

ERSTE RESPONSIBLE STOCK GLOBAL CZK

Jointly owned fund pursuant to the InvFG

Annual Report 2017/18

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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
Unit-holders	Erste Group Bank AG (64.67%) VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe (0.76%) Erste Bank der österreichischen Sparkassen AG (22.17%) DekaBank Deutsche Girozentrale, Frankfurt (1.65 %) NÖ-Sparkassen Beteiligungsgesellschaft m. b. H. (0.76%) Salzburger Sparkasse Bank Aktiengesellschaft (1.65%) Sieben Tiroler Sparkassen Beteiligungsgesellschaft m. b. H. (1.65%) Steiermärkische Bank und Sparkassen Aktiengesellschaft (3.30%) „Die Kärntner“ Trust-Vermögensverwaltungsgesellschaft m. b. H. & Co KG (1.65%) Tiroler Sparkasse Bankaktiengesellschaft Innsbruck (1.74 %)
Supervisory Board	Rudolf SAGMEISTER (Chairman) Thomas SCHAUFLEDER (Deputy Chairman) Ingo BLEIER Harald GASSER Gerhard GRABNER Oswald HUBER Radovan JELASITY Robert LASSHOFFER Martin SIMHANDL Appointed by the Works Council: Martin CECIL Regina HABERHAUER (until 31 January 2018) Heinrich Hubert REINER Peter RIEDERER Nicole WEINHENGST (from 1 February 2018) Manfred ZOUREK
Managing directors	Heinz BEDNAR Winfried BUCHBAUER Peter KARL (from 1 March 2018) Christian SCHÖN (until 28 February 2018) Wolfgang TRANDL (from 1 March 2018)
Prokuristen (proxies)	Karl FREUDENSCHUSS Manfred LENTNER Günther MANDL Gerold PERMOSER Magdalena REISCHL
State commissioners	Caroline HABERFELLNER Philipp VISKI-HANKA
Auditor	Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.
Depository bank	Erste Group Bank AG

**Remuneration paid to employees of Erste Asset Management GmbH in EUR
(2017 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 31.12.17	83
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Number of risk bearers as of 31.12.17	45
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Fixed remuneration	6,255,431
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Variable remuneration (bonuses)	1,931,863
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Total employee remuneration	8,187,294
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Thereof remuneration for managing directors	668,440
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Thereof remuneration for managers and risk bearers	160,215
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Thereof remuneration for risk bearers with control functions	409,883
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Thereof remuneration for other risk bearers	4,136,628
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Thereof remuneration for employees in the same income bracket as managers and risk bearers due to the amount of their total remuneration	0
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Total remuneration for risk bearers	5,375,166
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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 qualitative objectives must make up at least 25%. 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, Thomas Schaufler (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 29 November 2017 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.

**Remuneration paid to employees of ERSTE-SPARINVEST KAG in EUR
(2017 financial year of ERSTE-SPARINVEST KAG)**

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

Number of employees as of 31.12.17	148
Number of risk bearers as of 31.12.17	60
Fixed remuneration	11,990,882
Variable remuneration (bonuses)	3,065,433
Total employee remuneration	15,056,315
Thereof remuneration for managing directors	1,540,398
Thereof remuneration for managers and risk bearers	918,143
Thereof remuneration for risk bearers with control functions*	1,111,224
Thereof remuneration for other risk bearers	5,430,036
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	8,999,801

* 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
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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 qualitative objectives must make up at least 25%. The payment of performance-based remuneration components is subject to a minimum profitability level for the Management Company and to performance targets.

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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 (remuneration expert), Franz-Nikolaus Hörmann, 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 29 November 2017 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.

Dear Unit-holder,

We are pleased to present you the following annual report for the ERSTE RESPONSIBLE STOCK GLOBAL CZK jointly owned fund pursuant to the InvFG for the period from 1 December 2017 to 30 November 2018.

The former management company, ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H., was merged into Erste Asset Management GmbH effective 31 December 2017 and with entry of this merger in the trade register of Vienna Commercial Court on 3 November 2018. Erste Asset Management GmbH became the Management Company of ERSTE RESPONSIBLE STOCK GLOBAL CZK as of the effective date of the merger.

