

# Raiffeisen Sustainable European Equities

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

## **annual fund report**

financial year Sep 1, 2022 – Aug 31, 2023

**Note:**

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

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# Report for the financial year from Sep 1, 2022 to Aug 31, 2023

## General fund information

ISIN	Tranche	Income class	Currency	Launch date
AT0000A2KUL0	Raiffeisen Sustainable European Equities (I) A	income-distributing	EUR	Jan 4, 2021
AT0000986377	Raiffeisen Sustainable European Equities (R) A	income-distributing	EUR	Jun 17, 1996
AT0000A1TWU0	Raiffeisen Sustainable European Equities (RZ) A	income-distributing	EUR	Apr 3, 2017
AT0000805387	Raiffeisen Sustainable European Equities (R) T	income-retaining	EUR	Mar 26, 1999
AT0000A1TWT2	Raiffeisen Sustainable European Equities (RZ) T	income-retaining	EUR	Apr 3, 2017
AT0000A2KUN6	Raiffeisen Sustainable European Equities (SZ) T <sup>1</sup>	income-retaining	EUR	Jan 4, 2021
AT0000A1WB96	Raiffeisen Sustainable European Equities (I) VTA	full income-retaining (outside Austria)	EUR	Jul 3, 2017
AT0000785225	Raiffeisen Sustainable European Equities (R) VTA	full income-retaining (outside Austria)	EUR	May 26, 1999
AT0000A1TWW8	Raiffeisen Sustainable European Equities (RZ) VTA	full income-retaining (outside Austria)	EUR	Apr 3, 2017

<sup>1</sup> Tranche SZ is exclusively for investments within the scope of the Raiffeisen Banking Group's sustainable asset management.

## Fund characteristics

Fund currency	EUR
Financial year	Sep 1 – Aug 31
Distribution/payment/reinvestment date	Nov 15
Type of fund	Investment fund pursuant to § 2 of the Austrian Investment Fund Act, InvFG (UCITS)
Effective management fee for the fund	I-Tranche (EUR): 0.750 % R-Tranche (EUR): 1.500 % RZ-Tranche (EUR): 0.750 % SZ-Tranche (EUR): 0.488 %
Custodian bank	Raiffeisen Bank International AG
Management company	Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Mooslackengasse 12, A-1190 Vienna Tel. +43 1 71170-0 Fax +43 1 71170-761092 www.rcm.at Companies register number: 83517 w
Fund management	Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
Auditor	KPMG Austria GmbH

The fund is actively managed without reference to a benchmark.

### **Legal notice**

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

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

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

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

Dear unitholder,

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. is pleased to present its annual fund report for Raiffeisen Sustainable European Equities for the financial year from Sep 1, 2022 to Aug 31, 2023. The accounting is based on the price calculation as of Aug 31, 2023.

## Fund details

	Aug 31, 2021	Aug 31, 2022	Aug 31, 2023
Total fund assets in EUR	491,234,116.00	376,888,069.12	412,022,180.24
Net asset value/distributing units (I) (AT0000A2KUL0) in EUR	121.94	100.24	107.36
Issue price/distributing units (I) (AT0000A2KUL0) in EUR	121.94	100.24	107.36
Net asset value/distributing units (R) (AT0000986377) in EUR	199.79	163.53	175.73
Issue price/distributing units (R) (AT0000986377) in EUR	199.79	163.53	175.73
Net asset value/distributing units (RZ) (AT0000A1TWU0) in EUR	106.11	87.51	94.74
Issue price/distributing units (RZ) (AT0000A1TWU0) in EUR	106.11	87.51	94.74
Net asset value/reinvested units (I) (AT0000A2KUM8) in EUR	121.94	-	-
Issue price/reinvested units (I) (AT0000A2KUM8) in EUR	121.94	-	-
Net asset value/reinvested units (R) (AT0000805387) in EUR	254.12	210.07	227.91
Issue price/reinvested units (R) (AT0000805387) in EUR	254.12	210.07	227.91
Net asset value/reinvested units (RZ) (AT0000A1TWT2) in EUR	111.84	93.15	101.83
Issue price/reinvested units (RZ) (AT0000A1TWT2) in EUR	111.84	93.15	101.83
Net asset value/reinvested units (SZ) (AT0000A2KUN6) in EUR	122.20	101.74	110.31
Issue price/reinvested units (SZ) (AT0000A2KUN6) in EUR	122.20	101.74	110.31
Net asset value/fully reinvested units (I) (AT0000A1WB96) in EUR	114.03	94.97	103.81
Issue price/fully reinvested units (I) (AT0000A1WB96) in EUR	114.03	94.97	103.81
Net asset value/fully reinvested units (R) (AT0000785225) in EUR	273.54	226.13	245.33
Issue price/fully reinvested units (R) (AT0000785225) in EUR	273.54	226.13	245.33
Net asset value/fully reinvested units (RZ) (AT0000A1TWW8) in EUR	115.44	96.15	105.11
Issue price/fully reinvested units (RZ) (AT0000A1TWW8) in EUR	115.44	96.15	105.11

	Nov 15, 2022	Nov 15, 2023
Distribution/unit (I) (A) EUR	2.1300	4.9400
Distribution/unit (R) (A) EUR	1.6400	1.7600
Distribution/unit (RZ) (A) EUR	0.8800	0.9500
Outpayment/unit (R) (T) EUR	0.0000	0.0000
Outpayment/unit (RZ) (T) EUR	0.0000	0.3048
Outpayment/unit (SZ) (T) EUR	1.2296	0.5353
Reinvestment/unit (R) (T) EUR	11.5135	2.8014
Reinvestment/unit (RZ) (T) EUR	5.8597	1.7034
Reinvestment/unit (SZ) (T) EUR	5.5552	1.9768
Reinvestment/unit (I) (VTA) EUR	5.9759	2.0467
Reinvestment/unit (R) (VTA) EUR	12.3955	3.0129
Reinvestment/unit (RZ) (VTA) EUR	6.0487	2.0722

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

## Units in circulation

	Units in circulation on Aug 31, 2022	Sales	Repurchases	Units in circulation on Aug 31, 2023
AT0000A2KULO (I) A	7,188.412	5,409.796	0.000	12,598.208
AT0000986377 (R) A	207,516.847	4,849.128	-29,639.597	182,726.378
AT0000A1TWU0 (RZ) A	25,738.532	980.030	-2,463.931	24,254.631
AT0000805387 (R) T	1,257,100.008	450,995.028	-409,691.146	1,298,403.890
AT0000A1TWT2 (RZ) T	250,783.716	34,783.364	-20,082.596	265,484.484
AT0000A2KUN6 (SZ) T	100,013.348	90,019.952	-54,904.428	135,128.872
AT0000A1WB96 (I) VTA	65,614.686	9,615.422	-15,738.520	59,491.588
AT0000785225 (R) VTA	109,565.877	68,748.323	-90,717.199	87,597.001
AT0000A1TWW8 (RZ) VTA	118,034.000	6,699.000	-22,670.000	102,063.000
<b>Total units in circulation</b>				<b>2,167,748.052</b>

