to price in significantly higher default probabilities of many issuers. In 2019, the commodity markets already faced repeated headwinds from a deteriorating global growth outlook and escalating trade conflicts. With the COVID-19 pandemic and the resulting global economic slump, commodity prices came under renewed pressure, especially the oil markets. A massive overhang of crude oil supply has suddenly materialized, which can only be gradually reduced even in the event of a rapid global economic recovery.

In contrast, the price of gold remained stable or even increased significantly during these turbulences. Here, gold is benefiting from its status as a (crisis) currency, from the continuing fall in real yields and the numerous interest rate cuts, especially in the USA. The US dollar remained strong, while many emerging market currencies depreciated noticeably. The euro also tended to weaken somewhat against the US dollar anew. In 2019, the US central bank (Fed) made a surprise monetary policy shift and cut key interest rates several times. In March 2020 it slashed them to virtually zero and launched new, massive programmes to buy US government bonds and, a first for the Fed, corporate bonds as well. In contrast to the US central bank, the European Central Bank (ECB) has maintained its ultra-loose monetary policy almost without interruption for the past 10 years. Given already negative key interest rates, it had and has little scope for further rate cuts. However, the ECB, too, launched new, extensive programmes to buy government and corporate bonds. The historically unprecedented actions of the world's major central banks over the past twelve years reflected a pronounced weakness in global economic growth. While many regions returned to quite robust economic performance in the meantime, a global monetary policy turnaround failed to materialize. With the latest developments, it is probably farther away than ever. Yield levels are very low by historical standards almost everywhere in the world. The extremely low bond yields in the world's major economic blocs represent a major challenge for bond investors. At the same time, they have so far provided strong support for equity prices. Governments and central banks around the world are launching massive relief programmes in an attempt to mitigate the worst economic fallout from the current crisis and to save as many jobs and companies as possible until the global economy can get back on track. It is currently impossible to predict when, how quickly and how strongly such an economic recovery will unfold. Depending on how the pandemic continues to evolve and how long the countermeasures to contain it last, very different global economic scenarios are conceivable for the next 12-24 months. These will affect individual industries and companies in very different ways. Financial market players are of course trying to price in all of this somehow, but that is next to impossible at the moment. The financial market environment thus remains extremely challenging and will probably continue to be characterised by major price fluctuations in almost all asset classes for the foreseeable future.

## Fund investment policy report

The fund continues to invest in equities of companies which focus on sustainability and have above-average ratings in terms of social and environmental criteria. Aside from a favorable sustainability assessment, the selected companies must also have attractive financial valuations.

The fund remains broadly diversified and invests in companies which operate in developed markets in a particularly responsible and sustainable manner. Investments continue to focus on Europe and North America, while Japan plays a relatively minor role.

Initially, the reporting period was dominated by a stable upturn, which was interrupted by the onset of a strong correction on the stock markets around mid-February 2020. Expansive central bank policies were among the factors supporting the upturn on the markets in 2019. In 2020, the coronavirus and its impact became the main focus among investors. While the virus was initially seen as a local Chinese problem, the spillover into Europe and the associated abrupt shutdown of many economic sectors triggered a panic sell-off on the stock markets. Other issues receded entirely into the background.

The fund performed slightly weaker in this environment. Performance contributions varied significantly between sectors. While IT, communications services and healthcare stocks made positive contributions, cyclical consumption, commodities, chemical stocks and industrial stocks had a negative impact on performance.

At the individual stock level, telecom companies such as NTT Docomo (Japan) or Elisa (Finland) delivered positive performances. The development of MSCI, a US index and ESG analysis firm, and ASML, a supplier of lithography systems for the semiconductor industry, was also positive.

Gildan Activewear and Hanesbrands, two clothing manufacturers, and Anheuser-Busch, a beverage supplier, occupied the opposite end of the performance scale.