As of the reporting date of 30 November 2018, ERSTE RESPONSIBLE STOCK GLOBAL CZK, a so-called feeder fund (§ 93 InvFG), had 98.80% of its assets invested in ERSTE RESPONSIBLE STOCK GLOBAL (the so-called master fund). Details about ERSTE RESPONSIBLE STOCK GLOBAL can be found in the annual report for ERSTE RESPONSIBLE STOCK GLOBAL as of 30 November 2018, which is available at the website www.erste-am.at.

The aggregated fees are made up of the TER of the feeder fund and the TER of the master fund together. The aggregated fees amount to 2.62%.

Development of the Fund

Market

The first half of the year was shaped by different trends. While a number of record highs were reached on the US exchanges in January 2018 and the European exchanges in England, France, and Germany also briefly touched all-time highs, February saw a substantial price correction. This was likely caused by the strong increase in yields on ten-year bonds in the USA shortly beforehand. The American S&P index lost around 10%, and the DAX in Germany even 13%. Most stock exchanges then recovered – except for Switzerland, which suffered from the poor performance of pharmaceutical and bank stocks and of Nestle, and Italy, which suffered a substantial correction in May 2018 after the initial failure to form a government and the eventual formation of a coalition.

The tax reform in the USA brought substantially higher profits for most companies and the quarterly results were also outstanding, so it came as no surprise that New York saw the best price performance of all major exchanges in the first half of the year.

The global equity markets entered the second half of the year on a sideways trend. Only American shares saw gains of up to 7% through to the end of August thanks to rapidly growing corporate earnings while European and Japanese shares were treading water. Political developments had a particularly detrimental effect on the markets. In May, the USA exited the nuclear agreement with Iran, which caused the oil price to rise. The worsening trade conflict between the USA and the rest of the world, especially China, hurt the markets throughout the reporting period. In Europe, these factors were joined by worries about the budget in Italy after the elections and about a hard Brexit. While good corporate earnings supported the markets over the summer, rising interest rates in the USA caused substantial corrections on equity markets around the world in October, followed by a price recovery in November. The Q3 reporting season was relatively disappointing in Europe while US companies delivered very good results for the quarter.

Over the financial year as a whole, the European DJ Stoxx 600 lost 7.6% and the German DAX 13.6%, and only the American S&P 500 delivered a plus of 4% in local currency and 9% in euro terms. Canada, Japan, and Australia also lost 3–4% in euro terms, emerging Asia gave up 7%, and China's Shanghai Composite was hit by a loss of 18%. After climbing rapidly in the first half of the year, the price for Brent crude fell substantially starting in October and closed the period at 3%.

The strongest sectors were healthcare and technology followed by consumer discretionary, while the worst performance came from basic materials and industrials.

Portfolio

As a feeder fund, ERSTE RESPONSIBLE STOCK GLOBAL CZK is 96%–99% invested in ERSTE RESPONSIBLE STOCK GLOBAL. The foreign currencies (passed on through the master fund) USD, GBP, EUR, and JPY were mostly hedged at all times against the CZK through forward exchange agreements to minimise the currency risk. The cash share is held for possible collateral postings for the existing forward exchange agreements.

ERSTE RESPONSIBLE STOCK GLOBAL is an equity fund that invests according to ethical and socially responsible criteria. The exclusion criteria include atomic energy, child labour, weapons, and the manufacture of genetically manipulated seed.

While we favoured consumer discretionary, technology, energy, and utilities in ERSTE RESPONSIBLE STOCK GLOBAL (master fund) at the beginning of the period, we became somewhat more cautious towards the end of the year and adopted a more defensive positioning, selling companies with a high beta and reducing technology, basic materials, and consumer discretionary while increasing consumer staples and pharmaceuticals. The equities allocation was held at between 96% and 97%. At the beginning of the new year, industrials were reduced and pharmaceuticals increased further. In January, we initially reduced the equities allocation to 95% and then to 92% on 31 January (by selling cyclical companies and technology). After the price correction, we used the low price level to increase the equities allocation to 95% on 13 February, making buys in technology and cyclical companies in the USA.

In April, we used futures on the S&P 500 and DJ Stoxx 50 for hedging purposes due to the redemption of a large number of units, thus maintaining a low equities allocation. These futures positions were closed in May and the equities allocation increased to 97%.

