

RESPONSIBLE RETURN

INVESTMENT BOARD

Oil

ENGAGEMENT

Oil companies and the
safety of their employees

COMPANY OF THE MONTH

OMV

LASTING WORDS

Good and Evil



Editorial



Gerold Permoser is Chief Investment Officer (CIO) of Erste Asset Management. In this function he is in charge of the asset management activities and investment strategies of all investment funds of the Erste Asset Management Group in Austria, Croatia, Czech Republic, Germany, Hungary, Romania and Slovakia.

Oil!

Oil means Big Business. Even 77 years after John D. Rockefeller's death, the term "rich as Rockefeller" is still being used to suggest unbelievable wealth. Oil companies, sometimes with unbroken continuity of 100 years, continue to represent power and money and all that this combination can achieve. Taking into account not only listed but also national companies, oil groups represent more than half of the world's 20 biggest firms.

Like nothing else, oil stands for high-level politics and its means of assertion, sometimes by extreme measures such as wars. The switching of the English fleet to oil fuelling was a decisive move in WWI, the strategy of the Nazis in WWII was dominated by the lack of usable oil wells, and Japan's goal back then was to secure access to the Indonesian oil wells. And the Gulf Wars showed that global politics are oil politics to this day.

Oil epitomises our age. In spite of the digital revolution, we live in the Age of Hydrocarbon. I am typing on a keyboard, sitting on a chair, and wearing shoes that have at least in parts been produced from oil. Even the pills we take when we are sick contain oil. By and large we can say that the black gold is the basis of our standard of living and life style. No oil – no modern society.

Oil causes problematic to devastating issues such as fracking, CO₂ pollution, and Deep Water Horizon. On top of the ecological disasters, oil brings about social conflict and large-scale corruption and thus affects E, S, and G. Therefore we decided to dedicate this edition of ERSTE RESPONSIBLE RETURN – The ESG-Letter to oil. A world without oil is currently not an option. But that is not what we are talking about – we talk about better oil. We are convinced that sustainable investment will contribute to moving a bit further toward this goal.

Sincerely

Gerold Permoser

Chief Investment Officer (CIO), Chief Sustainable Investment Officer (CSIO)

The World Energy Council regards **renewable energy** and **energy efficiency** as the most pressing issues of the „vision and technology“ cluster.

OIL

The Energy Watch Group believes that global oil production peaked in 2005. The oil industry and the International Energy Agency (IEA) dispute this **peak-oil-theory**.

2014

In August 2014 **92.9 mn barrels, or 1,462,683,160 litres**, of oil were produced daily at a global scale.

Traffic accounts for **more than half** of global oil consumption (55.4% in 2014). Road traffic, at **40%** in terms of total consumption, is the main energy guzzler here.

2013

In 2013 total energy consumption amounted to about **12,730 mn tonnes** of oil equivalent worldwide, with one oil unit translating into 10,000 kilocalories (kcal) or 41.868 megajoule (MJ). At **32.9%**, crude oil makes up the lion's share of the overall consumption.

2012

In 2012 the Austrian gross domestic consumption of oil amounted to **505,297 terajoule**. Close to 8% thereof had been produced domestically.

2011

According to the World Energy Council fossil energy accounted for **82%** of primary energy supply in **2011**. Renewable forms of energy made up **11%**, while nuclear sources accounted for **5%** and hydroelectric power for **2%**. For 2020 WEC forecasts the following breakdown: 76% fossil sources, 16% renewables, 6% nuclear energy, and 2% hydroelectric power.

Sources: Energy Information Administration (EIA), OECD, Erdöl-Vereinigung/ Union Pétrolière, BP Statistical Review of World Energy, World Energy Council (WEC), Energy Watch Group, Statistics Austria, Wikipedia; Illustration: Fotolia

Investment Board

The EAM Investment Board gives a structured form to the ongoing and responsive dialogue with and among sustainability research agencies. The Board provides the opportunity for the consultation process between own research and external research to take place. It also discusses rating details, the ESG's assessment of the IPOs of new issuers and sustainability issues in general.

