

# Raiffeisen Bonds Flexible

(Original German name: Raiffeisen-Rent-Flexibel)

## **annual fund report**

financial year Aug 1, 2022 – Jul 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 Aug 1, 2022 to Jul 31, 2023

## General fund information

ISIN	Tranche	Income class	Currency	Launch date
AT0000A0QQ15	Raiffeisen Bonds Flexible (I) A	income-distributing	EUR	Aug 31, 2011
AT0000A0QQ80	Raiffeisen Bonds Flexible (S) A	income-distributing	EUR	Aug 31, 2011
AT0000A0QQ49	Raiffeisen Bonds Flexible (R) A	income-distributing	EUR	Aug 31, 2011
AT0000A1TMF2	Raiffeisen Bonds Flexible (RZ) A	income-distributing	EUR	Mar 1, 2017
AT0000A0QQ23	Raiffeisen Bonds Flexible (I) T	income-retaining	EUR	Aug 31, 2011
AT0000A0QQ56	Raiffeisen Bonds Flexible (R) T	income-retaining	EUR	Aug 31, 2011
AT0000A1TME5	Raiffeisen Bonds Flexible (RZ) T	income-retaining	EUR	Mar 1, 2017
AT0000A0QQ31	Raiffeisen Bonds Flexible (I) VTA	full income-retaining (outside Austria)	EUR	Aug 31, 2011
AT0000A0QQ64	Raiffeisen Bonds Flexible (R) VTA	full income-retaining (outside Austria)	EUR	Aug 31, 2011
AT0000A1TMG0	Raiffeisen Bonds Flexible (RZ) VTA	full income-retaining (outside Austria)	EUR	Mar 1, 2017

## Fund characteristics

Fund currency	EUR
Financial year	Aug 1 – Jul 31
Distribution/payment/reinvestment date	Oct 1
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): 0.360 % S-Tranche (EUR): 1.440 % R-Tranche (EUR): 0.720 % RZ-Tranche (EUR): 0.360 %
Max. management fee for subfunds	1.500 % (excluding any performance-related fee)
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.

## Specific fund information during the financial year

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Name change	to Oct 20, 2022: Raiffeisen Fund Conservative
	from Oct 21, 2022: Raiffeisen Bonds Flexible

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### 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 Bonds Flexible for the financial year from Aug 1, 2022 to Jul 31, 2023. The accounting is based on the price calculation as of Jul 31, 2023.

## Fund details

	Jul 31, 2021	Jul 31, 2022	Jul 31, 2023
Total fund assets in EUR	299,170,205.30	227,661,863.03	207,904,433.47
Net asset value/distributing units (I) (AT0000A0QQ15) in EUR	105.80	96.31	95.89
Issue price/distributing units (I) (AT0000A0QQ15) in EUR	105.80	96.31	95.89
Net asset value/distributing units (S) (AT0000A0QQ80) in EUR	90.99	81.70	80.39
Issue price/distributing units (S) (AT0000A0QQ80) in EUR	90.99	81.70	80.39
Net asset value/distributing units (R) (AT0000A0QQ49) in EUR	102.22	92.72	91.98
Issue price/distributing units (R) (AT0000A0QQ49) in EUR	102.22	92.72	91.98
Net asset value/distributing units (RZ) (AT0000A1TMF2) in EUR	99.06	90.17	89.78
Issue price/distributing units (RZ) (AT0000A1TMF2) in EUR	99.06	90.17	89.78
Net asset value/reinvested units (I) (AT0000A0QQ23) in EUR	122.83	112.94	113.61
Issue price/reinvested units (I) (AT0000A0QQ23) in EUR	122.83	112.94	113.61
Net asset value/reinvested units (R) (AT0000A0QQ56) in EUR	119.05	109.08	109.33
Issue price/reinvested units (R) (AT0000A0QQ56) in EUR	119.05	109.08	109.33
Net asset value/reinvested units (RZ) (AT0000A1TME5) in EUR	102.52	94.23	94.78
Issue price/reinvested units (RZ) (AT0000A1TME5) in EUR	102.52	94.23	94.78
Net asset value/fully reinvested units (I) (AT0000A0QQ31) in EUR	128.99	118.63	119.33
Issue price/fully reinvested units (I) (AT0000A0QQ31) in EUR	128.99	118.63	119.33
Net asset value/fully reinvested units (R) (AT0000A0QQ64) in EUR	123.75	113.39	113.65
Issue price/fully reinvested units (R) (AT0000A0QQ64) in EUR	123.75	113.39	113.65
Net asset value/fully reinvested units (RZ) (AT0000A1TMG0) in EUR	103.34	95.08	95.64
Issue price/fully reinvested units (RZ) (AT0000A1TMG0) in EUR	103.34	95.08	95.64
		Oct 3, 2022	Oct 2, 2023
Distribution/unit (I) (A) EUR		0.9600	0.9600
Distribution/unit (S) (A) EUR		0.0900	0.0700
Distribution/unit (R) (A) EUR		0.9300	0.9200
Distribution/unit (RZ) (A) EUR		0.9000	0.9000
Outpayment/unit (I) (T) EUR		0.0000	0.0000
Distribution/unit (R) (T) EUR		0.0000	0.0000
Outpayment/unit (R) (T) EUR		0.0000	0.0000
Outpayment/unit (RZ) (T) EUR		0.0000	0.0000
Reinvestment/unit (I) (T) EUR		0.0000	0.0000
Reinvestment/unit (R) (T) EUR		0.0000	0.0000
Reinvestment/unit (RZ) (T) EUR		0.0000	0.0000
Reinvestment/unit (I) (VTA) EUR		0.0000	0.0000