## Development of the fund assets and income statement

### Performance in financial year (fund performance)

<b>Distributing units (I) (AT0000A2KUL0)</b>	
Net asset value per unit at start of financial year in EUR	100.24
Distribution on Nov 15, 2022 (net asset value: EUR 103.16) of EUR 2.1300, corresponds to 0.020648 units	
Net asset value per unit at end of financial year in EUR	107.36
Total value incl. units purchased through distribution (1.020648 x 107.36)	109.58
Net income/net reduction per unit	9.34
<b>Performance of one unit during the financial year in %</b>	<b>9.31</b>
<b>Distributing units (R) (AT0000986377)</b>	
Net asset value per unit at start of financial year in EUR	163.53
Distribution on Nov 15, 2022 (net asset value: EUR 169.86) of EUR 1.6400, corresponds to 0.009655 units	
Net asset value per unit at end of financial year in EUR	175.73
Total value incl. units purchased through distribution (1.009655 x 175.73)	177.43
Net income/net reduction per unit	13.90
<b>Performance of one unit during the financial year in %</b>	<b>8.50</b>
<b>Distributing units (RZ) (AT0000A1TWU0)</b>	
Net asset value per unit at start of financial year in EUR	87.51
Distribution on Nov 15, 2022 (net asset value: EUR 91.04) of EUR 0.8800, corresponds to 0.009666 units	
Net asset value per unit at end of financial year in EUR	94.74
Total value incl. units purchased through distribution (1.009666 x 94.74)	95.66
Net income/net reduction per unit	8.15
<b>Performance of one unit during the financial year in %</b>	<b>9.31</b>
<b>Reinvested units (R) (AT0000805387)</b>	
Net asset value per unit at start of financial year in EUR	210.07
Outpayment on Nov 15, 2022 (net asset value: EUR 220.30) of EUR 0.0000, corresponds to 0.000000 units	
Net asset value per unit at end of financial year in EUR	227.91
Total value incl. units purchased through outpayment (1.000000 x 227.91)	227.91
Net income/net reduction per unit	17.84
<b>Performance of one unit during the financial year in %</b>	<b>8.49</b>

<b>Reinvested units (RZ) (AT0000A1TWT2)</b>	
Net asset value per unit at start of financial year in EUR	93.15
Outpayment on Nov 15, 2022 (net asset value: EUR 97.85) of EUR 0.0000, corresponds to 0.000000 units	
Net asset value per unit at end of financial year in EUR	101.83
Total value incl. units purchased through outpayment (1.000000 x 101.83)	101.83
Net income/net reduction per unit	8.68
<b>Performance of one unit during the financial year in %</b>	<b>9.32</b>
<b>Fully reinvested units (I) (AT0000A1WB96)</b>	
Net asset value per unit at start of financial year in EUR	94.97
Net asset value per unit at end of financial year in EUR	103.81
Net income/net reduction per unit	8.84
<b>Performance of one unit during the financial year in %</b>	<b>9.31</b>
<b>Fully reinvested units (R) (AT0000785225)</b>	
Net asset value per unit at start of financial year in EUR	226.13
Net asset value per unit at end of financial year in EUR	245.33
Net income/net reduction per unit	19.20
<b>Performance of one unit during the financial year in %</b>	<b>8.49</b>
<b>Fully reinvested units (RZ) (AT0000A1TWW8)</b>	
Net asset value per unit at start of financial year in EUR	96.15
Net asset value per unit at end of financial year in EUR	105.11
Net income/net reduction per unit	8.96
<b>Performance of one unit during the financial year in %</b>	<b>9.32</b>
<b>Reinvested units (SZ) (AT0000A2KUN6)</b>	
Net asset value per unit at start of financial year in EUR	101.74
Outpayment on Nov 15, 2022 (net asset value: EUR 105.71) of EUR 1.2296, corresponds to 0.011632 units	
Net asset value per unit at end of financial year in EUR	110.31
Total value incl. units purchased through outpayment (1.011632 x 110.31)	111.59
Net income/net reduction per unit	9.85
<b>Performance of one unit during the financial year in %</b>	<b>9.68</b>

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

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

The performance is calculated by Raiffeisen KAG on the basis of published fund prices, using the method developed by OeKB (Österreichische Kontrollbank AG). Individual costs such as transaction fees, the subscription fee, the redemption fee, the custody charges of the investor and taxes are not included in the performance calculation. If included, these would lead to a lower performance. Past performance is not a reliable indicator of future performance. Markets could develop very differently in the future. Based on the illustration, you can assess how the fund was managed in the past.

### Development of fund assets in EUR

<b>Fund assets on Aug 31, 2022 (2,141,555.426 units)</b>		<b>376,888,069.12</b>
Distribution on Nov 15, 2022 (EUR 2.1300 x 8,267.375 distributing units (I) (AT0000A2KUL0))		-17,609.51
Distribution on Nov 15, 2022 (EUR 1.6400 x 203,847.786 distributing units (R) (AT0000986377))		-334,310.37
Distribution on Nov 15, 2022 (EUR 0.8800 x 25,990.136 distributing units (RZ) (AT0000A1TWU0))		-22,871.32
Outpayment on Nov 15, 2022 (EUR 1.2296 x 119,028.395 reinvested units (SZ) (AT0000A2KUN6))		-146,357.31
Issuance of units	131,066,399.09	
Redemption of units	-131,844,513.68	
Pro rata income adjustment	1,363,417.54	585,302.95
<b>Overall fund result</b>		<b>35,069,956.68</b>
<b>Fund assets on Aug 31, 2023 (2,167,748.052 units)</b>		<b>412,022,180.24</b>

## Fund result in EUR

### A. Realized fund result

<b>Ordinary fund result</b>	
<b>Income (excl. closing price)</b>	
Interest income	175,809.00
Dividend income (incl. dividend equivalent)	10,399,968.46
	<b>10,575,777.46</b>
<b>Expenses</b>	
Management fees	-5,899,472.20
Custodian bank fees / Custodian's fees	-375,457.92
Auditing costs	-9,680.00
Expenses for tax advice / tax representation	-900.00
Custody charge	-164,292.30
Publicity costs, regulatory fees	-9,640.88
Costs associated with foreign sales	-6,452.87
Cost of advisers and other service providers	-12,535.27
Research costs	-51,102.98
Sustainability research / associated with engagement process	-8,208.71
	<b>-6,537,743.13</b>
<b>Ordinary fund result (excl. income adjustment)</b>	<b>4,038,034.33</b>
<b>Realized closing price</b>	
Profits realized from securities	18,068,685.14
Losses realized from securities	-15,181,567.45
<b>Realized closing price (excl. income adjustment)</b>	<b>2,887,117.69</b>
<b>Realized fund result (excl. income adjustment)</b>	<b>6,925,152.02</b>
<b>B. Unrealized closing price</b>	
<b>Change in unrealized closing price</b>	29,478,834.55
<b>Change in dividends receivable</b>	29,387.65
	<b>29,508,222.20</b>
<b>C. Income adjustment</b>	
<b>Income adjustment for income during financial year</b>	-1,363,417.54
	<b>-1,363,417.54</b>
<b>Overall fund result</b>	<b>35,069,956.68</b>

The result for the past financial year includes explicitly reported transaction costs (incl. external transaction-related costs, see item 15a "Transaction costs" in section II of the prospectus) in the amount of 304,947.87 EUR.

## Capital market report

After a very difficult 2022 for almost all assets, market segments and regions, equity markets have recovered significantly over the past three quarters. The price upswing was particularly strong in Europe and Japan. Many European equity indices are now trading well above the levels they reached before the Russian attack on Ukraine; some even climbed briefly to new record highs. In the emerging equity markets, the picture is very mixed, with in some cases strong price gains; in others, however, prices have stagnated. Chinese shares in particular have again underperformed this year and thus dampened the performance of the global emerging market indices.