Mineral Oil

Mineral oil is omnipresent, not least in the discussion among sustainable investors. Some call for the complete divestment from oil. Erste Asset Management does not follow this path. In order to put our conviction to the test, we put the relevance and possible alternatives to crude oil under scrutiny in cooperation with our research partners.

Let's suppose – and we hope it won't be the case – that reading this newsletter is giving you a headache. You take a paracetamol – the active ingredient of which is derived from oil. Less trivial ailments, too, are treated with oil-derived medication, from antibiotics to a new molecule that increases the chance of healing for chronic Hepatitis-C patients from 20% to almost 100%. And crude oil is not only crucial in medicine, but also in chemicals and the production of plastics and synthetic fibres.

That being said, there are alternatives. Even the first industrial plastic, celluloid, was plant-based. Today we have a vast range of biopolymers that can substitute oil-based plastics. Important chemicals, too, are increasingly derived from renewable sources. However, both remain a niche for the time being. By 2025 the market share of bioplastic is expected to rise to a



mere 3%. Quality issues and excessive costs limit the development. While the recycling of one tonne of plastic saves up to 8,000 litres of crude oil, its contribution on a global scale is not significant due to low recycling ratios. Even biotechnologies which that are currently revolutionising the pharmaceutical industry without a single drop of oil are reserved for the most sophisticated forms of medical treatments and cannot (yet) replace petrochemicals.

Also, the plantations necessary for the industrial production of the base ma-

terials do not only harbour enormous social risks, but they also put the environment at risk due to land use, genetic engineering, and monoculture. Especially in the area of energy, which still accounts for two thirds of global oil consumption, agrofuels highlight the fact that renewable does not necessarily translate into sustainable.

In summary, oil remains indispensable, even though longterm alternatives are not purely science-fiction anymore. However, the emission of greenhouse gases varies between the best and the worst oil companies by the factor nine, and fatalities by the factor five. It is this area where our responsibility as sustainable investors is key, and where we must not be indifferent.

[Dominik Benedikt]

Status: Instead of turning away from oil, we opt to funnel investments to the best companies of the sector. The research of the Investment Board also points to the fact that (energy) efficiency has a bigger impact in the medium term than alternative technologies. For Erste Asset Management, energy efficiency is one of the factors we scrutinise when analysing a company.

Engagement

Engagement is of great importance for EAM's sustainable investment approach. It combines own initiatives with collaboration on a national and international level. The structured engagement process is based on the „EAM Engagement Guideline“ which determines engagement issues, approach and procedures.

Oil companies and the safety of their employees

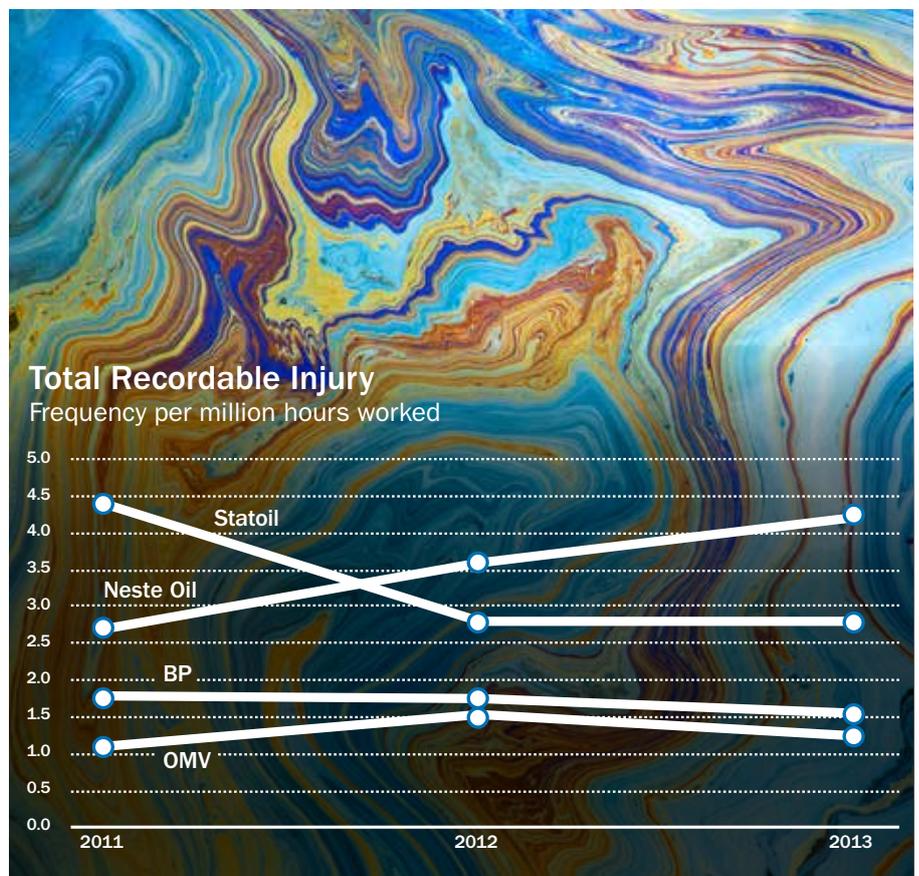
The idea of an oil company conjures up images of high oilrigs, gushing oil, and oil-smudged workers with hard-hats – and one wonders about their safety. Thus, Erste Asset Management contacted a number of well-known oil companies to learn more about the safety of their employees.