Reinvestment/unit (R) (VTA) EUR		0.0000	0.0000
Reinvestment/unit (RZ) (VTA) EUR		0.0000	0.0000
Distribution/unit (S) (A) EUR	Aug 1, 2022		0.0900
Distribution/unit (S) (A) EUR	Sep 1, 2022		0.0900
Distribution/unit (S) (A) EUR	Nov 2, 2022		0.0700
Distribution/unit (S) (A) EUR	Dec 1, 2022		0.0700
Distribution/unit (S) (A) EUR	Jan 2, 2023		0.0700
Distribution/unit (S) (A) EUR	Feb 1, 2023		0.0700
Distribution/unit (S) (A) EUR	Mar 1, 2023		0.0700
Distribution/unit (S) (A) EUR	Apr 3, 2023		0.0700
Distribution/unit (S) (A) EUR	May 2, 2023		0.0700
Distribution/unit (S) (A) EUR	Jun 1, 2023		0.0700
Distribution/unit (S) (A) EUR	Jul 3, 2023		0.0700

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

## Units in circulation

	Units in circulation on Jul 31, 2022	Sales	Repurchases	Units in circulation on Jul 31, 2023
AT0000A0QQ15 (I) A	146,580.693	0.000	-30.000	146,550.693
AT0000A0QQ80 (S) A	195,846.208	988.267	-32,491.273	164,343.202
AT0000A0QQ49 (R) A	282,211.616	4,526.808	-25,788.958	260,949.466
AT0000A1TMF2 (RZ) A	157,633.843	1,892.203	-57,275.529	102,250.517
AT0000A0QQ23 (I) T	9,446.000	0.000	0.000	9,446.000
AT0000A0QQ56 (R) T	913,953.540	40,236.020	-75,058.755	879,130.805
AT0000A1TME5 (RZ) T	232,336.759	14,227.261	-25,468.008	221,096.012
AT0000A0QQ31 (I) VTA	2,434.493	2,719.377	-1,508.722	3,645.148
AT0000A0QQ64 (R) VTA	301,724.338	7,296.484	-55,018.563	254,002.259
AT0000A1TMG0 (RZ) VTA	10.000	0.000	0.000	10.000
<b>Total units in circulation</b>				<b>2,041,424.102</b>

## Development of the fund assets and income statement

### Performance in financial year (fund performance)

<b>Distributing units (I) (AT0000A0QQ15)</b>	
Net asset value per unit at start of financial year in EUR	96.31
Distribution on Oct 3, 2022 (net asset value: EUR 92.86) of EUR 0.9600, corresponds to 0.010338 units	
Net asset value per unit at end of financial year in EUR	95.89
Total value incl. units purchased through distribution (1,0103 x 95,89)	96.88
Net income/net reduction per unit	0.57

**Performance of one unit during the financial year in %** **0.59**

<b>Distributing units (S) (AT0000A0QQ80)</b>	
Net asset value per unit at start of financial year in EUR	81.70
Interim distribution on Aug 1, 2022 (net asset value: EUR 81.90) of EUR 0.0900, corresponds to 0.001099 units	
Interim distribution on Sep 1, 2022 (net asset value: EUR 81.70) of EUR 0.0900, corresponds to 0.001102 units	
Distribution on Oct 3, 2022 (net asset value: EUR 79.17) of EUR 0.0900, corresponds to 0.001137 units	
Interim distribution on Nov 2, 2022 (net asset value: EUR 79.10) of EUR 0.0700, corresponds to 0.000885 units	
Interim distribution on Dec 1, 2022 (net asset value: EUR 80.50) of EUR 0.0700, corresponds to 0.000870 units	
Interim distribution on Jan 2, 2023 (net asset value: EUR 79.28) of EUR 0.0700, corresponds to 0.000883 units	
Interim distribution on Feb 1, 2023 (net asset value: EUR 80.31) of EUR 0.0700, corresponds to 0.000872 units	
Interim distribution on Mar 1, 2023 (net asset value: EUR 79.71) of EUR 0.0700, corresponds to 0.000878 units	
Interim distribution on Apr 3, 2023 (net asset value: EUR 79.84) of EUR 0.0700, corresponds to 0.000877 units	
Interim distribution on May 2, 2023 (net asset value: EUR 79.58) of EUR 0.0700, corresponds to 0.000880 units	
Interim distribution on Jun 1, 2023 (net asset value: EUR 79.94) of EUR 0.0700, corresponds to 0.000876 units	
Interim distribution on Jul 3, 2023 (net asset value: EUR 79.88) of EUR 0.0700, corresponds to 0.000876 units	
Net asset value per unit at end of financial year in EUR	80.39
Total value incl. units purchased through distribution (1,0011 x 1,0011 x 1,0011 x 1,0009 x 1,0009 x 1,0009 x 1,0009 x 1,0009 x 1,0009 x 80,39)	81.30
Net income/net reduction per unit	-0.40

