

ERSTE BOND EM GOVERNMENT LOCAL

Jointly owned fund pursuant to the InvFG

Annual Report 2020/21

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General Information about the Investment Firm

The company	Erste Asset Management GmbH Am Belvedere 1, A-1100 Vienna Telephone: +43 05 0100-19777, fax: +43 05 0100-919777
Registered capital	EUR 2.50 million
Shareholders	Erste Group Bank AG (64.67%) Erste Bank der österreichischen Sparkassen AG (22.17%) Steiermärkische Bank und Sparkassen Aktiengesellschaft (3.30%) Tiroler Sparkasse Bankaktiengesellschaft Innsbruck (1.74%) DekaBank Deutsche Girozentrale, Frankfurt (1.65%) „Die Kärntner“ Trust-Vermögensverwaltungsgesellschaft m. b. H. & Co KG (1.65%) Salzburger Sparkasse Bank Aktiengesellschaft (1.65%) Sieben Tiroler Sparkassen Beteiligungsgesellschaft m. b. H. (1.65%) NÖ-Sparkassen Beteiligungsgesellschaft m. b. H. (0.76%) VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe (0.76%)
Supervisory Board	Rudolf SAGMEISTER (Chairman) Thomas SCHAUFLEDER (Deputy Chairman) Harald GASSER Gerhard GRABNER Harald Frank GRUBER Oswald HUBER Radovan JELASITY Robert LASSHOFFER Franz PRUCKNER Rupert RIEDER Gabriele SEMMELROCK-WERZER Reinhard WATTL Gerald WEBER Appointed by the Works Council: Martin CEC Regina HABERHAUER Heinrich Hubert REINER Peter RIEDERER Nicole WEINHENGST Manfred ZOUREK
Managing directors	Heinz BEDNAR Winfried BUCHBAUER Peter KARL Thomas KRAUS (from 01.01.2021) Wolfgang TRANDL (until 28.02.2021)
Prokuristen (proxies)	Karl FREUDENSCHUSS Manfred LENTNER Günther MANDL Gerold PERMOSER Magdalena REISCHL Oliver RÖDER (from 06.07.2020)
State commissioners	Walter MEGNER (from 01.10.2020) Christoph SEEL
Auditor	Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.
Depository bank	Erste Group Bank AG

Dear Unit-holder,

We are pleased to present you the following annual report for the ERSTE BOND EM GOVERNMENT LOCAL jointly owned fund pursuant to the InvFG for the accounting year from 1 July 2020 to 30 June 2021.

Even as the COVID-19 pandemic spreads, we are not losing sight of our responsibility to manage the assets entrusted to our care in a manner that maintains our ability to act on the capital markets and that enables us to make the best possible allocation decisions.

Modern technology also allows us to meet these obligations in full via teleworking.

Development of the Fund

ERSTE BOND EM GOVERNMENT LOCAL generated a negative performance of 1.00% (ISIN AT0000A0AUE0) for the reporting period.

The reporting period comprised the period in which the global economy recovered after the first wave of the coronavirus pandemic. It was like a yo-yo. During the first wave, economic activity declined as a result of lockdowns while after the first wave, economic activity rebounded sharply thanks to a better level of preparedness for virus mutations and the ongoing vaccination campaigns. But the logistics chains could not keep up with this rapid economic recovery, causing steep material price increases, supply shortages, and producer price hikes. This inflation trend was not reflected in consumer prices to the same degree due to the weighting of the underlying goods basket, but CPI did also rise. Most recently, the central banks (which provided extremely high levels of support to the market during the crisis) indicated their intention to normalise policy (reduction of bond purchases and key rate hikes) starting in 2022.

Towards the end of the reporting period, a number of developed nations gradually reopened their economies in the belief that high vaccination coverage would win out over the increasingly dominant and highly infectious delta variant of the coronavirus. Conversely, low vaccination coverage in numerous EM countries and further COVID-19 waves, including a growing share of delta variant cases, led to additional social distancing measures and lockdowns. The unavoidable reduction of growth expectations and extension of the emergency policies will likely delay monetary policy tightening in many EM countries, and low vaccination rates harbour the risk of further infection waves and impediments to economic recovery.

The growth divide between developed economies and emerging markets was one of the main reasons for the weakness of the EM currencies. Despite rising commodity prices and growing interest rate hike expectations, these lost 5.58% versus the EUR in the reporting period. Under these conditions, local currency yields rose by 58 basis points to 5.12% during the reporting period.

The fund positioning was selected in line with the investment process.

Investment policy

ERSTE BOND EM GOVERNMENT LOCAL invests primarily in local-currency government bonds from the emerging countries. The focus is on the regions of Central and Eastern Europe, Asia, Latin America, the Middle East, and Africa. The fund may also invest to a limited extent in corporate bonds from issuers in the eligible countries. Currency risks are not hedged. The investment process incorporates the consideration of environmental, social, and corporate governance factors.

Method of Calculating the Global Exposure

Method of calculating the global exposure:	Absolute value at risk
Reference assets used:	–
Value at risk:	Lowest value: 4.37 Average value: 10.573927 Highest value: 13.75
Model used:	Calculation model: Historical simulation Confidence interval: 99% Holding period: 20 days Length of data history: 1 year
Leverage* when using the value-at-risk calculation method:	11.433183
Leverage** according to § 4 of the 4 th Derivatives Risk Measurement and Reporting Regulation:	4.502391

* Total nominal values of derivative instruments without taking into account offsetting and hedging (item 8.5. Schedule B InvFG 2011).

** Total derivative risk taking offsetting and hedging into account = total of the equivalent values of the underlying assets as a percentage of the fund assets.

Asset Allocation

	As of 30.06.2021	
	EUR millions	%
Bonds		
ARS	0.1	0.06
BRL	8.8	6.19
CLP	3.0	2.08
CNY	13.0	9.12
IDR	13.9	9.71
COP	11.8	8.25
MYR	8.4	5.90
MXN	13.0	9.11
PEN	4.0	2.80
PHP	1.0	0.73
PLN	10.6	7.44
ROL	4.1	2.85
RUB	9.3	6.51
ZAR	10.6	7.45
THB	12.5	8.74
CZK	6.0	4.20
TRL	1.5	1.02
HUF	4.2	2.97
UYU	1.0	0.71
Investment certificates		
EUR	2.1	1.50
Transferable securities	139.0	97.33
Forward exchange agreements	-0.0	-0.01
Bank balances	1.6	1.13
Interest entitlements	2.2	1.55
Other deferred items	-0.0	-0.00
Fund assets	142.8	100.00

Comparative Overview

Accounting year	Fund assets
2018/2019	228,322,476.25
2019/2020	224,226,557.63
2020/2021	142,765,425.79

General information about performance:

The performance of unit categories with no outstanding units at the end of the reporting period or no outstanding units during the reporting period is generally based on the dividend-adjusted performance of the overall fund. In these cases, the performance is not reported below.

When a unit category is issued during the reporting period, the performance and reinvestment are calculated from the point in time that the unit category is launched. Because of this and possible other fees and currency classes, the performance and reinvestment of this unit category differ from those of comparable unit categories.

The performance is determined assuming the reinvestment of all paid dividends and amounts at their nominal value on the day of disbursement.

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2018/2019	Dividend-bearing units	AT0000A28EZ5	CZK	2,544.40	-	-	-
2019/2020	Dividend-bearing units	AT0000A28EZ5	CZK	2,504.39	66.6063	0.0000	-1.57
2020/2021	Dividend-bearing units	AT0000A28EZ5	CZK	2,308.89	57.3908	0.0000	-5.21

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2018/2019	Dividend-bearing units	AT0000A0AUE0	EUR	97.58	2.5000	0.0000	8.65
2019/2020	Dividend-bearing units	AT0000A0AUE0	EUR	90.28	2.5000	0.0000	-5.12
2020/2021	Dividend-bearing units	AT0000A0AUE0	EUR	86.79	2.2500	0.0000	-1.00

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2018/2019	Dividend-bearing units	AT0000A1Y2Q7	EUR	104.62	2.5000	0.0000	9.18
2019/2020	Dividend-bearing units	AT0000A1Y2Q7	EUR	97.42	2.5000	0.0000	-4.68
2020/2021	Dividend-bearing units	AT0000A1Y2Q7	EUR	94.31	-	-	-

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2018/2019	Dividend-bearing units	AT0000A1Y2R5	EUR	106.09	-	-	-
2019/2020	Dividend-bearing units	AT0000A1Y2R5	EUR	100.74	-	-	-
2020/2021	Dividend-bearing units	AT0000A1Y2R5	EUR	99.87	-	-	-

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Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2018/2019	Non-dividend-bearing units	AT0000A0AUF7	EUR	142.23	0.0898	0.0000	8.67
2019/2020	Non-dividend-bearing units	AT0000A0AUF7	EUR	134.85	0.0000	0.0000	-5.13
2020/2021	Non-dividend-bearing units	AT0000A0AUF7	EUR	133.49	0.0000	0.0000	-1.01

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2018/2019	Non-dividend-bearing units	AT0000A1Y2S3	EUR	106.82	-	-	-
2019/2020	Non-dividend-bearing units	AT0000A1Y2S3	EUR	101.44	-	-	-
2020/2021	Non-dividend-bearing units	AT0000A1Y2S3	EUR	100.56	-	-	-

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2018/2019	Non-dividend-bearing units	AT0000A1Y2T1	EUR	106.48	0.5557	0.2871	9.30
2019/2020	Non-dividend-bearing units	AT0000A1Y2T1	EUR	100.82	-	-	-
2020/2021	Non-dividend-bearing units	AT0000A1Y2T1	EUR	99.95	-	-	-

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2018/2019	Non-dividend-bearing units	AT0000A2B535	EUR	-	-	-	-
2019/2020	Non-dividend-bearing units	AT0000A2B535	EUR	91.05	0.0000	0.0000	-8.95
2020/2021	Non-dividend-bearing units	AT0000A2B535	EUR	90.79	0.0000	0.0000	-0.29