We asked BP, Neste Oil, OMV, Statoil, and Total about numerous topics in the field of health and safety. With the exception of Total, all companies were happy to talk to us. Our questions related to two different aspects: firstly, Erste Asset Management wanted to know how incidents were measured, and secondly, how accidents at oil companies could be avoided.

Employee suggestions play a crucial role in measuring safety

The safety of the staff is measured by a large number of indicators, from near-accident to fatality. All companies comply with statutory regulations, but the best ones go further than that: Neste Oil for example pointed out that indicators such as the number of inspections or notes and suggestions from employees play a crucial role in measuring the safety of the various locations. Last year Neste Oil carried out more than 26,000 safety inspections.

All contacted companies provide their employees with a messaging system



for them to be able to report possible safety breaches and thus to avoid incidents. At Neste Oil this internal system was used more than 30,000 times in 2013. OMV considers training its most important measure to avoid accidents. They include training sessions stipulated by law and internal guidelines as well as voluntary training. Neste Oil even temporarily disallows those employees who fail the final exam of their safety training from returning to their work place.

According to Statoil most of the incidents occur in exploration and pro-

duction. A conspicuously larger number of incidents happens in older facilities. **[Richard Boulanger]**

Status: With the exception of BP, all contacted companies are among the SRI trailblazers in the industry. Our talks highlighted the fact that the oil industry is very interested in the safety of its workforce. In order to get an even more acute picture of the industry, we are planning to hold personal talks with OMV in the coming months.

Company of the month: OMV

The Company of the Month is selected due to recent developments and in connection with the topic "Oil". The EAM Responsible Investments team analyses the strengths and weaknesses of the selected company in terms of ESG.



Photo: OMV

Since its incorporation in 1956 as Österreichische Mineralölverwaltung, OMV has not only turned into the biggest listed Austrian industrial company, but also into one of the most sustainable oil companies worldwide.

Rising oil prices and long-standing oil fields running dry have led to a risky race for oil and gas deposits on a global scale: exploration now goes deeper and deeper below the sea and does not stop at ecologically sensitive regions. New technologies such as oil sand and shale gas also cause more environmental harm than conventional production.

With a headcount of almost 27,000, **OMV** produces more than 300,000 barrels of oil per day and recorded total sales of EUR 42.4bn in 2013. Erste Asset Management maintains its direct dialogue with OMV.

"Sustainable" reserves

While OMV expands its exploration and production, it focuses on less risky projects with a lower sustainability risk. OMV does not invest in oil sands, and pilot projects in shale gas have been discontinued. The group also avoids ecological hotspots such as the Arctic or the Amazon. OMV's reserves therefore harbour a lower risk in terms of biodiversity, water, and greenhouse gases.

OMV has installed a very efficient environmental management system. Its carbon emissions are only half the peer group average, and a fifth of those of oil sand producers such as Suncor. OMV's water consumption is among the lowest in the industry, as are the emissions of toxic byproducts of oil production and refinement. Bio fuels are subject to stringent sustainability criteria.