In 2022, inflation rates in many countries shot up to levels not seen for decades. This and the marked change in the monetary policy of many central banks caused bond yields to rise rapidly and bond prices to fall sharply in almost all market segments last year. The European Central Bank (ECB) also switched to a restrictive monetary policy and accelerated interest rate hikes. These rate hike cycles seem to be close to their end in most developed markets. Fluctuations in the bond markets remain high. Most market segments show moderate gains compared to the beginning of the year, with the riskier bond classes performing best so far (emerging market bonds in local currencies and corporate bonds with lower credit ratings). The massive bond purchases by the major central banks have been a key support for government and corporate bonds in recent years. With the notable exception of Japan this support has since disappeared and has even turned into the opposite in most cases.

Commodities were initially on a strong upswing in 2022, but most of them dropped as the year progressed. In 2023, prices for oil and natural gas as well as for many industrial metals have declined once again. Precious metals, on the other hand, are trading almost unchanged this year compared to the turn of the year. The latter is remarkable in that real yields (nominal yields minus inflation) in the US have risen significantly in this period, which in the past has usually led to falling gold prices. Among the major currencies, the Japanese yen and the Chinese yuan stand out this year with significant exchange rate losses. In the meantime, the US dollar has recovered most of its interim declines against the euro.

Faced with rising inflation rates, many central banks raised interest rates, some very aggressively. The US Federal Reserve (Fed) is among those. In addition to steep interest rate hikes, the Fed ended its bond purchases and began to reduce its bond holdings. In view of the huge mountains of debt in the financial systems, however, the central banks on the whole have much less leeway for interest rate hikes than before. It is also unclear what they will do if the economy weakens more than anticipated and at the same time inflation rates remain too high or become too high again.

The distortions caused by the pandemic and lockdowns have been resolved almost everywhere by now. But global economic relations and production chains are being shaken anew by escalating geopolitical confrontations. It is already becoming apparent that this is likely to cause lasting and serious upheavals in supply chains and global economic relationships and it might significantly change the competitive landscape for entire industries and regions. On top of this, there are the long-term challenges posed by climate change, demographics and high public debt in many countries. The financial market environment remains very challenging and is likely to experience major price fluctuations in almost all asset classes for the foreseeable future.

## Fund investment policy report

In absolute terms, Raiffeisen Sustainable European Equities closed the reporting period in the positive range. In September 2022, the market environment was dominated by European headlines about the political imbroglio in the UK, ECB policy and the restructuring of Credit Suisse. At the same time, a drop in European gas prices driven by warm weather and full storage facilities eased the tense sentiment. In November, the stock market rally from October continued, with investors eagerly awaiting the inflation figures and the central banks' further monetary policy steps. The bullishness of the European stock markets continued until mid-December, buoyed by hopes for a slower pace of interest rate hikes and China's easing of its COVID-19 policy. The pre-Christmas rally was knocked off course by the ECB and the FED, and the market had to absorb the hawkish message of the central banks. The start of the 2023 stock market year brought a rollercoaster of emotions. Following initial optimism in January, fueled in particular by the reopening of the Chinese economy, the spotlight shifted back to topics like the banking crisis, recession and political factors including the China-Taiwan conflict. In March, tension mounted in the global financial sector. This month was dominated by the banking crisis spreading from the USA. After the collapse of the SVB Financial Group, Credit Suisse, a major Swiss bank, also ran into difficulties and had to be rescued by the UBS emergency takeover. Uncertainty in the banking sector spilled over to the general stock market, which corrected sharply but turned around at the end of the month to reach new highs for the year. In May, market activity was dominated by the debate about the US debt ceiling and the hype around artificial intelligence (AI), which propelled big tech to new highs. European central banks continued to tighten their monetary policies and held out the prospect of further interest rate hikes to counter inflation. The successful raising of the debt ceiling in the USA initially resulted in price gains towards the end of the first half of 2023. Following new highs for the year in July, the trend changed in August. A hesitant decline in inflation rates, burgeoning interest rate concerns and further disappointing economic data weighed on investor sentiment, making August the weakest month since the beginning of 2023. At the sector level, consumer cyclicals and IT stocks were the best performers, while sectors such as communications services and real estate were the weakest. Due to the bottom-up selection of individual stocks, the portfolio holds a more prominent position in sectors such as industry, healthcare and financials, but is not invested in energy stocks due to sustainability considerations. However, the fund includes renewable energy companies such as Orsted, the Danish world market leader in offshore wind energy, and Vestas Wind, one of the world's largest manufacturers of wind turbines. The world's leading healthcare company Novo Nordisk was the best performer at the individual stock level, while the French payment and transaction services company Worldline was the weakest. New additions to the portfolio included, among others, the Universal Music Group, one of the leading companies in the music industry, and the Norwegian manufacturer of reverse vending machines Tomra, while profits were taken on the catering and facility management stock Compass Group, for instance. Investments continue to focus on companies with high sustainability assessments in the fields of environment, social and corporate governance, with financial quality also playing an important role.

### **Transparency of the attainment of the environmental and social characteristics (Article 8 in conjunction with Article 11 of Regulation [EU] 2019/2088 / Disclosure Regulation)**

For information about the attainment of the environmental and social characteristics, please refer to the annex "Environmental and/or Social Characteristics" to this annual report.

## Makeup of fund assets in EUR

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

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

**§ 166 InvFG** refers to units in investment funds in the form of “other portfolios of assets”

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

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

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

Type of security	OGAW/§ 166	Currency	Market value in EUR	Share of fund assets
Equities		CHF	69,380,352.74	16.84 %
Equities		DKK	26,909,922.81	6.53 %
Equities		EUR	238,311,817.29	57.84 %
Equities		GBP	45,371,642.85	11.01 %
Equities		NOK	13,594,845.51	3.30 %
Equities		SEK	15,545,643.18	3.77 %
<b>Total Equities</b>			<b>409,114,224.38</b>	<b>99.29 %</b>
Subscription rights		EUR	0.00	0.00 %
<b>Total Subscription rights</b>			<b>0.00</b>	<b>0.00 %</b>
<b>Total securities</b>			<b>409,114,224.38</b>	<b>99.29 %</b>
<b>Bank balances/liabilities</b>				
Bank balances/liabilities in fund currency			3,151,008.35	0.76 %
<b>Total bank balances/liabilities</b>			<b>3,151,008.35</b>	<b>0.76 %</b>
<b>Accruals and deferrals</b>				
Interest claims (on securities and bank balances)			16,942.66	0.00 %
Dividends receivable			380,959.63	0.09 %
<b>Total accruals and deferrals</b>			<b>397,902.29</b>	<b>0.10 %</b>
<b>Other items</b>				
Various fees			-640,954.77	-0.16 %
<b>Total other items</b>			<b>-640,954.77</b>	<b>-0.16 %</b>
<b>Total fund assets</b>			<b>412,022,180.24</b>	<b>100.00 %</b>