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2018/2019	KESt-exempt non-dividend-bearing units	AT0000A16X22	CZK	3,820.42	-	3.8700	7.22
2019/2020	KESt-exempt non-dividend-bearing units	AT0000A16X22	CZK	3,794.15	-	0.0000	-0.69
2020/2021	KESt-exempt non-dividend-bearing units	AT0000A16X22	CZK	3,595.72	-	0.0000	-5.23

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2018/2019	KESt-exempt non-dividend-bearing units	AT0000A1Y2W5	CZK	2,745.92	-	-	-
2019/2020	KESt-exempt non-dividend-bearing units	AT0000A1Y2W5	CZK	2,730.58	-	-	-
2020/2021	KESt-exempt non-dividend-bearing units	AT0000A1Y2W5	CZK	2,591.76	-	-	-

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2018/2019	KESt-exempt non-dividend-bearing units	AT0000A0AUG5	EUR	148.12	-	0.0000	8.69
2019/2020	KESt-exempt non-dividend-bearing units	AT0000A0AUG5	EUR	140.55	-	0.0000	-5.11
2020/2021	KESt-exempt non-dividend-bearing units	AT0000A0AUG5	EUR	139.13	-	0.0000	-1.01

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2018/2019	KESt-exempt non-dividend-bearing units	AT0000A1Y2U9	EUR	107.23	-	1.8189	9.22
2019/2020	KESt-exempt non-dividend-bearing units	AT0000A1Y2U9	EUR	102.23	-	0.0000	-4.66
2020/2021	KESt-exempt non-dividend-bearing units	AT0000A1Y2U9	EUR	101.68	-	-	-

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Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2018/2019	KESt-exempt non-dividend-bearing units	AT00000A1Y2V7	EUR	108.23	-	1.9925	9.41
2019/2020	KESt-exempt non-dividend-bearing units	AT00000A1Y2V7	EUR	103.35	-	0.0000	-4.51
2020/2021	KESt-exempt non-dividend-bearing units	AT00000A1Y2V7	EUR	102.98	-	0.0000	-0.36

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2018/2019	KESt-exempt non-dividend-bearing units	AT00000A1FWA1	HUF	47,780.38	-	625.7147	6.58
2019/2020	KESt-exempt non-dividend-bearing units	AT00000A1FWA1	HUF	49,781.08	-	0.0000	4.19
2020/2021	KESt-exempt non-dividend-bearing units	AT00000A1FWA1	HUF	48,803.70	-	0.0000	-1.96

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2018/2019	KESt-exempt non-dividend-bearing units	AT00000A1Y2X3	HUF	34,833.88	-	-	-
2019/2020	KESt-exempt non-dividend-bearing units	AT00000A1Y2X3	HUF	36,326.54	-	-	-
2020/2021	KESt-exempt non-dividend-bearing units	AT00000A1Y2X3	HUF	35,668.15	-	-	-

Disbursement/Payment

The following disbursement or payment will be made for the accounting year from 1 July 2020 to 30 June 2021. The coupon-paying bank is obligated to withhold capital gains tax from this disbursement if the respective investor is not exempt from the payment of this tax.

The disbursement or payment will be effected on or after 1 October 2021 at

Erste Group Bank AG, Vienna,

and the respective bank managing the Unit-holder's securities account.

Fund type	ISIN	Currency	Dividend disbursement/ payment		KES _t with option declaration	KES _t w/o option declaration	Re-invest- ment
Dividend-bearing units	AT0000A28EZ5	CZK	57.3908		0.0000	0.0000	0.0000
Dividend-bearing units	AT0000A0AUE0	EUR	2.2500		0.0000	0.0000	0.0000
Dividend-bearing units	AT0000A1Y2Q7	EUR	-		-	-	-
Dividend-bearing units	AT0000A1Y2R5	EUR	-		-	-	-
Non-dividend-bearing units	AT0000A0AUF7	EUR	0.0000		0.0000	0.0000	0.0000
Non-dividend-bearing units	AT0000A1Y2S3	EUR	-		-	-	-
Non-dividend-bearing units	AT0000A1Y2T1	EUR	-		-	-	-
Non-dividend-bearing units	AT0000A2B535	EUR	0.0000		0.0000	0.0000	0.0000
KES _t -exempt non-dividend-bearing units	AT0000A16X22	CZK	-	*	-	-	0.0000
KES _t -exempt non-dividend-bearing units	AT0000A1Y2W5	CZK	-	*	-	-	-
KES _t -exempt non-dividend-bearing units	AT0000A0AUG5	EUR	-	*	-	-	0.0000
KES _t -exempt non-dividend-bearing units	AT0000A1Y2U9	EUR	-	*	-	-	-
KES _t -exempt non-dividend-bearing units	AT0000A1Y2V7	EUR	-	*	-	-	0.0000
KES _t -exempt non-dividend-bearing units	AT0000A1FWA1	HUF	-	*	-	-	0.0000
KES _t -exempt non-dividend-bearing units	AT0000A1Y2X3	HUF	-	*	-	-	-

* Pursuant to the penultimate sentence of § 58 (2) of the Austrian Investment Fund Act, no capital gains tax will be paid.

Income Statement and Changes in Fund Assets

1. Value Development over the Accounting Year (Fund Performance)

Calculation according to the OeKB method per unit in the unit currency not accounting for a front-end surcharge

The performance of unit categories with no outstanding units at the end of the reporting period or no outstanding units during the reporting period is generally based on the dividend-adjusted performance of the overall fund. In these cases, the "performance", the "net earnings per unit", and the "total value including (notional) units gained through disbursement/payment" are not reported in the following.

When a unit category is issued during the reporting period, the performance is calculated from the point in time that the unit category is launched. Because of this and possible other fees and currency classes, the performance of this unit category differs from that of comparable unit categories.

AT0000A28EZ5 dividend-bearing units CZK	
Unit value at the beginning of the reporting period (201.524 units)	2,504.39
Disbursement/payment on 29.09.2020 (corresponds to roughly 0.0281 units at a calculated value of 2369.54)	66.6063
Unit value at the end of the reporting period (153.710 units)	2,308.89
Total value including (notional) units gained through dividend disbursement/payment	2,373.79
Net earnings per unit	-130.60
Value development of one unit in the period	-5.21%

AT0000A0AUE0 dividend-bearing units EUR	
Unit value at the beginning of the reporting period (208,067.799 units)	90.28
Disbursement/payment on 29.09.2020 (corresponds to roughly 0.0299 units at a calculated value of 83.63)	2.5000
Unit value at the end of the reporting period (182,939.312 units)	86.79
Total value including (notional) units gained through dividend disbursement/payment	89.38
Net earnings per unit	-0.90
Value development of one unit in the period	-1.00%

AT0000A1Y2Q7 dividend-bearing units EUR	
Unit value at the beginning of the reporting period (54,893.000 units)	97.42
Disbursement/payment on 29.09.2020 (corresponds to roughly 0.0276 units at a calculated value of 90.55)	2.5000
Unit value at the end of the reporting period (0.000 units)	94.31
Total value including (notional) units gained through dividend disbursement/payment	-
Net earnings per unit	-
Value development of one unit in the period	-

AT0000A1Y2R5 dividend-bearing units EUR	
Unit value at the beginning of the reporting period (0.000 units)	100.74
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	99.87
Total value including (notional) units gained through dividend disbursement/payment	-
Net earnings per unit	-
Value development of one unit in the period	-

AT0000A0AUF7 non-dividend-bearing units EUR	
Unit value at the beginning of the reporting period (1,084,030.149 units)	134.85
Disbursement/payment	0.0000
Unit value at the end of the reporting period (760,966.350 units)	133.49
Total value including (notional) units gained through dividend disbursement/payment	133.49
Net earnings per unit	-1.36
Value development of one unit in the period	-1.01%

AT0000A1Y2S3 non-dividend-bearing units EUR	
Unit value at the beginning of the reporting period (0.000 units)	101.44
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	100.56
Total value including (notional) units gained through dividend disbursement/payment	-
Net earnings per unit	-
Value development of one unit in the period	-

AT0000A1Y2T1 non-dividend-bearing units EUR	
Unit value at the beginning of the reporting period (0.000 units)	100.82
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	99.95
Total value including (notional) units gained through dividend disbursement/payment	-
Net earnings per unit	-
Value development of one unit in the period	-

AT0000A2B535 non-dividend-bearing units EUR	
Unit value at the beginning of the reporting period (12.511 units)	91.05
Disbursement/payment	0.0000
Unit value at the end of the reporting period (13.955 units)	90.79
Total value including (notional) units gained through dividend disbursement/payment	90.79
Net earnings per unit	-0.26
Value development of one unit in the period	-0.29%

AT0000A16X22 KEST-exempt non-dividend-bearing units CZK	
Unit value at the beginning of the reporting period (12,948.069 units)	3,794.15
Disbursement/payment	0.0000
Unit value at the end of the reporting period (8,888.406 units)	3,595.72
Total value including (notional) units gained through dividend disbursement/payment	3,595.72
Net earnings per unit	-198.43
Value development of one unit in the period	-5.23%

AT0000A1Y2W5 KEST-exempt non-dividend-bearing units CZK	
Unit value at the beginning of the reporting period (0.000 units)	2,730.58
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	2,591.76
Total value including (notional) units gained through dividend disbursement/payment	-
Net earnings per unit	-
Value development of one unit in the period	-

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AT0000A0AUG5 KES-exempt non-dividend-bearing units EUR	
Unit value at the beginning of the reporting period (79,688.267 units)	140.55
Disbursement/payment	0.0000
Unit value at the end of the reporting period (4,839.280 units)	139.13
Total value including (notional) units gained through dividend disbursement/payment	139.13
Net earnings per unit	-1.42
Value development of one unit in the period	-1.01%

AT0000A1Y2U9 KES-exempt non-dividend-bearing units EUR	
Unit value at the beginning of the reporting period (86,990.000 units)	102.23
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	101.68
Total value including (notional) units gained through dividend disbursement/payment	-
Net earnings per unit	-
Value development of one unit in the period	-