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

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		CAD	7,659,552.43	2.43 %
Equities		CHF	18,031,592.12	5.71 %
Equities		DKK	16,292,490.45	5.16 %
Equities		EUR	62,593,290.68	19.82 %
Equities		GBP	16,180,813.69	5.12 %
Equities		JPY	30,452,667.44	9.64 %
Equities		NOK	4,582,428.61	1.45 %
Equities		SEK	4,708,611.53	1.49 %
Equities		USD	141,664,630.95	44.87 %
<b>Total Equities</b>			<b>302,166,077.90</b>	<b>95.70 %</b>
Equities ADR		USD	1,270,222.22	0.40 %
<b>Total Equities ADR</b>			<b>1,270,222.22</b>	<b>0.40 %</b>
Investment certificates Raiffeisen	OGAW	EUR	1,871,980.00	0.59 %
<b>Total Investment certificates Raiffeisen</b>			<b>1,871,980.00</b>	<b>0.59 %</b>
<b>Total securities</b>			<b>305,308,280.12</b>	<b>96.69 %</b>
<b>Bank balances/liabilities</b>				
Bank balances/liabilities in fund currency			10,373,547.45	3.29 %
Bank balances/liabilities in foreign currency			3,914.69	0.00 %
<b>Total bank balances/liabilities</b>			<b>10,377,462.14</b>	<b>3.29 %</b>
<b>Accruals and deferrals</b>				
Interest claims (on securities and bank balances)			-10,738.71	-0.00 %
Dividends receivable			555,392.30	0.18 %
<b>Total accruals and deferrals</b>			<b>544,653.59</b>	<b>0.17 %</b>

Type of security	OGAW/§ 166	Currency	Market value in EUR	Share of fund assets
<b>Other items</b>				
Various fees			-480,950.20	-0.15 %
<b>Total other items</b>			<b>-480,950.20</b>	<b>-0.15 %</b>
<b>Total fund assets</b>			<b>315,749,445.65</b>	<b>100.00 %</b>

## Portfolio of investments in EUR as of Mar 31, 2020

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		CA0636711016	BANK OF MONTREAL BMO	CAD	72,352	44,200	4,900		67.810000	3,140,262.50	0.99 %
Equities		CA0641491075	BANK OF NOVA SCOTIA BNS	CAD	78,667	46,470	5,300		54.810000	2,759,777.43	0.87 %
Equities		CA3759161035	GILDAN ACTIVEWEAR INC GIL	CAD	152,636	103,200	10,600		18.010000	1,759,512.50	0.56 %
Equities		CH0030170408	GEBERIT AG-REG GEBN	CHF	8,370	2,600	560		424.100000	3,353,060.03	1.06 %
Equities		CH0012032048	ROCHE HOLDING AG-GENUSSCHEIN ROG	CHF	18,870	9,050	1,260		308.800000	5,504,232.75	1.74 %
Equities		CH0002497458	SGS SA-REG SGSN	CHF	1,654	960	110		2,250.000000	3,515,326.12	1.11 %
Equities		CH0008742519	SWISSCOM AG-REG SCMN	CHF	11,177	5,270	750		536.000000	5,658,973.22	1.79 %
Equities		DK0060448595	COLOPLAST-B COLOB	DKK	35,650	23,060	7,480		961.800000	4,591,530.19	1.45 %
Equities		DK0060534915	NOVO NORDISK A/S-B NOVOB	DKK	86,380	92,170	5,790		404.850000	4,682,960.35	1.48 %
Equities		DK0060336014	NOVOZYMES A/S-B SHARES NZYMB	DKK	100,560	53,000	9,990		306.000000	4,120,594.02	1.31 %
Equities		DK0010268606	VESTAS WIND SYSTEMS A/S VWS	DKK	39,730	19,250	10,700		544.600000	2,897,405.89	0.92 %
Equities		FR0000120404	ACCOR SA AC	EUR	55,070	61,920	55,690		24.960000	1,374,547.20	0.44 %
Equities		NL0013267909	AKZO NOBEL N.V. AKZA	EUR	58,883	34,340	3,940		61.800000	3,638,969.40	1.15 %
Equities		NL0010273215	ASML HOLDING NV ASML	EUR	10,430	390	7,410		244.750000	2,552,742.50	0.81 %
Equities		FR0000125338	CAPGEMINI SE CAP	EUR	26,940	9,140	3,800		78.000000	2,101,320.00	0.67 %
Equities		FI0009007884	ELISA OYJ ELISA	EUR	63,420	63,420			55.080000	3,493,173.60	1.11 %
Equities		FR0000121667	ESSILORLUXOTTICA EL	EUR	36,530	18,040	2,450		99.420000	3,631,812.60	1.15 %
Equities		DE0006048432	HENKEL AG & CO KGAA VORZUG HEN3	EUR	59,360	36,190			71.280000	4,231,180.80	1.34 %
Equities		BE0003565737	KBC GROUP NV KBC	EUR	71,020	40,340	4,760		40.370000	2,867,077.40	0.91 %
Equities		NL0000009082	KONINKLIJKE KPN NV KPN	EUR	1,595,300	1,213,980	106,830		2.145000	3,421,918.50	1.08 %
Equities		DE0006599905	MERCK KGAA MRK	EUR	49,710	34,450	3,330		89.500000	4,449,045.00	1.41 %
Equities		FR0000121261	MICHELIN (CGDE) ML	EUR	37,900	22,090	2,540		76.480000	2,898,592.00	0.92 %
Equities		DE0008430026	MUENCHENER RUECKVER AG-REG MUV2	EUR	14,970	4,960	3,020		181.400000	2,715,558.00	0.86 %
Equities		FR0000120685	NATIXIS KN	EUR	1,175,180	783,310	78,700		3.119000	3,665,386.42	1.16 %
Equities		FI0009013296	NESTE OYJ NESTE	EUR	96,840	115,200	40,600		28.170000	2,727,982.80	0.86 %
Equities		FR0000184798	ORPEA ORP	EUR	32,370	15,630	2,170		93.350000	3,021,739.50	0.96 %
Equities		DE0007164600	SAP SE SAP	EUR	40,190	20,190	8,690		102.180000	4,106,614.20	1.30 %
Equities		FR0000121972	SCHNEIDER ELECTRIC SE SU	EUR	47,700	21,530	8,390		79.220000	3,778,794.00	1.20 %
Equities		FR0010613471	SUEZ SEV	EUR	302,260	152,920	47,180		9.496000	2,870,260.96	0.91 %
Equities		BE0974320526	UMICORE UMI	EUR	121,940	53,300			30.710000	3,744,777.40	1.19 %
Equities		AT0000746409	VERBUND AG VER	EUR	40,080	21,440	2,680		32.480000	1,301,798.40	0.41 %