## Portfolio of investments in EUR as of Aug 31, 2023

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

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

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

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

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

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

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

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

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales Units/Nom.	Pool-/ILB Factor	Price	Market value in EUR	Share of fund assets
Equities		CH0012221716	ABB LTD-REG ABBN	CHF	150,000				33.640000	5,266,123.98	1.28 %
Equities		CH0030170408	GEBERIT AG-REG GEBN	CHF	11,140	1,990			453.800000	5,275,863.08	1.28 %
Equities		CH0013841017	LONZA GROUP AG-REG LONN	CHF	9,706	1,940	1,351		483.200000	4,894,530.58	1.19 %
Equities		CH0024608827	PARTNERS GROUP HOLDING AG PGHN	CHF	4,253	1,033	670		944.600000	4,192,635.98	1.02 %
Equities		CH0012032048	ROCHE HOLDING AG-GENUSSSCHEIN ROG	CHF	35,460	6,160			261.800000	9,688,403.26	2.35 %
Equities		CH0024638196	SCHINDLER HOLDING-PART CERT SCHP	CHF	26,690	3,120			196.350000	5,469,193.80	1.33 %
Equities		CH1256740924	SGS SA-REG SGSN	CHF	79,475	79,475			79.980000	6,633,699.12	1.61 %
Equities		CH0418792922	SIKA AG-REG SIKA	CHF	25,683	3,959			246.300000	6,601,672.82	1.60 %
Equities		CH0012549785	SONOVA HOLDING AG-REG SOON	CHF	22,352	6,952			234.000000	5,458,534.75	1.32 %
Equities		CH1175448666	STRAUMANN HOLDING AG-REG STMN	CHF	37,686	2,386			134.550000	5,291,850.66	1.28 %
Equities		CH0008742519	SWISSCOM AG-REG SCMN	CHF	9,734	734			535.200000	5,436,899.19	1.32 %
Equities		CH0011075394	ZURICH INSURANCE GROUP AG ZURN	CHF	12,000				412.900000	5,170,945.52	1.26 %
Equities		DK0060227585	CHR HANSEN HOLDING A/S CHR	DKK	71,421	14,421			452.100000	4,332,407.63	1.05 %
Equities		DK0060448595	COLOPLAST-B COLOB	DKK	59,747	7,747			785.000000	6,292,955.19	1.53 %
Equities		DK0060534915	NOVO NORDISK A/S-B NOVOB	DKK	49,660		30,340		1,288.000000	8,582,058.23	2.08 %
Equities		DK0060094928	ORSTED A/S ORSTED	DKK	56,323	16,567			420.900000	3,180,779.65	0.77 %
Equities		DK0061539921	VESTAS WIND SYSTEMS A/S VWS	DKK	210,312	20,274	33,170		160.240000	4,521,722.11	1.10 %
Equities		DE000A1EWWW0	ADIDAS AG ADS	EUR	25,590	9,460	2,770		183.440000	4,694,229.60	1.14 %
Equities		FR0000120073	AIR LIQUIDE SA AI	EUR	53,089	6,622	8,533		166.240000	8,825,515.36	2.14 %
Equities		NL0013267909	AKZO NOBEL N.V. AKZA	EUR	82,956	24,946	8,760		75.220000	6,239,950.32	1.51 %
Equities		DE0008404005	ALLIANZ SE-REG ALV	EUR	30,080	2,130	3,000		225.100000	6,771,008.00	1.64 %
Equities		FR0010220475	ALSTOM ALO	EUR	214,055	62,131	33,162		25.450000	5,447,699.75	1.32 %
Equities		ES0109067019	AMADEUS IT GROUP SA AMS	EUR	93,902	9,139	15,237		63.120000	5,927,094.24	1.44 %
Equities		FR0004125920	AMUNDI SA AMUN	EUR	106,121	14,879			54.450000	5,778,288.45	1.40 %
Equities		NL0010273215	ASML HOLDING NV ASML	EUR	15,116	1,643	3,112		610.700000	9,231,341.20	2.24 %
Equities		DE0005190003	BAYERISCHE MOTOREN WERKE AG BMW	EUR	68,987	3,717	19,450		97.260000	6,709,675.62	1.63 %
Equities		DE0005200000	BEIERSDORF AG BEI	EUR	51,526		8,474		121.050000	6,237,222.30	1.51 %
Equities		FR0000131104	BNP PARIBAS BNP	EUR	127,356	6,356	18,029		59.880000	7,626,077.28	1.85 %
Equities		FR0000125338	CAPGEMINI SE CAP	EUR	40,978	7,160			171.350000	7,021,580.30	1.70 %
Equities		DE0005313704	CARL ZEISS MEDITEC AG - BR AFX	EUR	43,259	9,540			90.900000	3,932,243.10	0.95 %
Equities		FR0014003TT8	DASSAULT SYSTEMES SE DSY	EUR	192,820	40,298	25,992		36.650000	7,066,853.00	1.72 %

financial year Sep 1, 2022 – Aug 31, 2023

Raiffeisen Sustainable European Equities

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales Units/Nom.	Pool-/ILB Factor	Price	Market value in EUR	Share of fund assets
Equities		DE0005552004	DHL GROUP DHL	EUR	194,887	26,626	39,979		43.100000	8,399,629.70	2.04 %
Equities		CH1216478797	DSM-FIRMENICH AG DSFIR	EUR	45,535	45,535			83.770000	3,814,466.95	0.93 %
Equities		FI0009007884	ELISA OYJ ELISA	EUR	80,000				44.940000	3,595,200.00	0.87 %
Equities		FR0000121667	ESSILORLUXOTTICA EL	EUR	38,540				174.740000	6,734,479.60	1.63 %
Equities		DE0008402215	HANNOVER RUECK SE HNR1	EUR	23,044		2,496		196.100000	4,518,928.40	1.10 %
Equities		DE0006048432	HENKEL AG & CO KGAA VOR-PREF HEN3	EUR	92,250	15,376	11,006		70.920000	6,542,370.00	1.59 %
Equities		DE0006231004	INFINEON TECHNOLOGIES AG IFX	EUR	123,262	41,576	60,480		33.010000	4,068,878.62	0.99 %
Equities		BE0003565737	KBC GROUP NV KBC	EUR	84,600				61.000000	5,160,600.00	1.25 %
Equities		IE0004906560	KERRY GROUP PLC-A KYGA	EUR	58,000	15,000			85.780000	4,975,240.00	1.21 %
Equities		IE0004927939	KINGSPAN GROUP PLC KSP	EUR	69,113	31,336	26,240		77.100000	5,328,612.30	1.29 %
Equities		NL0011794037	KONINKLIJKE AHOLD DELHAIZE N AD	EUR	180,000				30.140000	5,425,200.00	1.32 %
Equities		FR0000120321	L'OREAL OR	EUR	20,580		1,420		410.100000	8,439,858.00	2.05 %
Equities		DE0006599905	MERCK KGAA MRK	EUR	46,140	6,140			165.950000	7,656,933.00	1.86 %
Equities		FR001400AJ45	MICHELIN (CGDE) ML	EUR	202,969	18,929			28.900000	5,865,804.10	1.42 %
Equities		DE0008430026	MUENCHENER RUECKVER AG-REG MUV2	EUR	18,819		5,732		357.800000	6,733,438.20	1.63 %
Equities		FI0009000681	NOKIA OYJ NOKIA	EUR	1,238,995	371,970			3.655000	4,528,526.72	1.10 %
Equities		FR0000133308	ORANGE ORA	EUR	430,023	120,951	40,928		10.370000	4,459,338.51	1.08 %
Equities		DE0007164600	SAP SE SAP	EUR	74,057		20,993		128.840000	9,541,503.88	2.32 %
Equities		FR0000121972	SCHNEIDER ELECTRIC SE SU	EUR	52,459		9,271		159.860000	8,386,095.74	2.04 %
Equities		NL0011821392	SIGNIFY NV LIGHT	EUR	187,580	187,580			26.330000	4,938,981.40	1.20 %
Equities		BE0974320526	UMICORE UMI	EUR	256,641	112,899			23.950000	6,146,551.95	1.49 %
Equities		FR0013326246	UNIBAIL-RODAMCO-WESTFIELD URW	EUR	107,210	33,210			48.760000	5,227,559.60	1.27 %
Equities		GB00B10RZP78	UNILEVER PLC UNA	EUR	147,720	19,620			47.310000	6,988,633.20	1.70 %
Equities		NL0015000Y2	UNIVERSAL MUSIC GROUP NV UMG	EUR	213,630	241,310	27,680		23.150000	4,945,534.50	1.20 %
Equities		FR0011981968	WORLDLINE SA WLN	EUR	144,720	28,530			30.270000	4,380,674.40	1.06 %
Equities		GB0009895292	ASTRAZENECA PLC AZN	GBP	51,965	19,629	20,664		107.340000	6,496,154.54	1.58 %
Equities		GB00BLJNXL82	BERKELEY GROUP HOLDINGS/THE BKG	GBP	88,485				40.980000	4,223,042.33	1.02 %
Equities		GB00B19NLV48	EXPERIAN PLC EXPN	GBP	223,470	37,550	29,987		27.780000	7,229,950.04	1.75 %
Equities		GB0004052071	HALMA PLC HLMA	GBP	241,057	55,738	29,311		21.290000	5,976,944.66	1.45 %
Equities		GB00B1CRLC47	MONDI PLC MNDI	GBP	403,615	144,805			13.170000	6,190,659.23	1.50 %
Equities		GB00BDR05C01	NATIONAL GRID PLC NG/	GBP	438,434	78,434			9.932000	5,071,363.75	1.23 %
Equities		GB00B2B0DG97	RELX PLC REL	GBP	220,269		14,152		25.830000	6,626,155.33	1.61 %
Equities		GB00BH4HKS39	VODAFONE GROUP PLC VOD	GBP	4,168,311	1,520,790			0.732800	3,557,372.97	0.86 %
Equities		NO0003733800	ORKLA ASA ORK	NOK	650,684	146,000			81.020000	4,567,133.13	1.11 %
Equities		NO0012470089	TOMRA SYSTEMS ASA TOM	NOK	353,040	353,040			147.150000	4,500,548.90	1.09 %
Equities		NO0010208051	YARA INTERNATIONAL ASA YAR	NOK	134,130	36,720			389.600000	4,527,163.48	1.10 %
Equities		SE0017486889	ATLAS COPCO AB-A SHS ATCOA	SEK	474,002	219,840	140,810		149.100000	5,978,150.75	1.45 %
Equities		SE0009922164	ESSITY AKTIEBOLAG-B ESSITYB	SEK	266,287	16,595			254.900000	5,741,545.96	1.39 %
Equities		SE0007100599	SVENSKA HANDELSBANKEN-A SHS SHBA	SEK	492,920		110,000		91.760000	3,825,946.47	0.93 %
Subscription rights		FR001400IKH6	ALSTOM SA-SCRIP 2292693D	EUR	214,055	214,055			0.000000	0.00	0.00 %
<b>Total licensed securities admitted to trading on the official market or another regulated market</b>										<b>409,114,224.38</b>	<b>99.29 %</b>
<b>Total securities</b>										<b>409,114,224.38</b>	<b>99.29 %</b>
<b>Bank balances/liabilities</b>											
				EUR						3,151,008.35	0.76 %
<b>Total bank balances/liabilities</b>										<b>3,151,008.35</b>	<b>0.76 %</b>