AT0000A1Y2V7 KES-exempt non-dividend-bearing units EUR	
Unit value at the beginning of the reporting period (305,212.000 units)	103.35
Disbursement/payment	0.0000
Unit value at the end of the reporting period (223,961.687 units)	102.98
Total value including (notional) units gained through dividend disbursement/payment	102.98
Net earnings per unit	-0.37
Value development of one unit in the period	-0.36%

AT0000A1FWA1 KES-exempt non-dividend-bearing units HUF	
Unit value at the beginning of the reporting period (2,860.393 units)	49,781.08
Disbursement/payment	0.0000
Unit value at the end of the reporting period (2,109.426 units)	48,803.70
Total value including (notional) units gained through dividend disbursement/payment	48,803.70
Net earnings per unit	-977.38
Value development of one unit in the period	-1.96%

AT0000A1Y2X3 KES-exempt non-dividend-bearing units HUF	
Unit value at the beginning of the reporting period (0.000 units)	36,326.54
Disbursement/payment	0.0000
Unit value at the end of the reporting period (0.000 units)	35,668.15
Total value including (notional) units gained through dividend disbursement/payment	-
Net earnings per unit	-
Value development of one unit in the period	-

2. Fund Result

a. Realised fund result

Ordinary fund result

Income (without profit or loss from price changes)

Interest income (excluding income adjustment)	11,947,033.62	
Dividend income	0.04	
Other income 8)	5,173.19	
Total income (without profit or loss from price changes)		11,952,206.85

Interest paid - 39,170.51

Expenses

Fees paid to Investment Firm	- 1,893,934.62	
Costs for the financial auditor and tax consultation	- 7,330.00	
Publication costs	- 49,327.13	
Securities account fees	- 23,015.97	
Depository bank fees	- 105,421.85	
Costs for the external consultant	0.00	
Total expenses		- 2,079,029.57
Compensation for management costs from sub-funds 1)		0.00

Ordinary fund result (excluding income adjustment) 9,834,006.77

Realised profit or loss from price changes 2) 3)

Realised gains 4)	2,952,757.74	
Realised losses 5)	- 25,489,637.04	

Realised profit or loss from price changes (excluding income adjustment) - 22,536,879.30

Realised fund result (excluding income adjustment) - 12,702,872.53

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

Changes in the unrealised profit or loss from price changes 7)	9,213,266.82
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Result for the reporting period 6) - 3,489,605.71

c. Income adjustment

Income adjustment for income in the period	3,088,665.11
Income adjustment for profit carried forward from dividend-bearing units	- 1,617,207.25

Overall fund result - 2,018,147.85

3. Changes in Fund Assets

Fund assets at the beginning of the reporting period	224,226,557.63
Disbursement/payment in the accounting year	- 640,035.50
Issue and redemption of units	- 78,802,948.49
Overall fund result	
(The fund result is shown in detail under item 2.)	- 2,018,147.85
Fund assets at the end of the reporting period	<u>142,765,425.79</u>

- 1) Reimbursements (in the sense of commissions) paid by third parties are forwarded to the fund after deduction of appropriate costs. Erste Bank der oesterreichischen Sparkassen AG receives 25% of the calculated commissions to cover administrative costs.
- 2) Realised profits and losses are not calculated precisely for the specific periods, which means that they, as is the case for the changes in the unrealised profit or loss, are not necessarily congruent with the changes in the value of the fund in the accounting year.
- 3) Total profit or loss from price changes without income adjustment (realised profit or loss from price changes, without income adjustment, plus changes in the unrealised profit or loss): EUR -13,323,612.48.
- 4) Thereof profits from transactions with derivative financial instruments: EUR 1,170,290.06.
- 5) Thereof losses from transactions with derivative financial instruments: EUR -1,570,622.48.
- 6) The result for the accounting year includes explicitly reported transaction costs in the amount of EUR 1,039.26.
- 7) Thereof changes in unrealised gains EUR -3,206,430.94 and unrealised losses EUR 12,419,697.76.
- 8) The earnings reported under this item can be attributed to lending fees from securities lending transactions conducted with Erste Group Bank AG in the amount of EUR 4,861.96, to earnings from real estate funds in the amount of EUR 0.00, and to other earnings in the amount of EUR 311.23.

Statement of Assets and Liabilities as of 30 June 2021

(including changes in securities assets from 1 July 2020 to 30 June 2021)

Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Publicly traded securities								
Bonds denominated in ARS								
Issue country Argentina								
ARGENTINA 2021	ARARGE3202H4 *	18.200	0	0	10,000	99.244	83,503.95	0.06
Total issue country Argentina							83,503.95	0.06
Total bonds denominated in ARS translated at a rate of 113.52170							83,503.95	0.06
Bonds denominated in BRL								
Issue country Brazil								
BRAZIL 2022	BRSTNCNTB3Y0 *	21.088	0	0	4,000	3,809.781	2,507,642.26	1.76
BRAZIL 2023 NTN	BRSTNCNTF147	10.000	0	0	13,500	1,037.547	2,353,821.32	1.65
BRAZIL 2025 NTN	BRSTNCNTF170	10.000	0	10,000	2,000	1,055.142	354,627.86	0.25
Total issue country Brazil							5,216,091.44	3.65
Total bonds denominated in BRL translated at a rate of 5.95070							5,216,091.44	3.65
Bonds denominated in CLP								
Issue country Chile								
CHILE 2026	CL0002172501 *	4.500	0	0	500,000	105.928	604,702.45	0.42
CHILE 2030	CL0002454248 *	4.700	0	0	1,000,000	103.361	1,178,854.07	0.83
CHILE 2035	CL0002187822 *	5.000	0	0	1,000,000	103.727	1,181,931.50	0.83
Total issue country Chile							2,965,488.02	2.08
Total bonds denominated in CLP translated at a rate of 863.46600							2,965,488.02	2.08
Bonds denominated in CNY								
Issue country China								
CHINA 18/28	CND10001RRB3	3.250	20,000	0	20,000	101.056	2,637,634.50	1.85
CHINA 19/29	CND10002HV84	3.130	20,000	0	20,000	99.962	2,609,062.14	1.83
CHINA 20/30	CND100036Q75	2.680	20,000	0	20,000	96.304	2,513,588.64	1.76
CHINA, PEOP.REP. 14/29	HK0000200714	4.290	0	0	5,000	110.845	723,280.07	0.51
CHINA, PEOP.REP. 16/26	HK0000298999	3.380	0	0	5,500	103.685	744,217.08	0.52
CHINA, PEOP.REP. 2023	CND10001Q6P2	3.290	9,000	0	9,000	101.529	1,192,492.22	0.84
CHINA, PEOP.REP. 2026	CND100009CX6	2.850	20,000	0	20,000	99.684	2,601,820.52	1.82
Total issue country China							13,022,095.17	9.12
Total bonds denominated in CNY translated at a rate of 7.66265							13,022,095.17	9.12

ERSTE BOND EM GOVERNMENT LOCAL

Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Bonds denominated in IDR								
Issuer Asian Development Bank								
ASIAN DEV.BK 19/34 MTN	XS1963469884	7.800	0	0	20,000,000	110.890	1,290,023.87	0.90
Total issuer Asian Development Bank							1,290,023.87	0.90
Issuer European Bank for Reconstruction and Development								
EBRD 20/25 MTN	XS2265998430	4.600	14,000,000	0	14,000,000	97.036	790,198.66	0.55
Total issuer European Bank for Reconstruction and Development							790,198.66	0.55
Issue country Indonesia								
INDONESIA 2023 FR39	IDG000007105	11.750	0	0	10,000,000	113.800	661,938.48	0.46
INDONESIA 2025 FR40	IDG000007204	11.000	0	0	10,000,000	120.500	700,910.25	0.49
INDONESIA 2026 FR56	IDG000009507	8.375	40,000,000	10,000,000	45,000,000	112.400	2,942,078.06	2.06
INDONESIA 2027 FR42	IDG000007402	10.250	0	0	10,000,000	121.100	704,400.26	0.49
INDONESIA 2029 FR71	IDG000011107	9.000	40,000,000	20,000,000	35,000,000	115.900	2,359,537.29	1.65
INDONESIA 2034 FR68	IDG000010802	8.375	0	0	20,000,000	110.750	1,288,395.19	0.90
INDONESIA 2036 FR72	IDG000011602	8.250	0	0	15,000,000	110.000	959,752.63	0.67
INDONESIA 2037 FR45	IDG000007808	9.750	0	0	10,000,000	121.250	705,272.76	0.49
INDONESIA 2042 FR62	IDG000010109	6.375	0	0	5,800,000	88.750	299,413.74	0.21
Total issue country Indonesia							10,621,698.66	7.44
Total bonds denominated in IDR translated at a rate of 17,191.93000							12,701,921.19	8.90
Bonds denominated in COP								
Issuer Inter-American Investment Corporation								
INTER-AMER.INV.C.18/25MTN	XS1860241766	6.600	0	0	7,000,000	103.791	1,640,723.18	1.15
Total issuer Inter-American Investment Corporation							1,640,723.18	1.15
Issuer International Finance Corporation								
INTL FIN. CORP. 18/21 MTN	XS1756684038	4.750	0	0	8,600,000	100.148	1,944,984.49	1.36
Total issuer International Finance Corporation							1,944,984.49	1.36
Issue country Colombia								
COLOMBIA 07/27	XS0306322065	9.850	0	0	5,700,000	118.085	1,520,008.28	1.06
COLOMBIA 08-24 B	COL17CT02385	10.000	0	0	6,000,000	113.968	1,544,229.18	1.08
COLOMBIA 11-26 B	COL17CT02625	7.500	1,000,000	0	1,000,000	105.829	238,991.40	0.17
COLOMBIA 12-28 B	COL17CT02914	6.000	0	0	7,000,000	96.183	1,520,448.38	1.06
COLOMBIA 15-30 B	COL17CT03342	7.750	5,000,000	0	5,000,000	104.109	1,175,530.15	0.82
COLOMBIA 17-32 B	COL17CT03490	7.000	0	5,000,000	5,000,000	97.493	1,100,831.93	0.77
Total issue country Colombia							7,100,039.32	4.97

Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Issuer World Bank								
WORLD BK 20/23 MTN	XS2277092354	2.900	5,000,000	0	5,000,000	96.575	1,090,466.43	0.76
Total issuer World Bank							1,090,466.43	0.76
Total bonds denominated in COP translated at a rate of 4,428.15100							11,776,213.42	8.25
Bonds denominated in MYR								
Issue country Malaysia								
MALAYSIA 2021 0111	MYBMO1100019	4.160	0	0	7,000	100.100	1,423,232.38	1.00
MALAYSIA 2024 0114	MYBMO1400013	4.181	0	0	7,000	105.380	1,498,303.98	1.05
MALAYSIA 2026	MYBMO1600034	3.900	0	0	6,000	106.500	1,297,909.94	0.91
MALAYSIA 2027 0212	MYBMS1200026	3.892	0	0	6,000	105.400	1,284,504.30	0.90
MALAYSIA 2028 0308	MYBMX0800032	5.248	0	0	2,500	113.750	577,610.55	0.40
MALAYSIA 2028 0513	MYBMS1300057	3.733	0	0	11,000	104.575	2,336,491.78	1.64
Total issue country Malaysia							8,418,052.93	5.90
Total bonds denominated in MYR translated at a rate of 4.92330							8,418,052.93	5.90
Bonds denominated in PEN								
Issue country Peru								
PERU 07/37	PEP01000C2Z1	6.900	0	0	4,000	106.130	934,049.00	0.65
PERU 08/31	PEP01000C4G7	6.950	6,000	5,000	5,000	112.377	1,236,278.73	0.87
PERU 14-24	PEP01000C4W4	5.700	0	0	3,000	111.424	735,480.37	0.52
Total issue country Peru							2,905,808.10	2.04
Total bonds denominated in PEN translated at a rate of 4.54495							2,905,808.10	2.04
Bonds denominated in PHP								
Issue country Philippines								
PHILIPPINES 11/36	US718286BM88	6.250	0	0	50,000	120.144	1,037,694.10	0.73
Total issue country Philippines							1,037,694.10	0.73
Total bonds denominated in PHP translated at a rate of 57.88970							1,037,694.10	0.73
Bonds denominated in ROL								
Issue country Romania								
ROMANIA 12-27	RO1227DBN011	5.800	0	0	2,000	116.158	471,755.51	0.33
ROMANIA 16-31	RO1631DBN055	3.650	10,000	9,000	4,500	101.500	927,505.33	0.65
ROMANIA 18/29	ROVRZSEM43E4	5.000	0	0	7,000	112.125	1,593,809.52	1.12
Total issue country Romania							2,993,070.36	2.10
Total bonds denominated in ROL translated at a rate of 4.92450							2,993,070.36	2.10

ERSTE BOND EM GOVERNMENT LOCAL

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Units/nominal (nom. in 1,000, rounded)								
Bonds denominated in RUB								
Issue country Russia								
RUSS.FEDER 19/25	RU000A100EG3	7.150	0	0	140,000	101.086	1,633,533.98	1.14
RUSS.FEDER 20/31	RU000A1028E3	5.900	300,000	150,000	150,000	91.750	1,588,570.37	1.11
RUSSIAN FED. 15-31	RU000A0JVW48	8.500	0	100,000	50,000	110.243	636,253.46	0.45
RUSSIAN FED. 16-26	RU000A0JWM07	7.750	0	0	160,000	103.750	1,916,095.78	1.34
Total issue country Russia							5,774,453.59	4.04
Total bonds denominated in RUB translated at a rate of 86.63450							5,774,453.59	4.04
Bonds denominated in THB								
Issue country Thailand								
THAILD 2023	TH0623033303	5.500	0	0	17,000	108.341	484,579.50	0.34
THAILD 2023	TH0623033600	3.625	0	0	70,000	106.045	1,953,035.56	1.37
THAILD 2023	TH0623A33C00	2.400	0	30,000	50,000	104.499	1,374,690.53	0.96
THAILD 2024	TH0623034C08	4.750	0	0	50,000	113.460	1,492,583.03	1.05
THAILD 2026	TH0623036C06	2.125	0	0	50,000	106.400	1,399,697.43	0.98
THAILD 2029	TH0623039607	4.875	0	0	70,000	124.419	2,291,447.88	1.61
THAILD 2031	TH0623A3B608	3.650	100,000	60,000	50,000	116.659	1,534,660.77	1.07
THAILD 2032	TH0623A3C606	3.775	15,000	0	15,000	118.229	466,595.27	0.33
THAILD 2038	TH062303I602	3.300	50,000	0	50,000	112.624	1,481,573.80	1.04
Total issue country Thailand							12,478,863.77	8.74
Total bonds denominated in THB translated at a rate of 38.00810							12,478,863.77	8.74
Bonds denominated in HUF								
Issue country Hungary								
HUNGARY 07-23 23/A	HU0000402383	6.000	500,000	300,000	200,000	110.597	630,125.63	0.44
HUNGARY 11-28	HU0000402532	6.750	300,000	200,000	200,000	129.407	737,298.81	0.52
HUNGARY 14-25 25/B	HU0000402748	5.500	0	0	200,000	113.668	647,622.71	0.45
HUNGARY 15-24 24/B	HU0000403068	3.000	0	0	200,000	103.928	592,131.73	0.41
HUNGARY 16-27 27/A	HU0000403118	3.000	0	0	250,000	104.606	744,993.31	0.52
HUNGARY 17-26 26/D	HU0000403340	2.750	300,000	0	300,000	103.269	882,565.59	0.62
Total issue country Hungary							4,234,737.78	2.97
Total bonds denominated in HUF translated at a rate of 351.03000							4,234,737.78	2.97
Bonds denominated in UYU								
Issue country Uruguay								
URUGUAY 17/28 REGS	USP80557BV53	8.500	0	0	50,000	103.899	1,007,148.12	0.71
Total issue country Uruguay							1,007,148.12	0.71
Total bonds denominated in UYU translated at a rate of 51.58070							1,007,148.12	0.71
Total publicly traded securities							84,615,141.95	59.27

Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Investment certificates								
Investment certificates denominated in EUR								
Issue country Austria								
ERSTE ALPHA 1 T	AT0000A03DF2		8,047	8,703	9,854	54.260	534,678.04	0.37
ERSTE ALPHA 2 T	AT0000A05F50		17,980	20,109	22,863	69.990	1,600,181.37	1.12
Total issue country Austria							2,134,859.41	1.50
Total investment certificates denominated in EUR							2,134,859.41	1.50
Total investment certificates							2,134,859.41	1.50
Securities admitted to organised markets								
Bonds denominated in IDR								
Issuer World Bank								
WORLD BK 18/21 MTN	XS1864526154	7.450	0	0	20,000,000	100.286	1,166,663.66	0.82
Total issuer World Bank							1,166,663.66	0.82
Total bonds denominated in IDR translated at a rate of 17,191.93000							1,166,663.66	0.82
Bonds denominated in MXN								
Issuer African Development Bank								
AFR. DEV. BK 17/32 ZO MTN	XS1562584158	0.000	0	0	100,000	46.569	1,972,251.22	1.38
Total issuer African Development Bank							1,972,251.22	1.38
Issuer International Finance Corporation								
INTL FIN. CORP. 16/26 ZO	XS1505555075	0.000	0	0	80,000	69.370	2,350,345.27	1.65
INTL FIN. CORP. 18/48 ZO	XS1760777604	0.000	0	0	156,000	10.886	719,243.06	0.50
Total issuer International Finance Corporation							3,069,588.33	2.15
Issue country Mexico								
MEXICO 2023	MX0MG0000003	8.000	400,000	0	800,000	104.875	3,553,300.57	2.49
MEXICO 2024	MX0MG00000078	10.000	0	0	300,000	111.813	1,420,632.01	1.00
MEXICO 2026 M	MX0MG000000Y4	5.750	0	0	400,000	97.406	1,650,124.83	1.16
MEXICO 2034 M	MX0MG000000U2	7.750	0	200,000	300,000	105.438	1,339,634.55	0.94
Total issue country Mexico							7,963,691.96	5.58
Total bonds denominated in MXN translated at a rate of 23.61185							13,005,531.51	9.11
Bonds denominated in PLN								
Issuer European Investment Bank								
EIB EUR.INV.BK 16/26 MTN	XS1492818866	2.750	0	0	9,000	108.013	2,153,202.28	1.51
EIB EUR.INV.BK 17/24 MTN	XS1622379698	3.000	10,000	0	10,000	106.630	2,361,814.05	1.65
Total issuer European Investment Bank							4,515,016.33	3.16

ERSTE BOND EM GOVERNMENT LOCAL

Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Issuer European Bank for Reconstruction and Development								
EBRD 20/22 MTN	XS2275666126	0.200	6,000	0	6,000	99.568	1,323,236.06	0.93
Total issuer European Bank for Reconstruction and Development							1,323,236.06	0.93
Issue country Poland								
POLAND 15-26	PL0000108866	2.500	0	5,000	5,000	106.075	1,174,760.51	0.82
POLAND 16-27	PL0000109427	2.500	0	0	8,000	106.525	1,887,590.68	1.32
POLAND 19/30	PL0000112736	1.250	13,000	5,000	8,000	96.870	1,716,507.00	1.20
Total issue country Poland							4,778,858.19	3.35
Total bonds denominated in PLN translated at a rate of 4.51475							10,617,110.58	7.44
Bonds denominated in ROL								
Issue country Romania								
ROMANIA 13/23	RO1323DBN018	5.850	0	0	5,000	106.421	1,080,525.94	0.76
Total issue country Romania							1,080,525.94	0.76
Total bonds denominated in ROL translated at a rate of 4.92450							1,080,525.94	0.76
Bonds denominated in RUB								
Issue country Russia								
RUSSIAN FED. 12-27	RU000A0JS3W6	8.150	0	100,000	160,000	105.755	1,953,124.91	1.37
RUSSIAN FED. 17-33	RU000A0JXFM1	7.700	0	0	130,000	104.850	1,573,333.95	1.10
Total issue country Russia							3,526,458.86	2.47
Total bonds denominated in RUB translated at a rate of 86.63450							3,526,458.86	2.47
Bonds denominated in ZAR								
Issue country South Africa								
SOUTH AFR. 2026 186 21.12	ZAG000016320	10.500	0	65,000	15,000	113.667	1,006,905.26	0.71
SOUTH AFR. 2030	ZAG000106998	8.000	0	50,000	20,000	94.928	1,121,204.56	0.79
SOUTH AFR. 2031 R213	ZAG000077470	7.000	0	20,000	40,000	85.884	2,028,784.60	1.42
SOUTH AFR. 2032	ZAG000107004	8.250	40,000	40,000	40,000	91.326	2,157,319.81	1.51
SOUTH AFR. 2036 209	ZAG000030404	6.250	60,000	70,000	30,000	71.048	1,258,742.82	0.88
SOUTH AFR. 2041 R214	ZAG000077488	6.500	18,000	0	58,000	67.300	2,305,193.40	1.61
Total issue country South Africa							9,878,150.45	6.92
Issuer World Bank								
WORLD BK 15/35 Z0 MTN	XS1238805102	0.000	0	0	40,000	32.083	757,874.35	0.53
Total issuer World Bank							757,874.35	0.53
Total bonds denominated in ZAR translated at a rate of 16.93315							10,636,024.80	7.45

Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Bonds denominated in CZK								
Issue country Czech Republic								
CZECH REP. 2023	CZ0001004600	0.450	0	0	11,000	98.150	423,275.96	0.30
CZECH REP. 2023 FLR 63	CZ0001003123	1.210	0	0	6,000	101.074	237,756.79	0.17
CZECH REP. 2024 58	CZ0001002547	5.700	0	0	25,000	112.681	1,104,407.61	0.77
CZECH REP. 2027	CZ0001005037	0.250	0	60,000	22,000	92.301	796,099.50	0.56
CZECH REP. 2028	CZ0001003859	2.500	0	0	30,000	105.051	1,235,549.06	0.87
CZECH REP. 2030 94	CZ0001004477	0.950	0	0	60,000	93.250	2,193,515.51	1.54
Issue country Czech Republic							5,990,604.43	4.20
Total bonds denominated in CZK translated at a rate of 25.50700							5,990,604.43	4.20
Bonds denominated in TRL								
Issuer African Development Bank								
AFR. DEV. BK 18/28 ZO MTN	XS1892221570	0.000	0	0	20,000	33.796	656,064.06	0.46
Total issuer African Development Bank							656,064.06	0.46
Issuer European Investment Bank								
EIB EUR. INV.BK07/22ZOMTN	XS0318345971	0.000	0	0	10,000	82.843	804,105.80	0.56
Total issuer European Investment Bank							804,105.80	0.56
Total bonds denominated in TRL translated at a rate of 10.30250							1,460,169.86	1.02
Total securities admitted to organised markets							47,483,089.64	33.26
Unlisted securities								
Bonds denominated in BRL								
Issue country Brazil								
BRAZIL 2022 ZO	BRSTNCLTN700	0.000	70,000	47,000	23,000	937.540	3,623,677.89	2.54
Total issue country Brazil							3,623,677.89	2.54
Total bonds denominated in BRL translated at a rate of 5.95070							3,623,677.89	2.54
Bonds denominated in PEN								
Issue country Peru								
PERU 06/26 REGS	US715638AY86	8.200	0	0	4,000	124.397	1,094,815.12	0.77
Total issue country Peru							1,094,815.12	0.77
Total bonds denominated in PEN translated at a rate of 4.54495							1,094,815.12	0.77
Total unlisted securities							4,718,493.01	3.31

ERSTE BOND EM GOVERNMENT LOCAL

Security designation	ISIN number	Holding	Unrealised result in EUR	% share of fund assets
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Forward exchange agreements

Forward exchange agreements denominated in EUR

Issue country Austria

FXF SPEST EUR/USD 16.07.2021	FXF_TAX_3456457	4,088,709	-126,289.24	-0.09
FXF SPEST EUR/USD 16.07.2021	FXF_TAX_3456628	-4,128,127	86,860.62	0.06
Total issue country Austria			-39,428.62	-0.03
Total forward exchange agreements denominated in EUR			-39,428.62	-0.03

Forward exchange agreements denominated in USD

Issue country Austria

FXF SPEST USD/COP 26.07.2021	FXF_TAX_3456685	2,324,576	20,043.81	0.01
Total issue country Austria			20,043.81	0.01
Total forward exchange agreements denominated in USD translated at a rate of 1.18590			20,043.81	0.01
Total forward exchange agreements			-19,384.81	-0.01

Breakdown of fund assets

Transferable securities	138,951,584.00	97.33
Forward exchange agreements	-19,384.81	-0.01
Bank balances	1,619,485.88	1.13
Interest entitlements	2,217,370.52	1.55
Other deferred items	-3,629.80	-0.00
Fund assets	142,765,425.79	100.00

Investor note:

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

Dividend-bearing units outstanding	AT0000A0AUE0	units	182,939.312
Value of dividend-bearing unit	AT0000A0AUE0	EUR	86.79
Dividend-bearing units outstanding	AT0000A1Y2Q7	units	0.000
Value of dividend-bearing unit	AT0000A1Y2Q7	EUR	94.31
Dividend-bearing units outstanding	AT0000A1Y2R5	units	0.000
Value of dividend-bearing unit	AT0000A1Y2R5	EUR	99.87
Dividend-bearing units outstanding	AT0000A28EZ5	units	153.710
Value of dividend-bearing unit	AT0000A28EZ5	CZK	2,308.89
Non-dividend-bearing units outstanding	AT0000A0AUF7	units	760,966.350
Value of non-dividend-bearing unit	AT0000A0AUF7	EUR	133.49

Non-dividend-bearing units outstanding	AT0000A1Y2S3	units	0.000
Value of non-dividend-bearing unit	AT0000A1Y2S3	EUR	100.56
Non-dividend-bearing units outstanding	AT0000A1Y2T1	units	0.000
Value of non-dividend-bearing unit	AT0000A1Y2T1	EUR	99.95
Non-dividend-bearing units outstanding	AT0000A2B535	units	13.955
Value of non-dividend-bearing unit	AT0000A2B535	EUR	90.79
KEST-exempt non-dividend-bearing units outstanding	AT0000A0AUG5	units	4,839.280
Value of KEST-exempt non-dividend-bearing unit	AT0000A0AUG5	EUR	139.13
KEST-exempt non-dividend-bearing units outstanding	AT0000A16X22	units	8,888.406
Value of KEST-exempt non-dividend-bearing unit	AT0000A16X22	CZK	3,595.72
KEST-exempt non-dividend-bearing units outstanding	AT0000A1FWA1	units	2,109.426
Value of KEST-exempt non-dividend-bearing unit	AT0000A1FWA1	HUF	48,803.70
KEST-exempt non-dividend-bearing units outstanding	AT0000A1Y2U9	units	0.000
Value of KEST-exempt non-dividend-bearing unit	AT0000A1Y2U9	EUR	101.68
KEST-exempt non-dividend-bearing units outstanding	AT0000A1Y2V7	units	223,961.687
Value of KEST-exempt non-dividend-bearing unit	AT0000A1Y2V7	EUR	102.98
KEST-exempt non-dividend-bearing units outstanding	AT0000A1Y2W5	units	0.000
Value of KEST-exempt non-dividend-bearing unit	AT0000A1Y2W5	CZK	2,591.76
KEST-exempt non-dividend-bearing units outstanding	AT0000A1Y2X3	units	0.000
Value of KEST-exempt non-dividend-bearing unit	AT0000A1Y2X3	HUF	35,668.15

* Price contains deferred interest.

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

No total return swaps pursuant to Regulation (EU) 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse) were concluded for the fund during the reporting period.

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The fund is permitted to engage in securities lending agreements pursuant to Regulation (EU) No. 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse) according to the fund rules. Securities lending transactions took place during the reporting period. The following securities lending agreements were active at the end of the accounting year:

Securities lending

As of 30 June 2021, the following securities were registered as lent in the following amounts and at the following fees in the securities lending system of Erste Group Bank AG:

Security designation	ISIN number	Lent	Fee
		amount Units/nominal (nom. in 1,000, rounded)	rate in %
POLAND 15-26	PL0000108866	3,000	0.15
POLAND 16-27	PL0000109427	6,000	0.15
POLAND 19/30	PL0000112736	8,000	0.15

The following collateral has been provided for these lending transactions:

Security designation	ISIN number	Nominal
AUST. 13/23	AT0000A105W3	3,885,000.00

Information pursuant to Article 13 of Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse

General Information:

Amount of securities on loan

Securities on loan:	3,898,726.32
as a percentage of the fund assets (less cash and cash equivalents):	2.76%

Amount of assets engaged (excluding securities lending):

(for the relevant type of securities financing transaction):	3,898,726.32
as a percentage of the fund assets:	2.73%

Concentration data:

Ten largest collateral issuers:

- Volume of collateral received and name of issuer		Value in EUR	
Republic of Austria	AT0000A105W3	€	4,146,297.77
		€	4,146,297.77

Top ten counterparties for each type of securities financing transaction (excluding securities lending):

Name of the counterparties:	exclusively Erste Group Bank AG
Gross volume of outstanding transactions:	3,898,726.32

Aggregate transaction data for each type of securities financing transaction and total return swap:

	ISIN	Type of collateral	Maturity/days	Rating	Currency	Value in EUR
Republic of Austria	AT0000A105W3	govt. guarantee	unlimited	AA+	EUR €	4,146,297.77
						€ 4,146,297.77

Securities lending broken down by maturity:

Maturity of < 1 day	
Maturity of 1–7 days	1,731,617.29
Maturity of 8–30 days	2,167,109.03
Maturity of 31–90 days	
Maturity of 91–360 days	
Maturity of > 360 days	

Country of the counterparty:	Austria
Settlement (bilateral/central, etc.):	bilateral

Data on reuse of collateral:

- Share of collateral received that is reused (as a percentage):	0.00%
- Cash collateral reinvestment returns to the fund:	0.00%

Custodians of the collateral received:

Number:	1
Name of the custodians of the collateral:	Erste Group Bank AG
Amount of collateral safe-kept:	€ 4,146,297.77

Safekeeping of collateral granted by the fund:	None
Share of collateral held in segregated accounts:	None

Return and cost for the individual financing transactions as a percentage

of overall returns generated by financing transactions:	100%
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Explanation on disclosure pursuant to Delegated Regulation (EU) No. 2016/2251 supplementing Regulation (EU) No. 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties, and trade repositories with regard to regulatory technical standards for risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty:

All OTC derivatives are traded through Erste Group Bank AG.