financial year Apr 1, 2019 – Mar 31, 2020

Raiffeisen Sustainable Equities



Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review	Sales under review Units/Nom.	Pool-/ILB Factor	Price	Market value in EUR	Share of fund assets
Equities		GB0030913577	BT GROUP PLC BT/A	GBP	2,180,670	2,326,710	146,040		1.194200	2,930,628.08	0.93 %
Equities		GB0004052071	HALMA PLC HLMA	GBP	154,460	54,290	10,340		18.700000	3,250,508.67	1.03 %
Equities		GB00BZ4BQC70	JOHNSON MATTHEY PLC JMAT	GBP	127,790	136,350	8,560		17.870000	2,569,893.43	0.81 %
Equities		GB00B1CRLC47	MONDI PLC MNDI	GBP	206,750	220,600	13,850		13.385000	3,114,279.48	0.99 %
Equities		GB00BDR05C01	NATIONAL GRID PLC NG/	GBP	401,924	199,530	26,920		9.541000	4,315,504.03	1.37 %
Equities		JP3942400007	ASTELLAS PHARMA INC 4503	JPY	347,914	184,600			1,722.000000	5,025,552.37	1.59 %
Equities		JP3551500006	DENSO CORP 6902	JPY	81,983	51,900	5,500		3,590.000000	2,468,863.08	0.78 %
Equities		JP3270000007	KURITA WATER INDUSTRIES LTD 6370	JPY	114,300	62,000	7,700		2,594.000000	2,487,109.77	0.79 %
Equities		JP3165650007	NTT DOCOMO INC 9437	JPY	209,680	116,400	40,500		3,473.000000	6,108,583.88	1.93 %
Equities		JP3197800000	OMRON CORP 6645	JPY	73,900	30,900	4,900		5,720.000000	3,545,840.68	1.12 %
Equities		JP3419400001	SEKISUI CHEMICAL CO LTD 4204	JPY	268,635	157,360	18,000		1,479.000000	3,332,802.05	1.06 %
Equities		JP3892100003	SUMITOMO MITSUI TRUST HOLDIN 8309	JPY	91,857	57,900	6,100		3,284.000000	2,530,429.00	0.80 %
Equities		JP3351100007	SYSEMEX CORP 6869	JPY	73,870	43,800	13,200		7,994.000000	4,953,486.61	1.57 %
Equities		NO0005668905	TOMRA SYSTEMS ASA TOM	NOK	181,800	118,610	52,520		294.600000	4,582,428.61	1.45 %
Equities		SE0009922164	ESSITY AKTIEBOLAG-B ESSITYB	SEK	171,130	182,590	11,460		304.900000	4,708,611.53	1.49 %
Equities		US88579Y1010	3M CO MMM	USD	44,470	34,550	7,400		137.740000	5,553,558.91	1.76 %
Equities		IE00B4BNMY34	ACCENTURE PLC-CL A ACN	USD	36,340	16,670	2,400		169.820000	5,595,229.88	1.77 %
Equities		US00846U1016	AGILENT TECHNOLOGIES INC A	USD	78,420	44,110	5,200		72.670000	5,166,853.80	1.64 %
Equities		US0091581068	AIR PRODUCTS & CHEMICALS INC APD	USD	17,253	6,500	1,200		206.530000	3,230,665.12	1.02 %
Equities		US02079K3059	ALPHABET INC-CL A GOOGL	USD	4,387	2,070	300		1,146.310000	4,559,465.04	1.44 %
Equities		US00206R1023	AT&T INC T	USD	144,708	68,900	9,700		30.230000	3,966,202.31	1.26 %
Equities		US0527691069	AUTODESK INC ADSK	USD	15,910	6,100	5,800		155.910000	2,248,994.15	0.71 %
Equities		US0530151036	AUTOMATIC DATA PROCESSING ADP	USD	30,800	15,500	2,100		137.820000	3,848,638.65	1.22 %
Equities		US0758871091	BECTON DICKINSON AND CO BDx	USD	21,637	12,940	1,400		222.870000	4,372,127.65	1.38 %