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales Units/Nom.	Pool- ILB Factor	Price	Market value in EUR	Share of fund assets
<b>Accruals and deferrals</b>											
Interest claims (on securities and bank balances)										16,942.66	0.00 %
Dividends receivable										380,959.63	0.09 %
<b>Total accruals and deferrals</b>										<b>397,902.29</b>	<b>0.10 %</b>
<b>Other items</b>											
Various fees										-640,954.77	-0.16 %
<b>Total other items</b>										<b>-640,954.77</b>	<b>-0.16 %</b>
<b>Total fund assets</b>										<b>412,022,180.24</b>	<b>100.00 %</b>

ISIN	Income class		Currency	Net asset value per unit	Units in circulation
AT0000A2KUL0	I	income-distributing	EUR	107.36	12,598,208
AT0000986377	R	income-distributing	EUR	175.73	182,726,378
AT0000A1TWU0	RZ	income-distributing	EUR	94.74	24,254,631
AT0000805387	R	income-retaining	EUR	227.91	1,298,403,890
AT0000A1TWT2	RZ	income-retaining	EUR	101.83	265,484,484
AT0000A2KUN6	SZ	income-retaining	EUR	110.31	135,128,872
AT0000A1WB96	I	full income-retaining (outside Austria)	EUR	103.81	59,491,588
AT0000785225	R	full income-retaining (outside Austria)	EUR	245.33	87,597,001
AT0000A1TWW8	RZ	full income-retaining (outside Austria)	EUR	105.11	102,063,000

#### Exchange rates

Foreign currency assets were converted into EUR on the basis of the exchange rates applicable on Aug 30, 2023

Currency		Price (1 EUR =)
Swiss Francs	CHF	0.958200
Danish Kroner	DKK	7.453000
British Pound	GBP	0.858650
Norwegian Kroner	NOK	11.543000
Swedish Krona	SEK	11.822000

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

Type of security	OGAW/§ 166	ISIN	Security title	Currency		Purchases Additions	Sales Disposals
Equities		CH1169360919	ACCELERON INDUSTRIES AG ACLN	CHF		7,500	7,500
Equities		CH0002497458	SGS SA-REG SGSN	CHF		420	3,179
Equities		CH0244767585	UBS GROUP AG-REG UBSG	CHF			259,639
Equities		DE0005439004	CONTINENTAL AG CON	EUR			49,255
Equities		NL0000009827	DSM BV DSM	EUR		13,619	45,535
Equities		NL0000009538	KONINKLIJKE PHILIPS NV PHIA	EUR			176,304
Equities		FR0000124141	VEOLIA ENVIRONNEMENT VIE	EUR		44,283	182,631
Equities		GB00BD6K4575	COMPASS GROUP PLC CPG	GBP		19,444	264,444
Equities		GB00BN7SWP63	GSK PLC GSK	GBP			240,000
Equities		GB00BMX86B70	HALEON PLC HLN	GBP			300,000
Equities		SE0016101844	SINCH AB SINCH	SEK			946,637
Subscription rights		FR001400GCH7	ESSILORLUXOTTICA SA-SCRIP 2261373D	EUR		38,540	38,540
Subscription rights		NL0015001DZ8	UNIVERSAL MUSIC GROUP-SCRIP 2260213D	EUR		241,310	241,310

### Information on securities lending transactions and repurchase agreements

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

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

### Total return swaps and similar derivative instruments

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

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

### Calculation method for overall risk

Calculation method for overall risk	Simplified approach
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**Remuneration paid to the employees of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. in EUR (financial year 2022 of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.)**

Total number of employees	278
Number of risk-bearers	94
Fixed remuneration	26,202,737.91
Variable remuneration (bonuses)	3,326,445.03
<b>Total remuneration for employees</b>	<b>29,529,182.94</b>
of which remuneration for managing directors	1,551,531.28
of which remuneration for managers (risk-bearers)	2,626,366.43
of which remuneration for other risk-bearers	10,559,239.73
of which remuneration for employees in positions of control	225,809.39
of which remuneration for employees in the same income bracket as managing directors and risk-bearers due to their overall remuneration	0.00
<b>Total remuneration for risk-bearers</b>	<b>14,962,946.83</b>

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

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

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

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

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

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

- Since the performance period 2015, in accordance with the regulatory requirements a portion of the variable remuneration for risk-bearers is paid out in the form of units in an investment fund managed by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. In addition, as required by law portions of the variable remuneration of risk-bearers are deferred and paid out over a period of several years.
- The supervisory board of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. resolves the general remuneration policy principles specified by the remuneration committee, reviews them at least once a year and is responsible for their implementation and for monitoring of this issue. The supervisory board most recently fulfilled this duty on Mar 24, 2023. It has not identified any need for changes or any irregularities in relation to the remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
- In addition, at least once per year a central and independent internal review determines whether the company's remuneration policy has been implemented in accordance with the applicable remuneration regulations and procedures. The internal auditing division of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. published its most recent report on Nov 6, 2023. This report has not resulted in any material findings concerning the remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
- The remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. has not been subject to any significant changes in the reporting period.