In the event of negative derivatives exposure, collateral in the form of cash or bonds is pledged to Erste Group Bank AG in accordance with the contractually agreed threshold.

In the event of positive derivatives exposure, EUR-denominated government bonds from the Republic of Austria and/or the Federal Republic of Germany are pledged by Erste Group Bank AG to the fund in accordance with the contractually agreed threshold. A one-time discount of 4% is agreed with the counterparty for this collateral. Collateral that would require a higher discount pursuant to Annex II to Delegated Regulation (EU) No. 2016/2251 is not accepted.

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Purchases and sales of transferable securities in the reporting period not listed in the statement of assets and liabilities

Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals
Publicly traded securities				
Bonds denominated in BRL				
Issue country Brazil				
BRAZIL 19/23 ZO	BRSTNCLTN7Q5	0.000	15,000	15,000
BRAZIL 2026 FLR B	BRSTNCNTB4U6	21.088	0	7,500
BRAZIL 2027 NTN F	BRSTNCNTF1P8	10.000	0	15,000
Bonds denominated in CNY				
Issue country China				
CHINA 19/26	CND100029RW4	3.250	35,000	35,000
CHINA 20/30	CND10003VNX4	3.270	35,000	35,000
Bonds denominated in DOP				
Issue country Dominican Republic				
DOMINIC.REPUBLIC 18/23	USP3579EBZ99	8.900	0	80,000
Bonds denominated in IDR				
Issue country Indonesia				
INDONESIA 2024 FR70	IDG000012006	8.375	0	59,000,000
INDONESIA 2028 FR64	IDG000010307	6.125	50,000,000	70,000,000
INDONESIA 2029 FR0078	IDG000012907	8.250	0	40,000,000
INDONESIA 2030 FR52	IDG000009002	10.500	0	35,000,000
INDONESIA 2032 FR58	IDG000009705	8.250	0	25,000,000
Bonds denominated in COP				
Issue country Colombia				
COLOMBIA 12/23	XS0833886095	4.375	0	5,000,000
Bonds denominated in MYR				
Issue country Malaysia				
MALAYSIA 2023	MYBML1600014	3.800	0	9,000
MALAYSIA 2027 3/07	MYBMX0700034	3.502	10,000	10,000
MALAYSIA 2030 0310	MYBMX1000038	4.498	10,000	14,000

Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals
Bonds denominated in PEN				
Issue country Peru				
PERU 16-28	PEP01000C5D1	6.350	0	9,000
Bonds denominated in PHP				
Issuer Asian Development Bank				
ASIAN DEV.BK 19/23 MTN	XS1951933636	5.250	0	100,000
Issuer World Bank				
WORLD BK 18/23 MTN	XS1797219612	4.500	0	60,000
Bonds denominated in ROL				
Issue country Romania				
ROMANIA 18/26	ROHRVN7NLN02	4.850	5,500	5,500
Bonds denominated in RUB				
Issue country Russia				
RUSS.FEDER 19/30	RU000A100A82	7.650	0	300,000
RUSSIAN FED. 17-24	RU000A0JXQF2	7.100	0	200,000
RUSSIAN FED. 18-34	RU000A0ZYUB7	7.250	200,000	200,000
Bonds denominated in ZAR				
Issue country South Africa				
SOUTH AFR. 2021 208	ZAG000030396	6.750	0	4,000
Bonds denominated in THB				
Issue country Thailand				
THAILD 2025	TH0623035C07	3.850	0	100,000
THAILD 2027	TH0623037C05	3.580	0	65,000
THAILD 2028	TH0623038C04	2.875	40,000	100,000
Bonds denominated in TRL				
Issue country Turkey				
TURKEY 14-24	TRT200324T13	10.400	10,000	10,000
TURKEY 14-24	TRT240724T15	9.000	12,000	18,200

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Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals
TURKEY 15-25	TRT120325T12	8.000	20,000	20,000
TURKEY 16-26	TRT110226T13	10.600	5,000	9,500
TURKEY 17-27	TRT240227T17	11.000	0	5,000
Bonds denominated in HUF				
Issue country Hungary				
HUNGARY 17-22 22/B	HU0000403266	1.750	500,000	500,000
HUNGARY 19/30 2030/A	HU0000403696	3.000	0	500,000
Bonds denominated in UYU				
Issue country Uruguay				
URUGUAY 17/22 REGS	USP96006AE41	9.875	0	50,000
Investment certificates				
Investment certificates denominated in EUR				
Issue country Austria				
ERST.BD CHINA EO R01	AT0000A27ZR9		0	38,000
Investment certificates denominated in USD				
Issue country Austria				
ER.BD EM COR.SH.T.I01T	AT0000A1U9P8		0	10,000
Securities admitted to organised markets				
Bonds denominated in EUR				
Issue country Bulgaria				
BULGARIA 20/30 MTN	XS2234571425	0.375	1,000	1,000
Bonds denominated in MXN				
Issue country Mexico				
MEXICO 2027	MX0MG00000D8	7.500	410,000	795,000
MEXICO 2029	MX0MG00000H9	8.500	0	600,000
MEXICO 2031	MX0MG00000P2	7.750	500,000	1,200,000
MEXICO 2038	MX0MG00000J5	8.500	0	400,000
MEXICO 2042 M	MX0MG00000R8	7.750	0	100,000

Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals
Bonds denominated in PLN				
Issue country Poland				
POLAND 02/22 0922	PL0000102646	5.750	0	6,000
POLAND 12-23	PL0000107264	4.000	0	10,000
POLAND 13-28	PL0000107611	2.750	0	10,000
POLAND 14-25	PL0000108197	3.250	10,000	20,000
POLAND 18/29	PL0000111498	2.750	0	10,000
POLAND 18-24	PL0000111191	2.500	10,000	17,000
Bonds denominated in RUB				
Issue country Russia				
RUSSIAN FED. 13-23	RU000A0JTL3	7.000	0	100,000
RUSSIAN FED. 13-28	RU000A0JTK38	7.050	200,000	200,000
Bonds denominated in ZAR				
Issue country South Africa				
SOUTH AFR. 2023	ZAG000096165	7.750	50,000	50,000
Bonds denominated in CZK				
Issue country Czech Republic				
CZECH REP. 2025 89	CZ0001004253	2.400	60,000	60,000
CZECH REP. 2026	CZ0001004469	1.000	0	65,000
Bonds denominated in TRL				
Issuer European Bank for Reconstruction and Development				
EUR. BK REC.DEV.18/25 MTN	XS1881537127	0.000	0	17,400
Unlisted securities				
Bonds denominated in BRL				
Issue country Brazil				
BRAZIL 2020	BRSTNCNTB3A0	19.793	0	3,000
BRAZIL 2021 F	BRSTNCNTF0N5	10.000	0	19,000

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Security designation	ISIN number	Interest rate	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals
Bonds denominated in IDR				
Issuer European Bank for Reconstruction and Development				
EUR.BK REC.DEV. 15/20	XS1327550783	9.250	0	40,000,000
Bonds denominated in COP				
Issue country Colombia				
COLOMBIA 10/21	XS0502258444	7.750	0	4,000,000
COLOMBIA 2020 B	COL17CT02302	11.000	0	6,000,000
Bonds denominated in PEN				
Issue country Peru				
PERU 05/20	PEP01000CY33	7.840	0	700
Bonds denominated in ROL				
Issue country Romania				
ROMANIA 19/23	ROJEC97WMUQ4	4.000	5,000	5,000
Bonds denominated in THB				
Issue country Thailand				
THAILD 06/21	TH0623031307	5.850	0	15,000
Bonds denominated in HUF				
Issue country Hungary				
HUNGARY 18-21 2021/C	HU0000403464	0.500	0	100,000

Vienna, 31 August 2021

Erste Asset Management GmbH
Electronically signed

Inspection information: The electronic signatures of this document can be inspected at the website of Rundfunk und Regulierungs-GmbH (<https://www.signatur.rtr.at/de/vd/Pruefung.html>).

Note: This document was signed with two qualified electronic signatures. A qualified electronic signature has the same legal effect as a hand-written signature (Art 25 of Regulation [EU] No 910/2014 [eIDAS Regulation]).

Remuneration Policy

Remuneration paid to employees of Erste Asset Management GmbH in EUR (2019 financial year of Erste Asset Management GmbH)

No investment success bonuses are paid, and no other amounts are paid directly from the investment funds.

Number of employees as of 31.12.19	247
Number of risk bearers in 2019	128
Fixed remuneration	17,977,688
Variable remuneration (bonuses)	5,281,483
Total employee remuneration	23,259,171
Thereof remuneration for managing directors	1,024,116
Thereof remuneration for managerial risk bearers	3,986,249
Thereof remuneration for risk bearers with control functions*	1,410,947
Thereof remuneration for other risk bearers	7,776,396
Thereof remuneration for employees in the same income bracket as managers and risk bearers due to the amount of their total remuneration	0
Total remuneration for risk bearers	14,197,708

* Includes the Head of Compliance

Principles governing performance-based remuneration components

The Management Company has adopted remuneration principles to prevent possible conflicts of interest and to ensure compliance with the standard rules of conduct when awarding remuneration to relevant persons.

Fixed salary components make up a large enough share of the total remuneration of all employees of the Management Company that a variable remuneration policy can be applied on an individualised basis.

The total remuneration (fixed and variable components) is governed by the principle of balance and is linked to sustainability so that the acceptance of excessive risks is not rewarded. Therefore, the variable remuneration forms no more than a balanced portion of the total remuneration awarded to an employee.

The performance-based remuneration components serve the short-term and long-term interests of the Management Company and contribute to preventing risky behaviour. The performance-based remuneration components take into account individual performance as well as the profitability of the Management Company.