In the middle of May, the sustainable equity fund-of-funds TIROLVISION-AKTIE was merged into ERSTE RESPONSIBLE STOCK GLOBAL. The transferred sub-funds were then sold in the subsequent days and the resulting capital invested in individual stocks.

In the second half of the year, we preferred consumer discretionary, consumer staples, and pharmaceuticals and reduced the cash share to around 1% after the price correction in October, increasing industrials and technology in order to not be positioned too defensively during the expected price recovery. The share of equities in the master fund is currently 99.0%.

The fund made no use of options.

ERSTE RESPONSIBLE STOCK GLOBAL CZK lost 1.63% during the reporting period.

Method of Calculating the Global Exposure

Method of calculating the global exposure:	Commitment approach
Reference assets used:	–
Value at risk:	–
Lowest value:	–
Average value:	–
Highest value:	–
Model used:	–
Leverage* when using the value-at-risk calculation method:	–
Leverage** according to § 4 of the 4 th Derivatives Risk Measurement and Reporting Regulation:	–

* 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

	30 November 2018		30 November 2017	
	CZK million	%	CZK million	%
Investment certificates denominated in EUR	448.9	98.80	297.4	95.29
Securities	448.9	98.80	297.4	95.29
Forward exchange agreements	- 0.8	- 0.19	1.8	0.57
Bank balances	6.3	1.39	13.0	4.15
Other deferred items	- 0.0	- 0.00	- 0.0	- 0.01
Fund assets	454.4	100.00	312.1	100.00

Comparative Overview

Accounting year	Fund assets
2015/2016	277,211,273.58
2016/2017	312,138,360.92
2017/2018	454,398,114.93

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
2015/2016	KESt-exempt non-dividend-bearing units	AT0000A1AW14	CZK	101.17	-	4.4156	-5.02
2016/2017	KESt-exempt non-dividend-bearing units	AT0000A1AW14	CZK	115.87	-	9.6954	14.53
2017/2018	KESt-exempt non-dividend-bearing units	AT0000A1AW14	CZK	113.98	-	7.1130	-1.63

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2015/2016	KESt-exempt non-dividend-bearing units	AT0000A1YSH5	CZK	-	-	-	-
2016/2017	KESt-exempt non-dividend-bearing units	AT0000A1YSH5	CZK	100.00	-	-	-
2017/2018	KESt-exempt non-dividend-bearing units	AT0000A1YSH5	CZK	98.84	-	6.4121	-1.16

Disbursement/Payment

The following disbursement or payment will be made for the accounting year from 1 December 2017 to 30 November 2018. 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 March 2019 at

Erste Group Bank AG, Vienna,

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

Fund type	ISIN	Currency	Dividend disburse- ment/ payment		KES _t with option declaration	KES _t w/o option declaration	Reinvestment
KES _t -exempt non- dividend-bearing units	AT0000A1AW14	CZK	-	*	-	-	7.1130
KES _t -exempt non- dividend-bearing units	AT0000A1YSH5	CZK	-	*	-	-	6.4121

* 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 an 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.

AT0000A1AW14 KEST-exempt non-dividend-bearing units CZK	
Unit value at the beginning of the reporting period (2,693,778.288 units)	115.87
Disbursement/payment	0.0000
Unit value at the end of the reporting period (28,805.065 units)	113.98
Total value including (notional) units gained through dividend disbursement/payment	113.98
Net earnings per unit	-1.89
Value development of one unit in the period	-1.63%

AT0000A1YSH5 KEST-exempt non-dividend-bearing units CZK	
Unit value on issue date (0.000 units)	100.00
Disbursement/payment	0.0000
Unit value at the end of the reporting period (4,563,823.047 units)	98.84
Total value including (notional) units gained through dividend disbursement/payment	98.84
Net earnings per unit	-1.16
Value development of one unit in the period	-1.16%

2. Fund Result

a. Realised fund result

Ordinary fund result

Income (without profit or loss from price changes)

Interest income (excluding income adjustment)	0.00	
Dividend income	637,395.21	
Other income 8)	0.00	
Total income (without profit or loss from price changes)		637,395.21