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

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

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

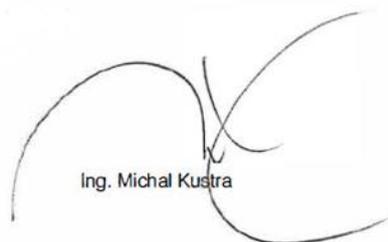
**Raiffeisen Kapitalanlage-Gesellschaft m.b.H. complies with the code of conduct for the Austrian investment fund industry 2012.**

Vienna, 15 November 2023

**Raiffeisen Kapitalanlage-Gesellschaft m.b.H.**



Mag. (FH) Dieter Aigner



Ing. Michal Kustra



Mag. Hannes Cizek

## Audit opinion

### Report on the annual fund report

#### Audit opinion

We have audited the annual fund report issued by Raiffeisen Kapitalanlage-Gesellschaft m.b.H., Vienna, for its fund Raiffeisen Sustainable European Equities, consisting of the portfolio of investments as of August 31, 2023, the income statement for the financial year ending as of this date and the other disclosures required under Annex I Schedule B of the 2011 Austrian Investment Fund Act (Investmentfondsgesetz, InvFG).

In our view, the annual fund report complies with applicable statutory requirements and provides a true and fair view of the net assets and financial position as of August 31, 2023 as well as the earnings position for the fund for the financial year ending as of this date, in compliance with Austrian commercial law, the provisions of InvFG 2011.

#### Basis for the audit opinion

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

#### Other information

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

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

In connection with our audit of the annual fund report, we have the responsibility to read such other information and, in doing so, assess whether this other information contains material inconsistencies with the annual fund report or with the knowledge obtained in our audit, or whether such information appears to be otherwise misrepresented.

If, on the basis of the work we have carried out in regard of the other information obtained prior to the date of the audit certificate, we conclude that a material misstatement of such other information exists, we are obliged to report the matter. We have nothing to report in this respect.

### **Responsibilities of the company's legal representatives and the supervisory board for the annual fund report**

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

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

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

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

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

In addition, the following applies:

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

We discuss matters with the supervisory board including the planned scope of the audit and its schedule as well as significant audit findings, including any significant shortcomings in the internal control system that we identify in the course of our audit.

**Auditor in charge**

The auditor in charge of the audit is Mr. Wilhelm Kovsca.

Vienna

16 November 2023

KPMG Austria GmbH

Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Wilhelm Kovsca

Auditor

## Tax treatment

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

## Fund regulations

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

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

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

#### Article 1 Fund units

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

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

#### Article 2 Custodian bank (depository)

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

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

#### Article 3 Investment instruments and principles

The investment fund may acquire the following assets in accordance with InvFG and while complying with § 30 (3) item 2 of the Austrian Act on Pension Provision for Employees and Self-Employed Persons (*Betriebliches Mitarbeiter- und Selbständigenvorsorgegesetz, BMSVG*).

At the individual stock level (i.e. not including units in investment funds, derivative instruments and sight deposits or deposits at notice) the investment fund exclusively invests in securities and/or money market instruments whose issuers are classified as sustainable on the basis of social, ecological and ethical criteria. At least 51 % of its fund assets are invested in the form of directly purchased individual securities which are not held indirectly through investment funds or through derivatives, in equities or in equity-equivalent securities issued by companies which are headquartered or mainly active in Europe. The fund will not invest in certain sectors such as the arms industry or the genetic engineering of crops as well as in companies which violate labor and human rights etc.

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

Where appropriate, the fund may purchase units in investment funds whose investment restrictions differ in terms of the investment focus outlined above and the restrictions specified below with regard to investment instruments. This will not affect the fund's compliance with the above investment focus at all times.

##### Securities

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

##### Money market instruments

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

##### Securities and money market instruments

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

Securities within the meaning of § 30 (2) items 3 and 4 BMSVG (debt securities, other debt securities and investment securities) – with the exception of securities issued by the Republic of Austria or by the federal provinces of Austria or by another EEA member state or by a regional government of another EEA member state –

- a) must be officially listed on a securities exchange in Austria, in a member state or another full member state of the OECD or traded on another recognized and regulated securities market in one of these states which is open to the public and operates regularly and
- b) may be purchased in the first year since the start of their issuance, if the terms of issue include an obligation to apply for an official listing or for trading on one of the markets listed under a).

### **Units in investment funds**

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

### **Derivative instruments**

Derivative instruments may be used as part of the fund's investment strategy for up to 49 % of the fund assets (calculated on the basis of market prices) and for hedging purposes.

### **Investment fund's risk measurement method**

The investment fund applies the following risk measurement method:

### **Commitment approach**

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

The overall risk for derivative instruments which are not held for hedging purposes is limited to 60 % of the overall net value of the fund assets.

### **Sight deposits or deposits at notice**

Sight deposits and deposits at notice with terms not exceeding 12 months may amount to up to 25 % of the fund assets. No minimum bank balance is required.

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

### **Short-term loans**

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

### **Repos**

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

### **Securities lending**

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

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

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

## **Article 4 Issuance and redemption modalities**

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

The value of the units will be calculated on each banking day in Austria.

### **Issuance and subscription fee**

Units will be issued on any banking day in Austria.

The issue price is the unit value plus a fee per unit of up to 4 % to cover the management company's issuing costs.

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

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

### **Redemption and redemption fee**

Units will be redeemed on any banking day in Austria.

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

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

## **Article 5      Accounting year**

The investment fund's accounting year runs from September 1 to August 31.

## **Article 6      Unit classes and appropriation of income**

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

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

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

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

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

From November 15 of the following accounting year the amounts are to be distributed to the holders of income-distributing unit certificates. Any remaining balances shall be carried forward to a new account.

In any case, from November 15 an amount calculated pursuant to InvFG shall be paid out, to be used where applicable to meet any capital gains tax commitments on the distribution-equivalent return on those unit certificates, unless the management company ensures through appropriate proof from the custodians that at the time of payout the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for an exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

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

Income during the accounting year net of costs shall not be distributed. In case of income-retaining unit certificates, from November 15 an amount calculated pursuant to InvFG shall be paid out, to be used where applicable to meet any capital gains tax commitments on the distribution-equivalent return on those unit certificates, unless the management company ensures through appropriate proof from the custodians that at the time of payout the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for an exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

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

Income during the accounting year net of costs shall not be distributed. No payment pursuant to InvFG will be made. November 15 of the following accounting year shall be the key date pursuant to InvFG in case of failure to pay capital gains tax on the annual income.

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

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

### **Appropriation of income in case of income-retaining unit certificates without payment of capital gains tax (full income retention – foreign tranche)**

Income-retaining unit certificates without payment of capital gains tax shall only be sold outside Austria.

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

The management company shall ensure through appropriate proof that as of the payment date the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption. This can be validly proved by the cumulative submission of statements from both the custodian bank and the management company that they are not aware of a sale to other persons.

## **Article 7 Management fee, reimbursement of expenses, liquidation fee**

The management company shall receive for its management activity an annual remuneration of up to 1.50 % of the fund assets that is calculated, recorded and deducted monthly on the basis of the respective fund assets for each calendar day.