Only the relatively high share of oil (close to 60%) in terms of OMV's energy reserves could represent a sales risk in comparison with clean natural gas, if the international or European climate policies were to tighten.

A stable environment

The group's new focus on the production in OECD states has also come with numerous positive effects in terms of its social performance. The politically stable environment reduces the risk of corruption and the risk of becoming involved in human rights violations, such as for example Shell in the Niger Delta. The employees benefit from the high safety and security standards.

OMV's anti-corruption and human rights programmes are listed among the most progressive ones in the industry. This is of particular importance in countries like Libya, which continues to contribute a large share of group production, and where armed conflicts have interrupted operations in the past years. OMV's investment in Gazprom's South Stream pipeline, and ongoing corporate governance problems also pose new challenges to the group's sustainability risk management. **[Dominik Benedikt]**

Key figures for OMV

Source: Bloomberg

Sector	Code Integrated Oil & Gas
ISIN	AT0000743059
Share price (Oct. 9 2014)	24.995 €
Estimated PE	14.04
Dividend yield	5.00 %

LASTING WORDS

Good and Evil

“Oil has been known to mankind for a long time”, says Gerold Permoser, Chief Investment Officer (CIO) and Chief Sustainable Investment Officer (CSIO) of Erste Asset Management.

The basket Moses was left in on the Nile was lined by blacktop or bitumen. Otherwise Moses would have drowned. In the Middle East, oil compresses were part of the standard medical repertoire used for disinfection and to support the healing process already thousands of years ago. Greek fire, a mixture of oil and quicklime, secured the survival of Byzantium for seven centuries from the year 700 onwards (before it finally had to surrender to the mightier canons of Mehmed II).

When in the 1850s the first oil boom was set off at the small US town of Titusville, it probably kept the whales from becoming extinct. Until then, the large cities created by the Industrial Revolution had been lit up by whale oil. The idea to burn oil in order to drive an engine was so unheard of that people had to be persuaded to do so. However, if engines had continued to run on coal – as was customary then – the world climate would have probably tipped over a long time ago.

Without oil today’s world would look completely different. Crude oil remains man’s most important source of energy. Drugs, fertiliser, insulation material, and art and home improvement materials of all sorts are based on hydrocarbon. Oil is life.

“I am part of that power which eternally wills evil and eternally works good,” as one of the quotes in Goethe’s *Faust*, alluding to Hegelian dialectic, goes.

Thesis, oil is good, and antithesis, oil is bad are diametrically opposed to each other, requiring synthesis. Oil has always been good and evil. It is impossible to do with, and even more impossible to do without. We therefore have no choice but to resign to the fact and make the best of it. This sounds complicated, but it is not. In our responsible funds, we invest in those oil companies that have the best ESG rating. From our point of view, the perfect synthesis.



Responsible Investment Universe

Changes (excerpt)

The definition of our investment universe is the corner stone in building our funds.

+ ADMITTED

AUGUST/SEPTEMBER 2014

Stagecoach PLC (sector: Trucking) is a British transport company that generates 80% of its sales in the UK. In addition it has operations in numerous European countries, USA, and Canada. The company provides local and long-distance transportation services via urban buses, coaches, rail, and tramway.

- ☺ Reduction of carbon emissions through the use of hybrid buses, and test series with bio fuels
- ☺ Obligation to obtain 70% of the power required for the British bus and coach services from renewable sources
- ☺ Efforts to increase health and safety at the workplace; recommendation to certify the health and safety management system
- ☹ Accusations of forming a monopoly in the city tour business in New York City

Best Buy Co Inc (sector: computer & electronics retail) sells consumer and office electronics via retail chains, call centres, and websites.