Interest paid - 62,599.15

Expenses

Fees paid to Investment Firm	0.00	
Costs for the financial auditor and tax consultation	- 38,959.50	
Publication costs	- 154,488.36	
Securities account fees	- 40,525.89	
Depository bank fees	- 101,036.57	
Costs for the external consultant	0.00	
Total expenses		- 335,010.32
Compensation for management costs from sub-funds 1)		4,100,608.11

Ordinary fund result (excluding income adjustment) **4,340,393.85**

Realised profit or loss from price changes 2) 3)

Realised gains 4)	65,434,318.37	
Realised losses 5)	- 47,411,388.74	

Realised profit or loss from price changes (excluding income adjustment) **18,022,929.63**

Realised fund result (excluding income adjustment) **22,363,323.48**

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

Changes in the unrealised profit or loss from price changes 7) - 29,841,030.06

Result for the reporting period 6) **- 7,477,706.58**

c. Income adjustment

Income adjustment for income in the period	7,105,256.94	
Income adjustment for profit carried forward from dividend-bearing units	0.00	

Overall fund result **- 372,449.64**

3. Changes in Fund Assets

Fund assets at the beginning of the reporting period	312,138,360.92
Disbursement/payment in the accounting year	0.00
Issue and redemption of units	142,632,203.65
Overall fund result	
(The fund result is shown in detail under item 2.)	- 372,449.64
Fund assets at the end of the reporting period	454,398,114.93

- 1) Reimbursements (in the sense of commissions) paid by third parties are forwarded to the fund after deduction of any associated 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 reporting 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 -11,818,100.43.
- 4) Thereof profits from transactions with derivative financial instruments: EUR 18,889,462.05.
- 5) Thereof losses from transactions with derivative financial instruments: EUR -41,088,093.04.
- 6) The result for the accounting year includes explicitly reported transaction costs in the amount of EUR 0.00.
- 7) Thereof changes in unrealised gains EUR 3,296,882.78 and unrealised losses EUR -33,137,912.84.
- 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 0.00, to earnings from real estate funds in the amount of EUR 0.00, and to other earnings in the amount of EUR 0.00.

Statement of Assets and Liabilities as of 30 November 2018

(including changes in securities assets from 1 December 2017 to 30 November 2018)

Security designation	ISIN number	Purch./ additions	Sales/ disposals	Holding	Price	Value in CZK	% share of fund assets
Units/nominal (nom. in 1,000, rounded)							
Investment certificates							
Investment certificates denominated in EUR							
Issue country Austria							
ERSTE RESP.ST.EURR01VTAE0	AT0000A0FSN4	24,714	5,565	61,435	281.440	448,933,640.65	98.80
Total issue country Austria						448,933,640.65	98.80
Total investment certificates denominated in EUR translated at a rate of 0.03851						448,933,640.65	98.80
Total investment certificates						448,933,640.65	98.80
Forward exchange agreements						Unrealised result in CZK	
Forward exchange agreements denominated in GBP							
Issue country Austria							
FXF SPEST GBP/CZK 15.02.2019	FXF_TAX_3443917			-600,000		260,160.79	0.06
Total issue country Austria						260,160.79	0.06
Total forward exchange agreements denominated in GBP translated at a rate of 0.03418						260,160.79	0.06
Forward exchange agreements denominated in EUR							
Issue country Austria							
FXF SPEST EUR/CZK 15.02.2019	FXF_TAX_3443912			-2,182,000		-137,549.32	-0.03
FXF SPEST EUR/CZK 15.02.2019	FXF_TAX_3444117			-450,000		-36,350.74	-0.01
Total issue country Austria						-173,900.06	-0.04
Total forward exchange agreements denominated in EUR translated at a rate of 0.03851						-173,900.06	-0.04
Forward exchange agreements denominated in JPY							
Issue country Austria							
FXF SPEST JPY/CZK 15.02.2019	FXF_TAX_3443914			-170,000,000		-115,387.61	-0.03
Total issue country Austria						-115,387.61	-0.03
Total forward exchange agreements denominated in JPY translated at a rate of 0.04952						-115,387.61	-0.03
Forward exchange agreements denominated in CAD							
Issue country Austria							
FXF SPEST CAD/CZK 15.02.2019	FXF_TAX_3444120			-650,000		-100,226.88	-0.02
Total issue country Austria						-100,226.88	-0.02
Total forward exchange agreements denominated in CAD translated at a rate of 0.05796						-100,226.88	-0.02