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

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

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

In case of the liquidation of the investment fund, the liquidator shall receive remuneration amounting to 0.5 % of the fund assets.

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

## Appendix

### List of stock exchanges with official trading and organized markets

#### 1. Stock exchanges with official trading and organized markets in the member states of the EEA, as well as stock exchanges in European countries which are not EEA members that are considered to be equal to regulated markets

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

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

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

##### 1.1. The current register of regulated markets is available at:

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

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

- |        |             |   |
|--------|-------------|---|
| 1.2.1. | Luxembourg  | Euro MTF Luxembourg                             |
| 1.2.2. | Switzerland | SIX Swiss Exchange AG, BX Swiss AG <sup>2</sup> |

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

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

#### NOTICE

**With the departure of the United Kingdom of Great Britain and Northern Ireland (UK) from the EU, the UK loses its status as an EEA member state. As a further consequence, the stock exchanges / regulated markets located there also lose their status as EEA stock exchanges / regulated markets. In this regard, we would like to point out the following stock exchanges and regulated markets located in the UK:**

**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**

**In these fund regulations, they shall explicitly be regarded as selected stock markets or recognized regulated markets of a third country within the meaning of the 2011 Austrian Investment Fund Act and the UCITS Directive.**

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

- |      |                       |  |
|------|-----------------------|--|
| 2.1. | Bosnia & Herzegovina: | Sarajevo, Banja Luka   |
| 2.2. | Montenegro:           | Podgorica  |
| 2.3. | Russia:               | Moscow (RTS Stock Exchange);<br>Moscow Interbank Currency Exchange (MICEX) |
| 2.4. | Serbia:               | Belgrade   |
| 2.5. | Turkey:               | Istanbul (for Stock Market, "National Market" only)                        |

#### 3. Stock exchanges in non-European states

- |      |            |  |
|------|------------|--|
| 3.1. | Australia: | Sydney, Hobart, Melbourne, Perth                 |
| 3.2. | Argentina: | Buenos Aires                                     |
| 3.3. | Brazil:    | Rio de Janeiro, Sao Paulo                        |
| 3.4. | Chile:     | Santiago   |
| 3.5. | China:     | Shanghai Stock Exchange, Shenzhen Stock Exchange |
| 3.6. | Hong Kong: | Hong Kong Stock Exchange                         |

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

<sup>2</sup> In the event that Swiss stock exchanges are no longer deemed to have equivalent status, SIX Swiss Exchange AG and BX Swiss AG will be included under Section 2 "Stock exchanges in European states which are not members of the EEA" until further notice.

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, NYCE American, New York Stock Exchange (NYSE), Philadelphia, Chicago, Boston, Cincinnati
3.24.	Venezuela:	Caracas
3.25.	United Arab Emirates:	Abu Dhabi Securities Exchange (ADX)

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

4.1.	Japan:	Over-the-counter market
4.2.	Canada:	Over-the-counter market
4.3.	Korea:	Over-the-counter market
4.4.	Switzerland:	Over-the-counter market of the members of the International Capital Market Association (ICMA), Zurich
4.5.	USA:	Over-the-counter market (subject to supervisory oversight, e.g. SEC, FINRA)

#### 5. Stock exchanges with futures and options markets

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

**Product name:**

Raiffeisen Sustainable European Equities  
(Original German name: Raiffeisen-Nachhaltigkeit-Europa-Aktien)

**Legal entity identifier:** 529900FJQNZOA0L1HR10

This product (the fund) is managed by Raiffeisen Kapitalanlage-Gesellschaft m. b. H. as the management company.  
Fund manager: Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Environmental and/or social characteristics**

<b>Did this financial product have a sustainable investment objective?</b>	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> <b>Yes</b>	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> <b>No</b>
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___ % <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___ %	<input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of <u>97.0%</u> of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments.</b>

**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

The fund took environmental and social criteria into consideration for investment, in particular climate change, natural capital & biodiversity, pollution and waste, environmental improvement opportunities (such as green technologies and renewable energy), human resources, product liability & safety, stakeholder relations and social improvement opportunities (such as access to healthcare). Corporate governance as well as entrepreneurial behaviour & business ethics (overall "good governance") were in any case prerequisites for an investment.

There was no limitation to specific environmental or social characteristics.

No reference benchmark was designated for the achievement of the promoted environmental or social characteristics.

**Sustainability indicators**

measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**  
The Raiffeisen ESG indicator is used by the management company as an internal sustainability indicator. The management company continually analyses companies and sovereigns based on internal and external research sources. The results of this sustainability research are combined with a comprehensive ESG evaluation, including an ESG risk assessment, to create the so-called Raiffeisen ESG indicator. The Raiffeisen ESG indicator is measured on a scale from 0 to 100. The assessment also takes into account the relevant sector.  
At the end of the accounting period the Raiffeisen ESG indicator amounted to 78.79.

- **...and compared to previous periods?**  
As of 31.08.2022: 78

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**  
The objectives of the sustainable investments covered improvements in the areas of climate change, natural capital and biodiversity, pollution and waste, environmental improvement vectors (such as green technologies and renewable energy), human resources, product liability and safety, relationships with interest groups, and social improvement vectors (such as access to health care) compared with the traditional market. Good corporate governance, including business practices and business ethics, was a prerequisite for an investment in any case.

The sustainability of an economic activity was assessed on the basis of the internal Raiffeisen ESG corporate indicator. It combined a wide range of data points relating to environmental, social, and governance (ESG) factors. In addition to sustainability opportunities and risks, the contribution that the business activity made to sustainable objectives along the entire value chain was examined and transformed into qualitative and quantitative ratings. An important part of this was the sustainable influence of the respective products and/or services (economic activity).

At the end of the accounting year, the level of investments in economic activities that are environmentally sustainable within the meaning of the EU Taxonomy Regulation did not exceed a de minimis level.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**  
To avoid significant adverse impacts on an environmental or social sustainable investment objective, securities that violate negative criteria as defined by the management company for this purpose and relating to environmental and social objectives (such as the extraction and use of coal, labour rights violations, human rights violations, and corruption) did not qualify as a sustainable investment.

**How were the indicators for adverse impacts on sustainability factors taken into account?**

See the information under „How did this financial product consider principal adverse impacts on sustainability factors?“.

**Principal adverse impacts**

are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

**Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

The positive and negative criteria contained in the investment strategy covered all aspects of the OECD Guidelines for Multinational Enterprises (such as avoidance of environmental destruction, corruption, and human rights violations as well as adherence to the core ILO labour standards). The fund management continuously monitored various channels of information such as the media and research agencies to determine whether investments are affected by serious controversies. In addition, the fund assets were assessed for potential violations of the OECD Guidelines for Multinational Enterprises by means of a screening tool from a recognised ESG research provider. A company that did not comply with the OECD Guidelines for Multinational Enterprises was not eligible for investment. A violation was assumed to exist if a company was involved in one or more controversial incidents in which there were credible allegations that the company or its management had caused substantial damage of a significant scope in violation of global standards.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



**How did this financial product consider principal adverse impacts on sustainability factors?**

The consideration of the principal adverse impacts of investment decisions on sustainability factors occurred through negative criteria, through the integration of ESG research into the investment process (ESG scores), and in security selection (positive criteria). The use of positive criteria included the absolute and relative assessment of companies regarding stakeholder-related data, e.g. relating to employees, society, suppliers, business ethics, and the environment. In addition, the instrument of shareholder engagement was used with companies in the form of corporate dialogue and especially the exercise of voting rights so as to reduce adverse sustainability impacts. These shareholder engagement activities were conducted irrespective of any concrete investment in the respective company and are not documented at the fund level at the moment.