**Performance of one unit during the financial year in %** **-0.49**

<b>Distributing units (R) (AT0000A0QQ49)</b>	
Net asset value per unit at start of financial year in EUR	92.72
Distribution on Oct 3, 2022 (net asset value: EUR 89.33) of EUR 0.9300, corresponds to 0.010411 units	
Net asset value per unit at end of financial year in EUR	91.98
Total value incl. units purchased through distribution (1,0104 x 91,98)	92.94
Net income/net reduction per unit	0.22

**Performance of one unit during the financial year in %** **0.23**

**Distributing units (RZ) (AT0000A1TMF2)**

Net asset value per unit at start of financial year in EUR	90.17
Distribution on Oct 3, 2022 (net asset value: EUR 86.94) of EUR 0.9000, corresponds to 0.010352 units	
Net asset value per unit at end of financial year in EUR	89.78
Total value incl. units purchased through distribution (1,0104 x 89,78)	90.71
Net income/net reduction per unit	0.54
<b>Performance of one unit during the financial year in %</b>	<b>0.60</b>

**Reinvested units (I) (AT0000A0QQ23)**

Net asset value per unit at start of financial year in EUR	112.94
Net asset value per unit at end of financial year in EUR	113.61
Net income/net reduction per unit	0.67
<b>Performance of one unit during the financial year in %</b>	<b>0.59</b>

**Reinvested units (R) (AT0000A0QQ56)**

Net asset value per unit at start of financial year in EUR	109.08
Net asset value per unit at end of financial year in EUR	109.33
Net income/net reduction per unit	0.25
<b>Performance of one unit during the financial year in %</b>	<b>0.23</b>

**Reinvested units (RZ) (AT0000A1TME5)**

Net asset value per unit at start of financial year in EUR	94.23
Net asset value per unit at end of financial year in EUR	94.78
Net income/net reduction per unit	0.55
<b>Performance of one unit during the financial year in %</b>	<b>0.58</b>

**Fully reinvested units (I) (AT0000A0QQ31)**

Net asset value per unit at start of financial year in EUR	118.63
Net asset value per unit at end of financial year in EUR	119.33
Net income/net reduction per unit	0.70
<b>Performance of one unit during the financial year in %</b>	<b>0.59</b>

**Fully reinvested units (R) (AT0000A0QQ64)**

Net asset value per unit at start of financial year in EUR	113.39
Net asset value per unit at end of financial year in EUR	113.65
Net income/net reduction per unit	0.26
<b>Performance of one unit during the financial year in %</b>	<b>0.23</b>



<b>Fully reinvested units (RZ) (AT0000A1TMG0)</b>	
Net asset value per unit at start of financial year in EUR	95.08
Net asset value per unit at end of financial year in EUR	95.64
Net income/net reduction per unit	0.56
<b>Performance of one unit during the financial year in %</b>	<b>0.59</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 Jul 31, 2022 (2,242,177.490 units)</b>	<b>227,661,863.03</b>
Distribution on Oct 3, 2022 (EUR 0.9600 x 146,580.693 distributing units (I) (AT0000A0QQ15))	-140,717.47
Interim distribution on Aug 1, 2022 (EUR 0.0900 x 195,846.208 distributing units (S) (AT0000A0QQ80))	-17,626.16
Interim distribution on Sep 1, 2022 (EUR 0.0900 x 190,862.564 distributing units (S) (AT0000A0QQ80))	-17,177.63
Distribution on Oct 3, 2022 (EUR 0.0900 x 188,254.924 distributing units (S) (AT0000A0QQ80))	-16,942.94
Interim distribution on Nov 2, 2022 (EUR 0.0700 x 185,583.508 distributing units (S) (AT0000A0QQ80))	-12,990.85
Interim distribution on Dec 1, 2022 (EUR 0.0700 x 183,882.197 distributing units (S) (AT0000A0QQ80))	-12,871.75
Interim distribution on Jan 2, 2023 (EUR 0.0700 x 182,291.871 distributing units (S) (AT0000A0QQ80))	-12,760.43
Interim distribution on Feb 1, 2023 (EUR 0.0700 x 180,841.116 distributing units (S) (AT0000A0QQ80))	-12,658.88
Interim distribution on Mar 1, 2023 (EUR 0.0700 x 175,382.820 distributing units (S) (AT0000A0QQ80))	-12,276.80
Interim distribution on Apr 3, 2023 (EUR 0.0700 x 172,477.606 distributing units (S) (AT0000A0QQ80))	-12,073.43
Interim distribution on May 2, 2023 (EUR 0.0700 x 170,798.306 distributing units (S) (AT0000A0QQ80))	-11,955.88
Interim distribution on Jun 1, 2023 (EUR 0.0700 x 168,936.141 distributing units (S) (AT0000A0QQ80))	-11,825.53
Interim distribution on Jul 3, 2023 (EUR 0.0700 x 165,779.972 distributing units (S) (AT0000A0QQ80))	-11,604.60
Distribution on Oct 3, 2022 (EUR 0.9300 x 276,251.048 distributing units (R) (AT0000A0QQ49))	-256,913.47
Distribution on Oct 3, 2022 (EUR 0.9000 x 157,190.621 distributing units (RZ) (AT0000A1TMF2))	-141,471.56
Issuance of units	7,484,853.48
Redemption of units	-26,831,143.89
Pro rata income adjustment	-254,331.74
<b>Overall fund result</b>	<b>545,059.97</b>
<b>Fund assets on Jul 31, 2023 (2,041,424.102 units)</b>	<b>207,904,433.47</b>