The size of the bonus pool is calculated based on the bonus potential that can be applied to the different employee categories. Bonus potential is a percentage of the fixed annual gross remuneration. The bonus potential can be no more than 100% of the fixed annual gross remuneration. The bonus pool is adjusted depending on the success of the Management Company. The personal bonus is linked to individual performance. The total of personal bonuses is limited by the size of the bonus pool after deduction of penalties.

The performance-based payments are capped at 100% of the annual gross remuneration for all employees, including the material risk bearers (according to the definition in the remuneration policy) and managing directors of the Management Company.

The remuneration system is made up of three components:

- 1) Fixed remuneration
- 2) Variable remuneration
- 3) Fringe benefits

The bonus potential is based on the fixed annual gross remuneration. The target agreements concluded with the employees contain qualitative and/or quantitative objectives. The payment of performance-based remuneration components is subject to a minimum profitability level for the Management Company and to performance targets.

Sixty per cent of the performance-based remuneration components are paid immediately; for employees who are involved directly in fund and portfolio management, 50% of this is paid immediately in cash and 50% is paid one year later in the form of non-cash instruments. The remaining 40% of the performance-based remuneration components are retained and paid out over a period of three years, with 50% of this also being paid in cash and 50% in the form of non-cash instruments for employees who are involved directly in fund and portfolio management. The non-cash instruments can consist of units in an investment fund that is administered by the Management Company, equivalent holdings or instruments linked to units, or equivalent non-cash instruments. Based on the principle of proportionality, the Management Company has set a materiality threshold below which there is no incentive to enter into inappropriate risks, for which reason there is no need to make delayed payment or payment in the form of a non-cash instrument. Other non-cash benefits are fringe benefits that are not associated with performance but with a specific position (e.g. company car) or that apply for all employees (e.g. holiday).

The Supervisory Board of the Management Company has set up a Remuneration Committee to ensure that the remuneration policy and its application are independently assessed. This committee consists of the following persons: Rudolf Sagmeister, Harald Gasser (remuneration expert), and Heinrich Hubert Reiner.

The complete remuneration policy of the Management Company can be viewed at http://www.erste-am.at/de/private_anleger/wer-sind-wir/investmentprozess.

The last audit of compliance with the requirements of the remuneration policy by the Supervisory Board on 27 March 2020 revealed no deviations. There were also no material findings during the last audit by the Internal Auditing department.

No material changes were made to the remuneration policy during the past accounting year.

Audit Report*

Statement on the annual report

Audit opinion

We have audited the annual report prepared by Erste Asset Management GmbH, Vienna, for the fund under its management

ERSTE BOND EM GOVERNMENT LOCAL
Jointly owned fund pursuant to the InvFG

consisting of the statement of assets and liabilities as of 30 June 2021, the income statement for the accounting year ending on this date, and the other information specified in Annex I Schedule B of the Austrian Investment Fund Act 2011 (InvFG 2011).

Based on the findings of our audit, we believe that the annual report satisfies the legal requirements and provides a true and fair view of the assets and financial position as of 30 June 2021 and of the earnings position of the fund for the accounting year ending on this date in accordance with Austrian commercial law and the provisions of the InvFG 2011.

Basis for the audit opinion

We conducted our audit in accordance with § 49 (5) InvFG 2011 and in accordance with the Austrian principles of good auditing. These principles require the application of the International Standards on Auditing (ISA). Our responsibilities under these regulations and standards are described in the section “Responsibilities of the auditor in auditing the annual report” of our audit report. We are independent from the company as specified by the Austrian commercial and industry regulations and fulfilled our other professional obligations in accordance with these requirements. We feel that the audit evidence that we obtained up to the date of the audit certificate is sufficient and suitable to serve as a basis for our audit opinion as of that date.

Other information

The legal representatives are responsible for the other information. The other information includes all information in the annual report except for the statement of assets and liabilities, the income statement, the other information specified in Annex I Schedule B of the InvFG 2011, and the audit report.

Our audit opinion does not cover this other information, and we provide no assurance whatsoever for this other information.

In the context of our review of the annual report, we are responsible for reading this other information and assessing whether the other information contains material inconsistencies with the annual report or with the information gathered by us during our audit, or appears to contain other manners of material misstatements.

Should we come to the conclusion on the basis of the work completed with the other information received before the date of the audit report that this other information contains a material misstatement, we are required to report about this fact. We have nothing to report in this regard.

Management and supervisory board responsibilities relating to the annual report

The legal representatives are responsible for preparing the annual report and for ensuring that this report provides a true and fair view of the assets and financial and earnings position of the fund in accordance with Austrian commercial law and the provisions of the InvFG 2011. The legal representatives are also responsible for implementing the internal controls that they deem necessary to facilitate the preparation of an annual report that is free from material misstatements due to error or fraud.

The supervisory board is responsible for monitoring the accounting process of the company as it applies to the fund under its management.

Responsibilities of the auditor in auditing the annual report

Our goals are to ascertain with sufficient certainty whether the annual report contains material misstatements due to error or fraud and to issue an audit certificate that includes our audit opinion. Sufficient certainty is a high degree of certainty but no guarantee that an audit conducted in accordance with the Austrian standards on good auditing, which require the application of the ISA, will always discover material misstatements that may be present. Misstatements can result from fraud or errors and are considered to be material when it can be reasonably expected that individual misstatements or a combination of misstatements can influence economic decisions made by readers on the basis of this annual report.

As part of an audit conducted in accordance with the Austrian standards on good auditing, which require the application of the ISA, we exercise professional judgement and maintain professional scepticism during the entire audit process.

In addition:

- We identify and assess the risks of material misstatements in the annual report due to error or fraud, plan audit steps in response to these risks, perform the planned audit steps, and collect audit evidence that is sufficient and suitable to form a basis for our audit opinion. The risk that a material misstatement resulting from fraud will remain undiscovered is greater than for misstatements resulting from error because fraudulent activity can include collusion, the falsification of documents, intentional incomplete or misleading representations, and the circumvention of internal controls.
- We familiarise ourselves with the internal control systems that are relevant for the audit to plan audit steps that are appropriate under the specific circumstances, but not so as to state an opinion on the effectiveness of the company's internal control system.

- We assess the appropriateness of the accounting methods applied by the legal representatives and the reasonableness of the estimates made by the legal representatives in the accounts and of the associated information.
- We assess the overall presentation, the structure, and the content of the annual report including the figures as well as whether the annual report depicts the underlying transactions and events in a manner that provides a true and fair view.
- We discuss the planned scope and scheduling of the audit and any material audit findings, including material defects that we discover in the internal control system during our audit, with the supervisory board, among other issues.

Vienna, 15 September 2021

Ernst & Young

Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Andrea Stippl m.p.

(Certified Public
Accountant)

ppa MMag. Roland Unterweger m.p.

(Certified Public Accountant)

- * In the case of the publication or dissemination of the annual report in a form that deviates from the confirmed (unabridged German) version (e.g. an abridged version or translation), reference may not be made to the audit report or our audit without our approval.

Fund Rules

The Fund Rules for ERSTE BOND EM GOVERNMENT LOCAL, jointly owned fund pursuant to the Austrian Investment Fund Act (Investmentfondsgesetz; InvFG) 2011 as amended, were approved by the Austrian Financial Market Authority (FMA).

The Fund is an undertaking for collective investment in transferable securities (UCITS) and is managed by Erste Asset Management GmbH (the "Management Company" in the following), which has its registered office in Vienna.

Article 1 Fund Units

The joint ownership of the fund assets is evidenced by certificates having the characteristics of a bearer unit.

The unit certificates are depicted in separate global certificates for each unit category. For this reason, individual unit certificates cannot be issued.

Article 2 Depository Bank (Depositary)

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

The payment offices for unit certificates are the depository bank (depositary) and any other payment offices named in the prospectus.

Article 3 Investment Instruments and Principles

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

The Fund invests predominantly, in other words at least 51% of its assets, in emerging market government bonds in the form of directly purchased individual instruments, in other words not indirectly or directly through investment funds or through derivatives, without limitations on the rating of the issuer.

Bonds can be denominated in EUR, USD, or the respective local currency.

The fund assets are invested in the following instruments in accordance with the investment focus described above.

The Fund may invest in units in investment funds with investment restrictions that deviate from those of the Fund in terms of the investment focus described above and the restrictions regarding investment instruments defined below. This will not impair compliance with the investment focus described above at any time.

a) Transferable securities

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

b) Money market instruments

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

c) Transferable securities and money market instruments

The Fund may purchase transferable securities and money market instruments that are not fully paid up as well as subscription rights for these types of instruments and other financial instruments that are not fully paid up amounting to a maximum of 10% of the fund assets.

Transferable securities and money market instruments may be purchased for the Fund when they meet the criteria regarding listing or trading on a regulated market or a securities exchange pursuant to the InvFG.

Transferable securities and money market instruments that do not meet the criteria described in the previous paragraph may comprise up to 10% of the fund assets in total.

d) Units in investment funds

Units in investment funds (UCITS, UCI) may comprise up to 10% of the fund assets per individual issue and may comprise up to 10% in aggregate total, provided that the target funds themselves (UCITS or UCI) do not invest more than 10% of their fund assets in units of other investment funds.

e) Derivative financial instruments

Derivative financial instruments can be used as part of the investment strategy and for hedging purposes, and may comprise up to 49% of the fund assets.

f) Risk measurement method(s) of the Fund

The Fund applies the following risk measurement method: absolute value-at-risk

The VaR value is determined according to § 4 of the 4th FMA Regulation on Risk Calculation and Reporting of Derivative Instruments (4. Derivate-Risikoberechnungs- und MeldeV) as amended.

The value-at-risk allocable to the global exposure resulting from the investments held by the fund (absolute VaR) is limited to 20% of the total net value of the fund assets.

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

Demand deposits and deposits with the right to be withdrawn with a maximum term of 12 months may comprise up to 49% of the fund assets.

There are no minimum bank balance requirements.