Equities		US1091941005	BRIGHT HORIZONS FAMILY SOLUT BFAM	USD	13,400	13,400			99.310000	1,206,540.64	0.38 %
Equities		US1344291091	CAMPBELL SOUP CO CPB	USD	98,250	41,300			46.530000	4,144,859.24	1.31 %
Equities		US12504L1098	CBRE GROUP INC - A CBRE	USD	87,275	39,410	5,800		41.030000	3,246,650.57	1.03 %
Equities		US17275R1023	CISCO SYSTEMS INC CSCO	USD	142,559	94,250	14,600		40.320000	5,211,459.16	1.65 %
Equities		US2788651006	ECOLAB INC ECL	USD	31,990	15,700	2,100		161.400000	4,681,251.19	1.48 %
Equities		US4052171000	HAIN CELESTIAL GROUP INC HAIN	USD	134,938	61,550			26.280000	3,215,168.99	1.02 %
Equities		US4103451021	HANESBRANDS INC HBI	USD	287,100	199,600	20,000		8.060000	2,098,033.46	0.66 %
Equities		US6005441000	HERMAN MILLER INC MLHR	USD	110,300	59,560	7,400		22.760000	2,276,103.18	0.72 %
Equities		US4581401001	INTEL CORP INTC	USD	56,510	31,300	32,300		55.490000	2,843,048.10	0.90 %
Equities		US4595061015	INTL FLAVORS & FRAGRANCES IFF	USD	41,080	21,400	2,800		108.010000	4,022,893.88	1.27 %
Equities		IE00BY7QL619	JOHNSON CONTROLS INTERNATION JCI	USD	105,070	53,800	7,000		26.490000	2,523,509.04	0.80 %
Equities		US49338L1035	KEYSIGHT TECHNOLOGIES IN KEYS	USD	39,960	24,000	7,400		85.660000	3,103,471.24	0.98 %
Equities		US5717481023	MARSH & MCLENNAN COS MMC	USD	46,411	21,430	3,100		89.550000	3,768,171.77	1.19 %
Equities		US5926881054	METTLER-TOLEDO INTERNATIONAL MTD	USD	8,140	5,100	1,700		685.400000	5,058,394.31	1.60 %
Equities		US5949181045	MICROSOFT CORP MSFT	USD	42,962	13,940	2,900		160.230000	6,241,263.21	1.98 %
Equities		US55354G1004	MSCI INC MSCI	USD	16,000	6,600	5,600		293.720000	4,260,864.05	1.35 %
Equities		US6658591044	NORTHERN TRUST CORP NTRS	USD	65,940	37,170	4,400		75.790000	4,531,114.38	1.44 %
Equities		NL0009538784	NXP SEMICONDUCTORS NV NXPI	USD	22,270	2,800	4,100		84.930000	1,714,847.55	0.54 %
Equities		US6907421019	OWENS CORNING OC	USD	70,420	33,300	4,700		39.880000	2,546,216.60	0.81 %
Equities		US7427181091	PROCTER & GAMBLE CO/THE PG	USD	37,910	17,200			115.000000	3,952,717.71	1.25 %
Equities		US78409V1044	S&P GLOBAL INC SPGI	USD	21,750	7,900	1,500		246.990000	4,870,603.84	1.54 %
Equities		US79466L3024	SALESFORCE.COM INC CRM	USD	37,230	16,920	2,300		149.850000	5,058,176.25	1.60 %
Equities		US9078181081	UNION PACIFIC CORP UNP	USD	30,450	16,580	2,000		140.200000	3,870,610.64	1.23 %
Equities		US92220P1057	VARIAN MEDICAL SYSTEMS INC VAR	USD	40,550	21,600			103.720000	3,813,269.87	1.21 %
Equities		US92826C8394	VISA INC-CLASS A SHARES V	USD	31,538	12,810	2,100		165.570000	4,734,345.76	1.50 %
Equities		US9621661043	WEYERHAEUSER CO WY	USD	185,193	94,900	12,400		16.950000	2,846,023.26	0.90 %