## Fund result in EUR

### A. Realized fund result

<b>Ordinary fund result</b>	
<b>Income (excl. closing price)</b>	
Interest income	455,197.40
Net interest income from cash collateral	4,401.67
Net Income from subfunds (incl. actual distributions)	1,400,817.87
Other income (incl. tax reclaim)	33.01
	<b>1,860,449.95</b>
<b>Expenses</b>	
Management fees	-90,851.44
Custodian bank fees / Custodian's fees	-29,796.41
Auditing costs	-4,400.00
Expenses for tax advice / tax representation	-900.00
Custody charge	-4,707.56
Publicity costs, regulatory fees	-7,767.99
Costs associated with foreign sales	-17,770.94
Cost of management of collateral	- 2,845.30
Cost of advisers and other service providers	-10,239.96
	<b>-169,279.60</b>
<b>Ordinary fund result (excl. income adjustment)</b>	<b>1,691,170.35</b>
<b>Realized closing price</b>	
Distribution-equivalent	522,039.26
Profits realized from securities	6,781.34
Profits realized from derivative instruments	5,033,312.18
Losses realized from securities	-11,525,910.87
Losses realized from derivative instruments	-3,304,009.64
<b>Realized closing price (excl. income adjustment)</b>	<b>-9,267,787.73</b>
<b>Realized fund result (excl. income adjustment)</b>	<b>-7,576,617.38</b>

### B. Unrealized closing price

<b>Change in unrealized closing price</b>	7,867,345.61
	<b>7,867,345.61</b>

C. Income adjustment

<b>Income adjustment for income during financial year</b>	254,331.74	
		<b>254,331.74</b>
<b>Overall fund result</b>		<b>545,059.97</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 55,791.28 EUR.

## Capital market report

2022 was an exceptionally challenging year for financial markets, across almost all market segments and regions. Both equity and bond markets were characterised by high price volatility and mostly sharp price declines. Starting in the fourth quarter of 2022, share prices recovered, particularly powerfully in Europe and in Japan. These recoveries continued through 2023. Many European stock indices are now trading well above the levels that they had reached before the Russian attack on Ukraine; some even rose to new all-time highs.

Inflation rates have been hitting multi-decade highs in many places. This coupled with the marked change in monetary policy by many central banks has led to rapidly rising bond yields and sharply falling bond prices in almost all market segments. The European Central Bank (ECB), too, pivoted towards a tighter monetary policy and accelerated interest rate hikes. Fluctuations in the bond markets remain quite high. Most market segments appreciated compared to the beginning of the year, especially the riskier bond classes (emerging market bonds, corporate bonds with poorer credit ratings). The massive bond purchases by the major central banks have been a key support for government and corporate bonds in recent years. This support has since largely 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 almost unchanged compared to the turn of the year. With regard to currencies, the euro lost another 6% against the dollar last year despite recovering towards the end of 2022. In the new year, the euro is on the upswing somewhat. However, the gain against the US currency is rather modest at around 3%. Notably, the Japanese yen and the Chinese yuan have been very weak so far this year.

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.

Yield levels remain low by historical standards in many parts of the world. While they are well above the extreme levels of the past few years, they continue to pose challenges for bond investors, especially when one looks at real yields (nominal yields less inflation rates).