- ☺ Proactive handling of the issue of electronic waste and recycling; private and business customers are given a vast variety of options to dispose of unwanted electronics
- ☺ Participating in the Electronic Industry Citizenship Coalition (EICC); the goals of this association are the improvement of the working conditions, of health and safety, of the effects on the environment and of corporate behaviour in international trade
- ☹ Renewal of the commitment to the reduction of carbon emissions and the increase in energy efficiency; however, measures and extent of implementation are unclear
- ☹ Little transparency with regard to the use and the reduction of hazardous substances in products and the production process



Stagecoach has operated a small bus fleet running on 100% biodiesel in West Scotland since 2007. The fuel used for the bus rides is exclusively produced from used cooking oil and other food industry by-products. Passenger who bring their frying oil to collection points receive a discount on their bus tickets. With this initiative, one of Stagecoach's numerous environmental projects, more than 80% of the bus fleet's carbon emissions could be saved.

- EXCLUDED

Puma SE (sector: footwear) is one of the best-known manufacturers of trainers, sports and lifestyle apparel, and accessories.

- ☹ Violation of the exclusion criterion of "infringement with working rights", among others due to the delay in wage payments and insufficient measures taken in the area of health and safety by a supplier in Central America
- ☹ High risk with regard to future infringements of working rights in the supply chain (manufacturing in low-wage countries with problematic health and safety conditions)
- ☹ Insufficient employment of life-cycle-analyses in product design

[Alexander Osojnik]

Responsible funds at a glance

Erste Asset Management recognized the importance of responsible fund management early on. Over the course of the past decade we have developed and successfully introduced a broad range of sustainable funds. The following funds are available in line with Erste Asset Management's „Responsible Investment Approach“.

Equity funds

All funds are denominated in Euro.

Fund name	Since 1. 1., in %	2013, in %	2012, in %	2011, in %	2010, in %	2009, in %	Mgmt. fee, in %	Volume in mn.	Risk notes ¹⁾
ERSTE RESPONSIBLE STOCK GLOBAL	10.18	17.52	9.51	-4.90	16.61	29.66	1.50	221.7	
ERSTE RESPONSIBLE STOCK EUROPE	6.65	18.55	20.88	-23.03	9.40	27.01	1.50	22.8	A
ERSTE RESPONSIBLE STOCK AUSTRIA	-9.60	4.16	29.19	-38.75	16.63	12.29	1.50	11.8	A, B
ERSTE RESPONSIBLE STOCK EUROPE EMERGING	8.64	-4.95	24.99	-31.51	16.65	55.19	1.80	7.7	A
ERSTE RESPONSIBLE STOCK AMERICA*	4.59	22.21					1.80	50.5**	A
ERSTE WWF STOCK CLIMATE CHANGE	20.42	55.88	-7.35	-25.66	3.19	21.37	1.50	14.0	A
ERSTE WWF STOCK UMWELT	13.66	35.34	5.63	-23.39	14.25	17.84	1.50	58.8	A

Performance calculated according to the OeKB (Österreichische Kontrollbank AG) method, as of 30 September 2014. The management fee is included in the performance. Subscription fees applicable at the time of purchase of up to 5.00% and other fees that may reduce returns, such as individual account and deposit fees, are not included in this presentation. Past performance is not a reliable indicator of the future performance of a fund. Please note that it is not possible to draw any conclusions on the volatility or risk of an investment from annualized averages for multi-year periods.

* Renaming and shift of focus as of 8 April 2013 (former name: ESPA STOCK AMERICA)

** in USD

1) Risk notes

A The ERSTE RESPONSIBLE STOCK EUROPE, ERSTE RESPONSIBLE STOCK AUSTRIA, ERSTE RESPONSIBLE STOCK EUROPE EMERGING, ERSTE RESPONSIBLE STOCK AMERICA, ERSTE WWF STOCK CLIMATE CHANGE, and ERSTE WWF STOCK UMWELT funds may display increased volatility due to the composition of the portfolio. As a result, share values may be subject to significant fluctuations even over short periods of time.

B The ERSTE RESPONSIBLE STOCK AUSTRIA fund is an index fund pursuant to Paragraph 128, section 5 line 1 in conjunction with Paragraph 75 of the InvFG 2011 (Investment Fund Act, Austria). The aim of the investment strategy is to emulate the VÖNIX (VBV Austrian Sustainability Index).

[Alexander Osojnik]

Bond funds, mixed funds

All funds are denominated in Euro.