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		US98138H1014	WORKDAY INC-CLASS A WDAY	USD	22,300	23,800	1,500		137.300000	2,776,000.73	0.88 %
Equities		US98419M1009	XYLEM INC XYL	USD	75,050	39,670	5,000		66.240000	4,507,286.82	1.43 %
Equities ADR		US03524A1088	ANHEUSER-BUSCH INBEV-SPN ADR BUD	USD	32,680				42.870000	1,270,222.22	0.40 %
Investment certificates Raiffeisen	OGAW	AT0000A261J1	RAIFFEISEN PAXETBONUM EQUITIES (I) T	EUR	22,000	22,000			85.090000	1,871,980.00	0.59 %
<b>Total licensed securities admitted to trading on the official market or another regulated market as well as investment certificates</b>										<b>305,308,280.12</b>	<b>96.69 %</b>
<b>Total securities</b>										<b>305,308,280.12</b>	<b>96.69 %</b>
<b>Bank balances/liabilities</b>											
				EUR						10,373,547.45	3.29 %
				CHF						159.16	0.00 %
				GBP						640.63	0.00 %
				JPY						29.95	0.00 %
				NOK						2,771.34	0.00 %
				USD						313.61	0.00 %
<b>Total bank balances/liabilities</b>										<b>10,377,462.14</b>	<b>3.29 %</b>
<b>Accruals and deferrals</b>											
Interest claims (on securities and bank balances)										-10,738.71	-0.00 %
Dividends receivable										555,392.30	0.18 %
<b>Total accruals and deferrals</b>										<b>544,653.59</b>	<b>0.17 %</b>
<b>Other items</b>											
Various fees										-480,950.20	-0.15 %
<b>Total other items</b>										<b>-480,950.20</b>	<b>-0.15 %</b>
<b>Total fund assets</b>										<b>315,749,445.65</b>	<b>100.00 %</b>

ISIN	Income class		Currency	Net asset value per unit	Units in circulation
AT0000A28LD7	I	income-distributing	EUR	89.75	2,261.984
AT0000677901	R	income-distributing	EUR	125.17	115,980.449
AT0000A1U685	RZ	income-distributing	EUR	109.33	82,568.544
AT0000A0LSJ0	I	income-retaining	EUR	152.28	107,694.739
AT0000677919	R	income-retaining	EUR	142.31	1,106,073.348
AT0000A1U677	RZ	income-retaining	EUR	110.95	213,694.346
AT0000A296N9	SZ	income-retaining	EUR	92.27	83,345.306
AT0000A20EZ2	I	full income-retaining (outside Austria)	EUR	105.98	208,328.339
AT0000677927	R	full income-retaining (outside Austria)	EUR	144.03	449,268.306
AT0000A1U693	RZ	full income-retaining (outside Austria)	EUR	112.04	10,000