ERSTE RESPONSIBLE STOCK GLOBAL CZK

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

Issue country Austria

FXF SPEST USD/CZK 15.02.2019	FXF_TAX_3443916	-10,600,000	-645,075.43	-0.14
FXF SPEST USD/CZK 15.02.2019	FXF_TAX_3444118	-450,000	-73,163.92	-0.02
Total issue country Austria			-718,239.35	-0.16
Total forward exchange agreements denominated in USD translated at a rate of 0.04362			-718,239.35	-0.16
Total forward exchange agreements			-847,593.11	-0.19

Breakdown of fund assets

Transferable securities	448,933,640.65	98.80
Forward exchange agreements	-847,593.11	-0.19
Bank balances	6,319,755.90	1.39
Other deferred items	-7,688.51	-0.00
Fund assets	454,398,114.93	100.00

KEST-exempt non-dividend-bearing units outstanding	AT0000A1AW14	units	28,805.065
Value of KEST-exempt non-dividend-bearing unit	AT0000A1AW14	CZK	113.98
KEST-exempt non-dividend-bearing units outstanding	AT0000A1YSH5	units	4,563,823.047
Value of KEST-exempt non-dividend-bearing unit	AT0000A1YSH5	CZK	98.84

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

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.

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

Explanation on disclosure pursuant to the 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.

Collateral in the form of cash or bonds is pledged to Erste Group Bank AG in the amount of the negative exposure of the derivatives.

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 the amount of the positive exposure of the derivatives. 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 the Delegated Regulation (EU) No. 2016/2251 is not accepted.

Investor note:

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

Vienna, 19 February 2019

Erste Asset Management GmbH
Electronically signed

Inspection information:
Note:

The electronic signatures in this document can be inspected at www.signaturpruefung.gv.at.
This document was signed with two qualified electronic signatures. A qualified electronic signature fulfils the legal requirements of a hand-written signature, and in particular the requirements of the written form as defined in § 886 ABGB (§ 4 (1) Austrian Signature Act [Signaturgesetz]).

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 RESPONSIBLE STOCK GLOBAL CZK
Jointly owned fund pursuant to the InvFG

consisting of the statement of assets and liabilities as of 30 November 2018, 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 November 2018 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 is sufficient and suitable to serve as a basis for our audit opinion.

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 report 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.

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 connection with our audit of the annual report, it is our responsibility to read this other information and to consider whether there are material discrepancies between the other information and the annual report or the information gathered by us during our audit, or if this other information appears materially incorrect in some other manner. If we come to the conclusion on the basis of our audit steps that the other information is materially incorrect, we are obligated to report this. We have nothing to report in this regard.

Vienna, 19 February 2019

Ernst & Young

Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Andrea Stippl
(Certified Public
Accountant)

ppa MMag. Roland Unterweger
(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 for ERSTE RESPONSIBLE STOCK GLOBAL CZK

Jointly owned fund pursuant to the InvFG

The Fund Rules for ERSTE RESPONSIBLE STOCK GLOBAL CZK, 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 a feeder of the master fund ERSTE RESPONSIBLE STOCK GLOBAL and is an undertaking for collective investment in transferable securities (UCITS). Both ERSTE RESPONSIBLE STOCK GLOBAL CZK and ERSTE RESPONSIBLE STOCK GLOBAL are managed by ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H. (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 global certificates for each unit category. For this reason, individual unit certificates cannot be issued.

Article 2 Depositary Bank (Depositary)

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

The payment offices for unit certificates are the depositary 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 at least 85% of its assets in units of ERSTE RESPONSIBLE STOCK GLOBAL (master fund) on a permanent basis.

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

a) Transferable securities

Does not apply.

b) Money market instruments

Does not apply.

c) Transferable securities and money market instruments

Does not apply.

d) Units in investment funds

The Fund invests at least 85% of its assets in units of ERSTE RESPONSIBLE STOCK GLOBAL (master fund) on a permanent basis.

e) Derivative financial instruments

Derivative financial instruments may only be used for hedging purposes and may comprise up to 15% of the fund assets.

f) Risk measurement method(s) of the Fund

The Fund applies the following risk measurement methods: commitment approach

The commitment value is determined according to § 3 of the 4th FMA Regulation on Risk Calculation and Reporting of Derivative Instruments (4. Derivate-Risikoberechnungs- und MeldeV) as amended.