The distortions caused by the pandemic and lockdowns have been largely resolved 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

Raiffeisen Bonds Flexible is an internationally oriented, broadly diversified bond fund which primarily invests in other bond funds as well as in individual bonds. Its investment universe comprises euro-denominated European government and investment-grade corporate bonds, global local currency government bonds issued by developed countries, emerging markets bonds (both hedged in euro and in local currencies) and corporate bonds with ratings below investment grade. These high-yield bonds can be denominated either in euro or in USD. Further asset classes can be added to the universe to benefit from future trends and opportunities on the capital markets. In November 2022, as in the months before, European government bonds followed a sluggish price trend. Given the current high inflation rates, market participants expected a continuation of restrictive monetary policies into the next year. On the whole, this meant that yields in the Eurozone continued to rise. The overall risk remains limited by hedging measures designed to reduce the interest rate risk. November 2022 brought a more favorable trend on the European government bond markets. A slight easing of price pressure in the USA was probably the decisive factor for this development. Meanwhile, in Europe, inflationary dynamics continued. European government bond markets corrected in December 2022 following the European Central Bank's announcement that it would tighten monetary policy further in the coming months in light of the inflation outlook. The euro continued to strengthen against the US dollar. During the month, further corporate bonds were added.

After a favourable start to the year, European government bond markets were somewhat weaker in February 2023. Concerns that high inflation rates in the Eurozone would continue for a prolonged period prompted the market to pursue a more restrictive central bank policy. This outlook changed in March 2023 in the wake of the turmoil in the US and European banking sectors. Despite liquidity support from central banks, the situation did not ease as it remains unclear to what extent the latest rate hikes will affect the banks' balance sheets. During the month, corporate bonds were reduced. With the corporate bond market surprisingly quick to stabilise, on the whole, volatility declined substantially over the further course of the year. Overall, the interest rate level has risen further. More corporate bonds were bought before the summer.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

## 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
Fixed bonds		EUR	14,045,333.05	6.76 %
<b>Total Fixed bonds</b>			<b>14,045,333.05</b>	<b>6.76 %</b>
Investment certificates Raiffeisen	OGAW	EUR	165,623,492.00	79.66 %
Investment certificates Raiffeisen	OGAW	USD	6,341,516.02	3.05 %
<b>Total Investment certificates Raiffeisen</b>			<b>171,965,008.02</b>	<b>82.71 %</b>
Investment certificates non Raiffeisen	OGAW	EUR	5,583,600.00	2.69 %
<b>Total Investment certificates non Raiffeisen</b>			<b>5,583,600.00</b>	<b>2.69 %</b>
<b>Total securities</b>			<b>191,593,941.07</b>	<b>92.15 %</b>
<b>Derivative products</b>				
Valuation of financial futures			-1,980.97	-0.00 %
Valuation of forward exchange transactions			-327,414.20	-0.16 %
<b>Total derivative products</b>			<b>-329,395.17</b>	<b>-0.16 %</b>
<b>Bank balances/liabilities</b>				
Bank balances/liabilities in fund currency			13,953,867.30	6.71 %
Bank balances/liabilities in foreign currency			2,119,536.03	1.02 %
<b>Total bank balances/liabilities</b>			<b>16,073,403.33</b>	<b>7.73 %</b>
<b>Accruals and deferrals</b>				
Interest claims (on securities and bank balances)			55,495.92	0.03 %
Cash collateral interest provided			1,474.16	0.00 %
<b>Total accruals and deferrals</b>			<b>56,970.08</b>	<b>0.03 %</b>
<b>Other items</b>				
Various fees			-10,485.84	-0.01 %
<b>Total other items</b>			<b>-10,485.84</b>	<b>-0.01 %</b>

Type of security	OGAW/§ 166	Currency	Market value in EUR	Share of fund assets
<b>Cash collateral</b>				
Receivables from furnished collateral			520,000.00	0.25 %
<b>Total cash collateral</b>			<b>520,000.00</b>	<b>0.25 %</b>
<b>Total fund assets</b>			<b>207,904,433.47</b>	<b>100.00 %</b>