However, in the course of the restructuring of the fund portfolio and/or in the case of the justified expectation of impending losses experienced by securities and money market instruments, the Fund can hold a proportion of transferable securities and money market instruments below the specified limit and a higher proportion of demand deposits or deposits with the right to be withdrawn with a maximum term of 12 months.

h) Acceptance of short-term loans

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

i) Repurchase agreements

Does not apply.

j) Securities lending

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

Investment instruments may only be purchased for the entire Fund and not for individual unit categories or groups of unit categories.

This does not apply to currency hedging transactions, however. Such transactions can also be concluded solely for a single unit category. Expenses and income resulting from currency hedging transactions shall be allocated solely to the respective unit category.

Article 4 Issue and Redemption Procedure

The unit value shall be calculated in the currency of the respective unit category.

The unit value is calculated at the same time as the issue and redemption price.

Issue of units and front-end surcharge

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

The issue price shall be made up of the unit value plus a surcharge per unit amounting to up to 3.5% to cover the costs incurred by the Management Company in issuing the unit, rounded up to the next equivalent sub-unit of the currency unit specified for the respective unit category in the prospectus.

The Management Company shall be entitled to apply a sliding front-end surcharge scale at its own discretion.

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

Redemption of units and back-end commission

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

The redemption price is the unit value rounded down to the next equivalent sub-unit of the currency unit specified for the respective unit category in the prospectus. No back-end commission will be charged.

Upon request by the Unit-holder, his units shall be redeemed at the current redemption price in return for the unit certificate.

Article 5 Accounting Year

The accounting year of the Fund is from 1 July to 30 June.

Article 6 Unit Categories and Use of Earnings

The Fund features three different unit categories and the corresponding certificates: dividend-bearing units, non-dividend-bearing units with capital gains tax payment, and non-dividend-bearing units without capital gains tax payment, with certificates being issued for one unit each and also for fractional units.

Various unit categories may be issued for this Fund. The creation of unit categories and the issue of units of a specific category shall be decided at the discretion of the Management Company.

Use of earnings for dividend-bearing units

The earnings generated during the accounting year (interest and dividends) less all costs can be distributed as deemed appropriate by the Management Company. Dividend disbursement may be omitted in the interests of the Unit-holders. Dividends may also be disbursed at the discretion of the Management Company from earnings generated by the sale of fund assets, including subscription rights. Disbursements of fund assets and interim dividends may be paid.

The fund assets may in no case fall below the legally stipulated minimum volume for termination as a result of dividend disbursements.

The amounts shall be paid to the holders of dividend-bearing units on or after 1 October of the following accounting year. The remaining amount shall be carried forward.

An amount calculated in accordance with the InvFG must also be paid out on or after 1 October to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund units unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the unit certificates can only be held by Unit-holders who are not subject to Austrian personal income tax or corporation tax or who meet the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

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

The earnings generated by the Fund during the accounting year less all costs will not be paid out. In the case of non-dividend-bearing units, an amount calculated in accordance with the InvFG must be paid out on or after 1 October to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund units unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the unit certificates can only be held by Unit-holders who are not subject to Austrian personal income tax or corporation tax or who meet the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

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

The earnings generated by the Fund during the accounting year less all costs will not be paid out. No payment pursuant to the InvFG will be made. The reference date for the exemption from KESt payment for the profit for the year for the purposes of the InvFG shall be 1 October of the following accounting year.

The Management Company shall provide suitable proof from the banks managing the corresponding securities accounts that the unit certificates could only be held by Unit-holders who are not subject to Austrian personal income tax or corporation tax or who met the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

If these requirements are not met at the time of payment, the amount calculated pursuant to the InvFG must be paid out by the credit institution managing the respective securities account.

Article 7 Management Fee, Compensation for Expenses, Liquidation Fee

The Management Company shall receive an annual fee for its administrative activities amounting to up to 0.96% of the fund assets as calculated and accrued on the basis of the daily fund volume. The fee will be charged to the fund assets once per month.

The Management Company shall be entitled to compensation for all expenses incurred in the administration of the Fund.

The Management Company shall be entitled to apply a sliding management fee scale at its own discretion.

The costs for the introduction of new unit categories for existing investment funds shall be assessed against the unit price of the new unit categories.

Upon liquidation of the Fund, the party processing the liquidation shall receive a fee in the amount of 0.5% of the fund assets.

Further information and details about this Fund can be found in the prospectus.

Annex to the Fund Rules

List of exchanges with official trading and organised markets (As of November 2020)

1. Exchanges with official trading and organised markets in the Member States of the EEA as well as exchanges in European countries outside of the EEA considered to be equivalent to regulated markets

Every Member State must maintain a current list of the authorised markets within its territory. This list must be submitted to the other Member States and the Commission.

According to this provision, the Commission is required to publish a list of the regulated markets registered with it by the Member States once per year.

Because of lower entry barriers and specialisation in different trading segments, the list of “regulated markets” is subject to significant changes. For this reason, the Commission will publish an up-to-date version of the list on its official website in addition to the annual publication of a list in the Official Journal of the European Union.

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

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

1.2. The following exchanges are included in the list of regulated markets:

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

1.3. Recognised markets in the EEA according to § 67 (2) 2 InvFG:

Markets in the EEA that have been classified as recognised markets by the competent supervisory authorities.

2. Exchanges in European countries outside of the EEA

- | | | |
|------|-------------------------|---|
| 2.1. | Bosnia and Herzegovina: | Sarajevo, Banja Luka |
| 2.2. | Montenegro: | Podgorica |
| 2.3. | Russia: | Moscow Exchange |
| 2.4. | Serbia: | Belgrade |
| 2.5. | Turkey: | Istanbul (only “National Market” on the stock market) |

3. Exchanges in non-European countries

- | | | |
|-------|---------------|--|
| 3.1. | Australia: | Sydney, Hobart, Melbourne, Perth |
| 3.2. | Argentina: | Buenos Aires |
| 3.3. | Brazil: | Rio de Janeiro, Sao Paulo |
| 3.4. | Chile: | Santiago |
| 3.5. | China: | Shanghai Stock Exchange, Shenzhen Stock Exchange |
| 3.6. | Hong Kong: | Hong Kong Stock Exchange |
| 3.7. | India: | Mumbai |
| 3.8. | Indonesia: | Jakarta |
| 3.9. | Israel: | Tel Aviv |
| 3.10. | Japan: | Tokyo, Osaka, Nagoya, Fukuoka, Sapporo |
| 3.11. | Canada: | Toronto, Vancouver, Montreal |
| 3.12. | Colombia: | Bolsa de Valores de Colombia |
| 3.13. | Korea: | Korea Exchange (Seoul, Busan) |
| 3.14. | Malaysia: | Kuala Lumpur, Bursa Malaysia Berhad |
| 3.15. | Mexico: | Mexico City |
| 3.16. | New Zealand: | Wellington, Auckland |
| 3.17. | Peru: | Bolsa de Valores de Lima |
| 3.18. | Philippines: | Philippine Stock Exchange |
| 3.19. | Singapore: | Singapore Stock Exchange |
| 3.20. | South Africa: | Johannesburg |
| 3.21. | Taiwan: | Taipei |
| 3.22. | Thailand: | Bangkok |
| 3.23. | USA: | New York, NYCE American, New York Stock Exchange (NYSE), Philadelphia, Chicago, Boston, Cincinnati, Nasdaq |

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- 3.24. Venezuela: Caracas
3.25. United Arab Emirates: Abu Dhabi Securities Exchange (ADX)

4. Organised markets in countries outside of the European Union

- 4.1. Japan: over the counter market
4.2. Canada: over the counter market
4.3. Korea: over the counter market
4.4. Switzerland: over the counter market of the members of the International Capital Market Association (ICMA), Zurich
4.5. USA: over the counter market (under the supervision of an authority such as the SEC, FINRA, etc.)

5. Exchanges with futures and options markets

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

*) To open the list, select “Regulated market” under “Entity type” in the column on the left side of the page and then click “Search” (or “Show table columns” and “Update”). The link can be changed by the ESMA.

As soon as the United Kingdom of Great Britain and Northern Ireland (GB) loses its status as an EEA Member State due to its withdrawal from the EU, the exchanges/regulated markets located there also lose their status as EEA exchanges/regulated markets. In this event, we hereby inform you that the following exchanges and regulated markets located in GB shall be considered exchanges or recognised regulated markets in a third country as defined by the InvFG 2011 and the UCITS Directive that are expressly designated in the Fund Rules: Cboe Europe Equities Regulated Market – Integrated Book Segment, London Metal Exchange, Cboe Europe Equities Regulated Market – Reference Price Book Segment, Cboe Europe Equities Regulated Market – Off-Book Segment, London Stock Exchange Regulated Market (derivatives), NEX Exchange Main Board (non-equity), London Stock Exchange Regulated Market, NEX Exchange Main Board (equity), Euronext London Regulated Market, ICE FUTURES EUROPE, ICE FUTURES EUROPE – AGRICULTURAL PRODUCTS DIVISION, ICE FUTURES EUROPE – FINANCIAL PRODUCTS DIVISION, ICE FUTURES EUROPE – EQUITY PRODUCTS DIVISION, and Gibraltar Stock Exchange.

**) Due to the expiration of Switzerland’s stock market equivalence, SIX Swiss Exchange AG and BX Swiss AG are to be subsumed under item 2 “Exchanges in European countries outside of the EEA” until further notice.

Note regarding the data used

The sections Income Statement and Changes in Fund Assets, Statement of Assets and Liabilities and Details and Explanation of Tax Treatment in this annual report were prepared on the basis of data from the depositary bank for the Fund.

The data and information provided by the depositary bank were collected with the greatest possible care and were checked solely for plausibility.

Note for retail funds:

Unless indicated otherwise, source: Erste Asset Management GmbH. Our languages of communication are German and English. The full prospectus and the key investor information (and any applicable changes to these documents) were published in Amtsblatt zur Wiener Zeitung in accordance with the provisions of the InvFG 2011 in the currently amended version and are available free of charge at the registered office of the Investment Firm and at the head office of the depositary bank. The exact date of most recent publication, the languages in which the key investor information is available, and any additional locations where the documents can be obtained can be viewed on the website www.erste-am.at.

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