Details about the calculation of the global exposure of the Fund in connection with derivative financial instruments based on a combination of the own direct risk and the risk of the master fund in relation to the Fund's holding of units in the master fund can be found in the fund prospectus.

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 15% of the fund assets.

There are no minimum bank balance requirements.

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

Does not apply.

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.

Issue of units and front-end surcharge

The issue price will be calculated and units issued on every exchange trading day.

The issue price shall be made up of the unit value plus a surcharge per unit amounting to up to 5.0% 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 every exchange trading day.

The redemption price is determined by rounding down the unit value to the next equivalent sub-unit of the currency 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 December to 30 November.

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 withholding, and non-dividend-bearing units without capital gains tax withholding, 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 suspended 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. Fund assets may be paid out in the form of dividends and interim dividends.

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

The amounts shall be paid to the holders of dividend-bearing units on or after 1 March 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 March 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 or corporate income 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 withholding

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 March 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 or corporate income 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 withholding (KESt-exempt non-dividend domestic and foreign unit category)

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 March 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 or corporate income tax or who met the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

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

Article 7

Management Fee, Compensation for Expenses, Liquidation Fee

The Management Company shall receive an annual fee for its administrative activities of up to 1.8% of the fund assets, which shall be accrued on a daily basis and calculated using the month-end values adjusted for the accrued fees.

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.

The depositary bank shall receive a fee in the amount of 0.5% of the fund assets upon liquidation of the Fund.

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 July 2016)

1. Exchanges with official trading and organised markets in the Member States of the EEA

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

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

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

1.2.1 Luxembourg: Euro MTF Luxembourg

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 (RTS Stock Exchange) Moscow Interbank Currency Exchange (MICEX)
2.4.	Switzerland:	SWX Swiss Exchange
2.5.	Serbia:	Belgrade
2.6.	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, 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, American Stock Exchange (AMEX), New York Stock Exchange (NYSE), Los Angeles/Pacific Stock Exchange, San Francisco/Pacific Stock Exchange, Philadelphia, Chicago, Boston, Cincinnati
3.24.	Venezuela:	Caracas
3.25.	United Arab Emirates:	Abu Dhabi Securities Exchange (ADX)

4. Organised markets in countries outside of the European Community

- | | | |
|------|--------------|--|
| 4.1. | Japan: | over the counter market |
| 4.2. | Canada: | over the counter market |
| 4.3. | Korea: | over the counter market |
| 4.4. | Switzerland: | SWX Swiss Exchange, BX Berne eXchange; over the counter market of the members of the International Capital Market Association (ICMA), Zurich |
| 4.5. | USA: | over the counter market (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. | Slovakia: | RM System Slovakia |
| 5.13. | South Africa: | Johannesburg Stock Exchange (JSE), South African Futures Exchange (SAFEX) |
| 5.14. | Switzerland: | EUREX |
| 5.15. | Turkey: | TurkDEX |
| 5.16. | USA: | American Stock Exchange, Chicago Board Options Exchange, Chicago Board of Trade, Chicago Mercantile Exchange, Comex, FINEX, Mid America Commodity Exchange, ICE Future US, Inc., New York, Pacific Stock Exchange, Philadelphia Stock Exchange, New York Stock Exchange, Boston Options Exchange (BOX) |

*) To open the list, click "Show table columns". The link can be changed by the FMA or ESMA. [The list can be found on the FMA's website by going to: <https://www.fma.gv.at/kapitalmaerkte/allgemeine-rechtsaufsicht-ueber-boersen/--> scroll down – link to "Verzeichnis aller geregelten Märkte" – "Show table columns"]

Note regarding the data used

The sections Income Statement and Changes in Fund Assets, Statement of Assets and Liabilities and 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.

Unless indicated otherwise, source: Erste Asset Management GmbH. Our languages of communication are German and English. Both the full prospectus and the simplified prospectus as well as 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 for free at the registered office of the Investment Firm and at the head office of the depositary bank. The exact date of the most recent publication, the languages in which the simplified prospectus and the key investor information are available, and any additional locations where the documents can be obtained can be viewed on the website www.erste-am.at.

www.erste-am.com

www.erste-am.at