## Portfolio of investments in EUR as of Jul 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 under review Units/Nom.	Pool-/ILB Factor	Price	Market value in EUR	Share of fund assets
Fixed bonds		ES0000012E51	BONOS Y OBLIG DEL ESTADO SPGB 1.45 04/30/29	EUR	2,500,000				90.955450	2,273,886.25	1.09 %
Fixed bonds		DE0001141786	BUNDES OBLIGATION OBL 0 10/13/23	EUR	10,000,000	10,000,000			99.293000	9,929,300.00	4.78 %
Fixed bonds		DE0001102424	BUNDESREPUB. DEUTSCHLAND DBR 0 1/2 08/15/27	EUR	2,000,000				92.107340	1,842,146.80	0.89 %
Investment certificates Raiffeisen	OGAW	AT0000811815	RAIFFEISEN 301 SUSTAINABLE EURO GOV. BONDS T	EUR	70,000	50,000	70,000		93.250000	6,527,500.00	3.14 %
Investment certificates Raiffeisen	OGAW	AT0000A02YY1	RAIFFEISEN 304 - ESG - EURO CORPORATES (I) T	EUR	125,000	375,000	360,000		148.640000	18,580,000.00	8.94 %
Investment certificates Raiffeisen	OGAW	AT0000613989	RAIFFEISEN 314 - ESG - EURO INFLATION LINKED T	EUR	17,400		14,600		145.980000	2,540,052.00	1.22 %
Investment certificates Raiffeisen	OGAW	AT0000805486	RAIFFEISEN ESG GLOBAL BONDS (R) T	EUR	412,000	167,000	125,000		79.150000	32,609,800.00	15.68 %
Investment certificates Raiffeisen	OGAW	AT0000636741	RAIFFEISEN EMERGINGMARKETS BONDS (R) T	EUR	164,000	130,000	110,000		158.830000	26,048,120.00	12.53 %
Investment certificates Raiffeisen	OGAW	AT0000796537	RAIFFEISEN EUROPEAN HIGHYIELD (R) T	EUR	139,500	213,000	203,000		208.940000	29,147,130.00	14.02 %
Investment certificates Raiffeisen	OGAW	AT0000622014	RAIFFEISEN INFLATIONLINKED BONDS (R) T	EUR	40,000				133.470000	5,338,800.00	2.57 %
Investment certificates Raiffeisen	OGAW	AT0000707385	RAIFFEISEN PAXETBONUM BONDS (R) A	EUR	22,500				77.470000	1,743,075.00	0.84 %
Investment certificates Raiffeisen	OGAW	AT0000A0FXL8	RAIFFEISEN SUSTAINABLE EMERGINGMARKETS LOCALBONDS (R) T	EUR	210,000	148,000	70,000		114.620000	24,070,200.00	11.58 %
Investment certificates Raiffeisen	OGAW	AT0000712526	RAIFFEISEN-ESG-EURO-CORPORATES (R) T	EUR	94,500	90,000	108,000		166.070000	15,693,615.00	7.55 %
Investment certificates Raiffeisen	OGAW	AT0000805429	RAIFFEISEN-§ 14-ESG-BONDS (R) T	EUR	30,000				110.840000	3,325,200.00	1.60 %
Investment certificates Raiffeisen	OGAW	AT0000805247	RAIFFEISEN SUSTAINABLE DOLLAR SHORTTERM BONDS (R) T	USD	49,000		3,000		142.820000	6,341,516.02	3.05 %
Investment certificates non Raiffeisen	OGAW	IE00B12VW904	NEUBERGER BERMAN INVESTMENT FUNDS PLC - NEUBERGER BERMAN HI	EUR	330,000				16.920000	5,583,600.00	2.69 %
<b>Total licensed securities admitted to trading on the official market or another regulated market and investment certificates</b>										<b>191,593,941.07</b>	<b>92.15 %</b>
<b>Total securities</b>										<b>191,593,941.07</b>	<b>92.15 %</b>
Future on bonds		FGBM20230907	EURO-BOBL FUTURE Sep23 OEU3	EUR	20				115.740000	20,800.00	0.01 %
Future on bonds		FGBL20230907	EURO-BUND FUTURE Sep23 RXU3	EUR	22				132.990000	-15,740.01	-0.01 %
Future on bonds		FGBX20230907	EURO-BUXL 30Y BND Sep23 UBU3	EUR	-7				135.180000	6,440.00	0.00 %
Future on bonds		FGBS20230907	EURO-SCHATZ FUT Sep23 DUU3	EUR	20				104.950000	6,200.00	0.00 %