Exchange rates

Foreign currency assets were converted into EUR on the basis of the exchange rates applicable on Mar 30, 2020

Currency		Price (1 EUR =)
Canadian Dollars	CAD	1.562350
Swiss Francs	CHF	1.058650
Danish Kroner	DKK	7.467700
British Pound	GBP	0.888600
Japanese Yen	JPY	119.212350
Norwegian Kroner	NOK	11.687750
Swedish Krona	SEK	11.081300
US Dollars	USD	1.102950

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		AU00000WBC1	WESTPAC BANKING CORP WBC	AUD		106,370	213,554
Equities		NL0000395317	WESSANEN WES	EUR			145,803
Equities		CA8676EP1086	SUNOPTA INC STKL	USD			180,900
Equities		US88076W1036	TERADATA CORP TDC	USD		45,400	77,659
Equities		US2546871060	WALT DISNEY CO/THE DIS	USD		6,280	24,213
Subscription rights		FR0013404126	TOTAL SA-SCRIP 1704149D	EUR			33,126

#### Further information on securities lending transactions

- Overall risk (exposure) (securities loaned as of the reporting date versus fund volume):

0.00 %

On the reporting date Mar 31, 2020 no securities had been lent.

- Identity of the counterparties for securities lending transactions:

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

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

Under the master agreement on securities lending transactions concluded between the management company and Raiffeisen Bank International AG, Raiffeisen Bank International AG is obliged to provide collateral for loaned securities. Bonds, equities and units in investment funds are permitted as collateral. The bonds used as collateral may be issued by sovereigns, supranational issuers and/or companies etc. No stipulations apply in relation to the terms of these bonds. Within the scope of provision of collateral, pursuant to § 4 of the Austrian Securities Lending and Repurchase Agreement Ordinance (Verordnung zu Wertpapierleih- und Pensionsgeschäften, WPV), diversification and correlation with risk diversification achieved through quantitative issuer limits in particular and appropriate liquidity for collateral for the purpose of tradability and realizability will be ensured. This collateral will be valued on each banking day, subject to an add-on compared to the valuation of the securities loaned from the fund in accordance with provisions of EU Regulation 575/2013 (CRR). For bonds, this add-on will be determined on the basis of the credit rating of the issuer and the remaining term of the bond and will amount to no less than 0.5 %. For equities and units in investment funds, this add-on will amount to 10.607 %. The value of the required collateral, thus calculated, will result in the ongoing overcollateralization of the fund's outstanding securities lending positions.

Country of counterparty (Raiffeisen Bank International AG): Austria

Settlement: bilateral

- Custody of collateral which the investment fund has received in connection with securities lending transactions:

The collateral will be held in a separate sub-account with the custodian bank/depositary for each fund.

- Custody of collateral which the investment fund has provided in connection with securities lending transactions:

Within the limits stipulated by law (§ 84 InvFG), the management company is merely permitted to lend securities to third parties. However, it is not permitted to borrow securities. Accordingly, the investment fund will not provide any collateral within the scope of securities lending transactions.

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

Income: 6,432.14 EUR (of which 100 % from securities lending transactions)

Costs: N/A

#### Further information on repurchase agreements

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

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Calculation method for overall risk

Simplified approach

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**Remuneration paid to the employees of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. in EUR (financial year 2019 of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.)**

Total number of employees	249
Number of risk-bearers	86
Fixed remuneration	23,266,854.30
Variable remuneration (bonuses)	2,453,040.49
<b>Total remuneration for employees</b>	<b>25,719,894.79</b>
of which remuneration for managing directors	1,450,304.51
of which remuneration for managers (risk-bearers)	2,287,369.16
of which remuneration for other risk-bearers	8,994,874.93
of which remuneration for employees in positions of control	259,423.17
of which remuneration for employees in the same income bracket as managing directors and risk-bearers due to their overall remuneration	0.00
<b>Total remuneration for risk-bearers</b>	<b>12,991,971.77</b>

- 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 27, 2019. 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 Jul 31, 2019. 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 July 2020

**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 Equities, consisting of the portfolio of investments as of March 31, 2020, 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 March 31, 2020 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 July 2020

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](http://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](http://www.rcm.at). Please visit [www.profitweb.at](http://www.profitweb.at) for detailed information on offsettable and reimbursable foreign taxes.