The table shows the topics for which sustainability scores for adverse impacts were considered in particular, as well as the main methods that were applied.

Companies		Negative criteria	Positive criteria
Environment	Greenhouse gas emissions	✓	✓
	Activities with adverse impacts on areas with protected biodiversity	✓	✓
	Water (pollution, consumption)		✓
	Hazardous waste		✓
Social affairs and employment	Violations or lack of policy regarding the United Nations Global Compact (initiative for responsible corporate governance) and OECD guidelines for multinational companies; work accidents	✓	✓
	Gender justice		✓
	Controversial weapons	✓	✓



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.09.2022 - 31.08.2023

Largest Investments		Sector	% Assets	Country
DE0007164600	SAP SE SAP	Information Technology	2.34	Germany
NL0010273215	ASML HOLDING NV ASML	Information Technology	2.33	Netherlands
CH0012032048	ROCHE HOLDING AG-GENUSSCHEIN ROG	Health Care	2.29	Switzerland
DE0005552004	DHL GROUP DHL	Industrials	2.10	Germany
FR0000121972	SCHNEIDER ELECTRIC SE SU	Industrials	2.08	France
FR0000120073	AIR LIQUIDE SA AI	Materials	2.07	France
DK0060534915	NOVO NORDISK A/S-B NOVOB	Health Care	2.06	Denmark
FR0000120321	L'OREAL OR	Consumer Staples	1.96	France
FR0000131104	BNP PARIBAS BNP	Financials	1.87	France
DE0005190003	BAYERISCHE MOTOREN WERKE AG BMW	Consumer Discretionary	1.83	Germany
GB00B19NLV48	EXPERIAN PLC EXPN	Industrials	1.75	Ireland
DE0008430026	MUENCHENER RUECKVER AG-REG MUV2	Financials	1.74	Germany
FR0014003TT8	DASSAULT SYSTEMES SE DSY	Information Technology	1.71	France
DE0006599905	MERCK KGAA MRK	Health Care	1.70	Germany
GB0009895292	ASTRAZENECA PLC AZN	Health Care	1.61	United Kingdom



## What was the proportion of sustainability-related investments?

Sustainability-related investments refer to all investments that contribute to the achievement of the environmental and/or social characteristics within the scope of the investment strategy.

**Asset allocation** describes the share of investments in specific assets.

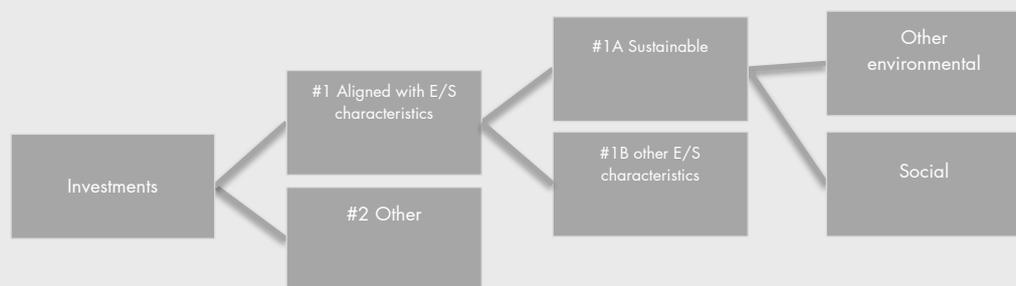
### What was the asset allocation?

The values given below refer to the end of the accounting period.

At the end of the reporting period 99.3% of total fund assets were aligned with environmental or social characteristics according to the investment strategy (#1, see also information under "To what extent were the environmental and/or social characteristics promoted by this financial product met?").

0.7% of total fund assets were other investments (#2, see also information under "What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?").

97.0% of total fund assets were sustainable investments with environmental or social objectives aligned with Art. 2 (17) of Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation) (#1A, see also information under "What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?" and "What was the share of socially sustainable investments?").



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments..

The category **#1 Aligned with E/S characteristics** covers::

The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investment.

## ● In which economic sectors were the investments made?

Investment structure	Share fund in %
Industrials	20.40
Health Care	15.79
Financials	13.14
Consumer Staples	11.91
Information Technology	11.51
Materials	11.35
Sonstige / Others	15.89
<b>Gesamt / Total</b>	<b>100.00</b>

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.



## To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

At the end of the accounting period, the level of investments in economic activities that are environmentally sustainable within the meaning of the EU Taxonomy Regulation did not exceed a de minimis level.

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>3</sup>?

Yes:

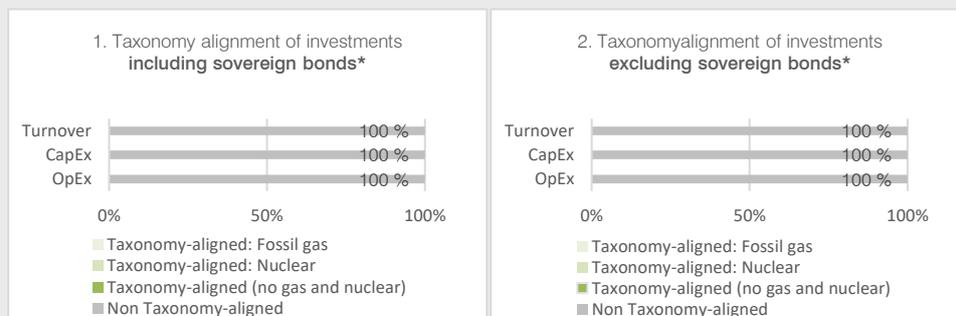
In fossil gas

In nuclear energy

No.

Not applicable

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

### ● What was the share of investments made in transitional and enabling activities?

At the end of the accounting period, the level of investments in economic activities that are environmentally sustainable within the meaning of the EU Taxonomy Regulation did not exceed a de minimis level.

### ● How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

In previous reference periods, the level of investments in economic activities that are environmentally sustainable within the meaning of the EU Taxonomy Regulation did not exceed a de minimis level.

<sup>3</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The sustainability of an economic activity is assessed on the basis of the Raiffeisen ESG indicator. As this is comprised of environmental and social objectives, it is not sensible to differentiate between the individual shares for environmental and social investments. At the end of the accounting period, the actual share of investments that pursued environmental and social objectives was 97.0% of the fund assets.



### What was the share of socially sustainable investments?

The sustainability of an economic activity is assessed on the basis of the Raiffeisen ESG indicator. As this is comprised of environmental and social objectives, it is not sensible to differentiate between the individual shares for environmental and social investments. At the end of the accounting period, the actual share of investments that pursued environmental and social objectives was 97.0% of the fund assets.



### What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

Investments that neither qualified as a sustainable investment nor were aligned with environmental or social characteristics were sight deposits. Sight deposits were not subject to the sustainability criteria of the investment strategy and were primarily used for liquidity management. Accruals and deferrals are included in the position “other”.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The attainment of the environmental and/or social characteristics promoted by the fund was continuously monitored against defined limits as part of the internal limit system.

With regard to ESG (environmental, social, and governance) factors, the investment strategy contained mandatory negative criteria, a comprehensive sustainability-related analysis, and the construction of a portfolio taking the ESG score and ESG momentum into account. During this process, especially high importance was placed on the quality of the company and the business model. A high degree of sustainability and fundamental strength were the key aspects for an investment.

More detailed information on the implementation of the engagement policy can be found in the annual engagement report on the website of the management company in the section “Our Topics/Sustainability” within the paragraph “Policies & Reports”.

## Appendix

### Imprint

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