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
Future on bonds		FGBS20230907	EURO-SCHATZ FUT Sep23 DUU3	EUR	114				104.950000	14,725.04	0.01 %
Future on bonds		FTN120230920	US 10YR NOTE (CBT)Sep23 TYU3 PIT	USD	30				111.015625	-34,406.00	-0.02 %
<b>Total financial futures<sup>1</sup></b>										<b>-1,980.97</b>	<b>-0.00 %</b>
FX Forwards			Forward / SOLD AUD / BOUGHT EUR / Raiffeisen Bank International AG	AUD	-2,200,000				1.655386	17,756.46	0.01 %
FX Forwards			Forward / BOUGHT CAD / SOLD EUR / Raiffeisen Bank International AG	CAD	7,030,000				1.461878	46,417.05	0.02 %
FX Forwards			Forward / SOLD CAD / BOUGHT EUR / Raiffeisen Bank International AG	CAD	-3,000,000				1.461878	22,189.55	0.01 %
FX Forwards			Forward / BOUGHT GBP / SOLD EUR / Raiffeisen Bank International AG	GBP	1,800,000				0.858792	5,011.21	0.00 %
FX Forwards			Forward / SOLD GBP / BOUGHT EUR / Raiffeisen Bank International AG	GBP	-5,260,000				0.858792	-103,338.97	-0.05 %
FX Forwards			Forward / BOUGHT JPY / SOLD EUR / Raiffeisen Bank International AG	JPY	334,000,000				154.449293	-132,565.15	-0.06 %
FX Forwards			Forward / BOUGHT NOK / SOLD EUR / Raiffeisen Bank International AG	NOK	25,000,000				11.225091	80,574.72	0.04 %
FX Forwards			Forward / BOUGHT SEK / SOLD EUR / Raiffeisen Bank International AG	SEK	50,500,000				11.593855	-133,052.21	-0.06 %
FX Forwards			Forward / BOUGHT USD / SOLD EUR / Raiffeisen Bank International AG	USD	4,500,000				1.104912	-55,567.16	-0.03 %
FX Forwards			Forward / SOLD USD / BOUGHT EUR / Raiffeisen Bank International AG	USD	-4,500,000				1.104912	-74,839.70	-0.04 %
<b>Total forward exchange transactions<sup>1</sup></b>										<b>-327,414.20</b>	<b>-0.16 %</b>
<b>Bank balances/liabilities</b>											
				EUR						13,953,867.30	6.71 %
				USD						2,119,536.03	1.02 %
<b>Total bank balances/liabilities</b>										<b>16,073,403.33</b>	<b>7.73 %</b>
<b>Accruals and deferrals</b>											
Interest claims (on securities and bank balances)										55,495.92	0.03 %
Cash collateral interest provided										1,474.16	0.00 %
<b>Total accruals and deferrals</b>										<b>56,970.08</b>	<b>0.03 %</b>
<b>Other items</b>											
Various fees										-10,485.84	-0.01 %
<b>Total other items</b>										<b>-10,485.84</b>	<b>-0.01 %</b>
<b>Cash collateral</b>											
Receivables from furnished collateral										520,000.00	0.25 %
<b>Total cash collateral</b>										<b>520,000.00</b>	<b>0.25 %</b>
<b>Total fund assets</b>										<b>207,904,433.47</b>	<b>100.00 %</b>

ISIN	Income class		Currency	Net asset value per unit	Units in circulation
AT0000A0QQ15	I	income-distributing	EUR	95.89	146,550.693
AT0000A0QQ80	S	income-distributing	EUR	80.39	164,343.202
AT0000A0QQ49	R	income-distributing	EUR	91.98	260,949.466
AT0000A1TMF2	RZ	income-distributing	EUR	89.78	102,250.517
AT0000A0QQ23	I	income-retaining	EUR	113.61	9,446.000

ISIN	Income class		Currency	Net asset value per unit	Units in circulation
AT0000A0QQ56	R	income-retaining	EUR	109.33	879,130.805
AT0000A1TME5	RZ	income-retaining	EUR	94.78	221,096.012
AT0000A0QQ31	I	full income-retaining (outside Austria)	EUR	119.33	3,645.148
AT0000A0QQ64	R	full income-retaining (outside Austria)	EUR	113.65	254,002.259
AT0000A1TMG0	RZ	full income-retaining (outside Austria)	EUR	95.64	10,000

Exchange rates

Foreign currency assets were converted into EUR on the basis of the exchange rates applicable on Jul 28, 2023

Currency		Price (1 EUR =)
US Dollars	USD	1.103550

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
Exchange-traded-funds	OGAW	IE00B5M4WH52	ISHARES III PLC - ISHARES J.P. MORGAN EM LOCAL GOVT BOND UC	EUR			250,000

<sup>1</sup> Price gains and losses as of cut-off date.

### **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.

### **Further information on collateral for OTC derivatives**

In accordance with the requirements stipulated in the Regulation (EU) No. 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories ("EMIR"), OTC derivatives are collateralized except for a minimum transfer amount, thus reducing the risk of default for the OTC derivative counterparty. Only sight deposits paid into an account kept by a credit institution which is independent of the counterparty were used as collateral during the reporting period. Haircuts are not taken into consideration here. Sight deposits received as collateral are not used to purchase further assets for the fund assets or otherwise reused.

On July 31, 2023, only OTC derivatives (forward exchange transactions) were open. Raiffeisen Bank International AG was the counterparty. As per this date, the management company had deposited 520,000.00 EUR of the fund assets with Raiffeisen Bank International AG to collateralize the open positions.

## 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		Value-at-risk method - absolute
Reference assets		-
Value-at-risk	Lowest value	1.93
	Ø Value	2.96
	Highest value	3.85
Model used		Historical simulation (99 % confidence level, holding period of 20 banking days, data history period acc. § 18 (1) item 3 of the Austrian Derivatives Ordinance)
Average leverage subject to use of the value-at-risk calculation method in case of nominal value calculation		29.33 %

**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 06, 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.

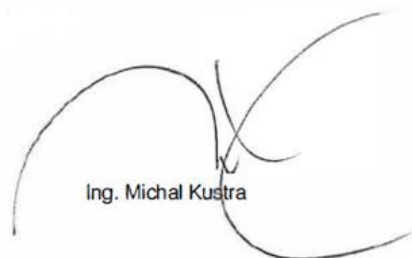
**Raiffeisen Kapitalanlage-Gesellschaft m.b.H. complies with the code of conduct for the Austrian investment fund industry 2012.**

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 Bonds Flexible, consisting of the portfolio of investments as of July 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 July 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 Bonds Flexible, a jointly owned fund pursuant to the 2011 Austrian Investment Fund Act, as amended (InvFG).