## Fund regulations

### Fund regulations pursuant to the 2011 Austrian Investment Fund Act

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 2011 Austrian Investment Fund Act, 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. Actual securities are not issued.

#### Article 2 Custodian bank (depository)

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

The custodian bank (depository), 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. At least 51 % of its fund assets are invested in the form of directly purchased individual securities which are not held indirectly through investment funds or through derivatives, in equities or in equity-equivalent securities. 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, DeRiMV*), as amended.

### Sight deposits or deposits at notice

Sight deposits and deposits at notice with terms 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 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 the units will be calculated on each banking day in Austria.

### Issuance and subscription fee

Units will be issued on any banking day in Austria.

The issue price is the unit value plus a fee per unit of up to 4 % 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 in Austria.

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 April 1 to March 31.

## Article 6 Unit classes and appropriation of income

Income-distributing unit certificates, income-retaining unit certificates with payment of capital gains tax and income-retaining unit certificates without payment of capital gains tax 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.

### Appropriation of income in case of income-retaining unit certificates with payment of capital gains tax (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 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 without payment of capital gains tax (full income retention)

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 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 payment of capital gains tax (full income retention – foreign tranche)**

Income-retaining unit certificates without payment of 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. This can be validly proved by the cumulative submission of statements from both the custodian bank and the management company that they are not aware of a sale to other persons.

### **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 that is calculated, recorded and deducted monthly on the basis of the respective fund assets for each calendar day.

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.

In case of the liquidation of the investment fund, the liquidator 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, as well as stock exchanges in European countries which are not EEA members that are considered to be equal to regulated markets

Each Member State is required to maintain an updated register of regulated markets authorized by it. This register 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 register of the regulated markets of which it has received notice.

Due to decreasing restrictions and to trading segment specialization, the register of “regulated markets” is undergoing great changes. In addition to the annual publication of a register 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 register of regulated markets is available at:

[https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_upreg](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_upreg)<sup>1</sup>

##### 1.2. The following stock exchanges are to be included in the register of regulated markets:

- |        |             |                                    |
|--------|-------------|------------------------------------|
| 1.2.1. | Luxembourg  | Euro MTF Luxembourg                |
| 1.2.2. | Switzerland | SIX Swiss Exchange AG, BX Swiss AG |

##### 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);<br>Moscow Interbank Currency Exchange (MICEX) |
| 2.4. | Serbia:               | Belgrade   |
| 2.5. | 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   |

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<sup>1</sup> To open the register, in the left-hand column under “Entity type”, select “Regulated market” and click “Search” (click “Show table columns” and “Update” as necessary). The link may be modified by the European Securities and Markets Authority (ESMA).

3.10.	Japan:	Tokyo, Osaka, Nagoya, Kyoto, Fukuoka, Niigata, Sapporo, Hiroshima
3.11.	Canada:	Toronto, Vancouver, Montreal
3.12.	Colombia:	Bolsa de Valores de Colombia
3.13.	Korea:	Korea Exchange (Seoul, Busan)
3.14.	Malaysia:	Kuala Lumpur, Bursa Malaysia Berhad
3.15.	Mexico:	Mexico City
3.16.	New Zealand:	Wellington, Christchurch/Invercargill, Auckland
3.17.	Peru	Bolsa de Valores de Lima
3.18.	Philippines:	Manila
3.19.	Singapore:	Singapore Stock Exchange
3.20.	South Africa:	Johannesburg
3.21.	Taiwan:	Taipei
3.22.	Thailand:	Bangkok
3.23.	USA:	New York, NYCE American, New York Stock Exchange (NYSE), Philadelphia, Chicago, Boston, Cincinnati
3.24.	Venezuela:	Caracas
3.25.	United Arab Emirates:	Abu Dhabi Securities Exchange (ADX)

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

## Appendix

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