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

#### Article 1 Fund units

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

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

#### Article 2 Custodian bank (depository)

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

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

#### Article 3 Investment instruments and principles

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

The investment fund invests at least 51 % of the fund assets in bond funds. The purchase of equities or equity funds is prohibited. However, the fund assets may indirectly include equities through the fund's holdings in other investment funds such as bond funds or mixed funds.

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

Securities (including securities featuring embedded derivative instruments) may be purchased for up to 49 % of the fund assets.

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

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

### Units in investment funds

Units in investment funds (UCITS, UCI) may each amount to up to 20 % of the fund assets – and up to the legally permitted limit overall – 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.

Units in UCI may be purchased for up to 30 % of the fund assets in total.

### 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:

#### Value at risk

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

#### Absolute VaR

The attributable risk amount for the overall risk – calculated as the value-at-risk amount for the investments held in the fund – may not exceed 5 % of the net asset value of the fund (absolute VaR).

### Sight deposits or deposits at notice

Sight deposits and deposits at notice with terms not exceeding 12 months may amount to up to 49 % 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 units in investment funds, the investment fund may hold a lower proportion of units in investment funds 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 2.50 % 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 August 1 to July 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 October 1 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 October 1 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 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 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 October 1 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 as of the payment date the unit certificates are only held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for an exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

**Appropriation of income in case of income-retaining unit certificates without 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. October 1 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.

This remuneration is less the amount (max. 1.50 % p.a.) which the management company has received in management fees for this investment fund for those portions of the fund which it has invested in units of an investment fund managed by it.

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\\_upreg12](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_upreg12)

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

1.2.1. Luxembourg Euro MTF Luxembourg

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

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

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

2.1.	Bosnia & Herzegovina:	Sarajevo, Banja Luka
2.2.	Montenegro:	Podgorica
2.3.	Russia:	Moscow Exchange
2.4.	Switzerland	SIX Swiss Exchange AG, BX Swiss AG
2.5.	Serbia:	Belgrade
2.6.	Turkey:	Istanbul (for Stock Market, “National Market” only)
2.7.	United Kingdom of Great Britain and Northern Ireland	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

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

3.1.	Australia:	Sydney, Hobart, Melbourne, Perth
3.2.	Argentina:	Buenos Aires
3.3.	Brazil:	Rio de Janeiro, Sao Paulo
3.4.	Chile:	Santiago
3.5.	China:	Shanghai Stock Exchange, Shenzhen Stock Exchange
3.6.	Hong Kong:	Hong Kong Stock Exchange
3.7.	India:	Mumbai
3.8.	Indonesia:	Jakarta
3.9.	Israel:	Tel Aviv
3.10.	Japan:	Tokyo, Osaka, Nagoya, Fukuoka, Sapporo
3.11.	Canada:	Toronto, Vancouver, Montreal
3.12.	Colombia:	Bolsa de Valores de Colombia

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



3.13.	Korea:	Korea Exchange (Seoul, Busan)
3.14.	Malaysia:	Kuala Lumpur, Bursa Malaysia Berhad
3.15.	Mexico:	Mexico City
3.16.	New Zealand:	Wellington, Auckland
3.17.	Peru:	Bolsa de Valores de Lima
3.18.	Philippines:	Philippine Stock Exchange
3.19.	Singapore:	Singapore Stock Exchange
3.20.	South Africa:	Johannesburg
3.21.	Taiwan:	Taipei
3.22.	Thailand:	Bangkok
3.23.	USA:	New York, NYCE American, New York Stock Exchange (NYSE), Philadelphia, Chicago, Boston, Cincinnati, Nasdaq
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 Union

4.1.	Japan:	Over-the-counter market
4.2.	Canada:	Over-the-counter market
4.3.	Korea:	Over-the-counter market
4.4.	Switzerland:	Over-the-counter market of the members of the International Capital Market Association (ICMA), Zurich
4.5.	USA:	Over-the-counter market (subject to supervisory oversight, e.g. by 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.	South Africa:	Johannesburg Stock Exchange (JSE), South African Futures Exchange (SAFEX)
5.13.	Turkey:	TurkDEX
5.14.	USA:	NYCE American, Chicago Board Options Exchange, Chicago Board of Trade, Chicago Mercantile Exchange, Comex, FINEX, ICE Future US Inc. New York, Nasdaq, New York Stock Exchange, Boston Options Exchange (BOX)

## Appendix

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