Fondsname	Since 1.1., in %	2013, in %	2012, in %	2011, in %	2010, in %	2009, in %	Mgmt. fee, in %	Volume in mn.	Risk note ²⁾
ERSTE RESPONSIBLE RESERVE*	2.00	0.31	5.33	0.60	2.21	10.99	0.24	62.6	
ERSTE RESPONSIBLE BOND	7.54	0.42	10.57	0.94	1.72	9.07	0.60	154.3	
ERSTE RESPONSIBLE BOND EURO-CORPORATE	6.11	1.45	12.89	**			0.60	166.3	
ERSTE RESPONSIBLE BOND EMERGING CORPORATE	6.15	**					0.96	39.9	
ERSTE RESPONSIBLE BALANCED	6.76	1.65	**				1.00	8.4	a)

Performance calculated according to the OeKB (Österreichische Kontrollbank AG) method, as of 30 September 2014. The management fee is included in the performance. Subscription fees applicable at the time of purchase of up to 5.00% and other fees that may reduce returns, such as individual account and deposit fees, are not included in this presentation. Past performance is not a reliable indicator of the future performance of a fund. Please note that it is not possible to draw any conclusions on the volatility or risk of an investment from annualized averages for multi-year periods.

* formerly: ERSTE RESPONSIBLE LIQUID, renamed on 5 July 2013

** Fund inception during fiscal year, annual performance can therefore not be shown.

2) Risk note

a) The ERSTE RESPONSIBLE BALANCED fund may invest significant amounts in investment funds (UCITS, UCIs) pursuant to Paragraph 71 of the InvFG 2011 (Investment Fund Act, Austria).

Microfinance funds

All funds are denominated in Euro.

Fondsname	Since 1.1., in %	2013, in %	2012, in %	2011, in %	2010, in %	2009, in %	Mgmt. fee, in %	Volume in mn.	Risk note ³⁾
ERSTE RESPONSIBLE MICROFINANCE	1.59	2.54	3.20	2.48	0.79		1.00	26.1	x)

Performance calculated according to the OeKB (Österreichische Kontrollbank AG) method, as of 15 September 2014. The management fee is included in performance. Subscription fees applicable at the time of purchase of up to 5.00% and other fees that may reduce returns, such as individual account and deposit fees, are not included in this presentation. Past performance is not a reliable indicator of the future performance of a fund. Please note that it is not possible to draw any conclusions on the volatility or risk of an investment from annualized averages for multi-year periods.

3) Risk notes

x) The ERSTE RESPONSIBLE MICROFINANCE fund may invest significant amounts in investment funds (UCITS, UCIs) pursuant to Paragraph 7 line 1 of the InvFG 2011 (Investment Fund Act, Austria).

The Austrian Financial Market Authority (FMA) hereby warns: The ERSTE RESPONSIBLE MICROFINANCE invests entirely in assets pursuant to Paragraph 166, Section 1 line 3 of the InvFG 2011 (Alternative Investments), which represent a higher investment risk compared to traditional investments. In particular, these investments may result in a loss or even a total loss of capital invested.

[Alexander Osojnik]

EAM Funds carrying the Novethic SRI Label 2014

The Novethic SRI Label is awarded to Socially Responsible Investment (SRI) funds that demonstrate a systematic integration of Environment, Social and Governance (ESG) considerations in fund management. The label provides investors with a guarantee of transparency and of the traceability of their investments.



It is based on four criteria:

- Environment, Social and Governance (ESG) assessment of at least 90% of the portfolio
- a transparent SRI selection process
- regular information on the SRI qualities of investments
- full publication of the portfolio's composition

Further information on www.novethic.com

EAM Rating for Fonds with the Novethic SRI Label 2014

All funds are denominated in Euro.

Fund name	Average ESG-Rating		Exclusion Rate
	Funds	Funds-Universe	
ERSTE RESPONSIBLE STOCK GLOBAL	C+	D+	76.8%
ERSTE RESPONSIBLE STOCK EUROPE	C+	C-	66.2%
ERSTE RESPONSIBLE BOND	C+	D+	73.4%
ERSTE RESPONSIBLE BOND EURO-CORPORATE	C+	D+	74.2%

Average ESG-Rating and Exclusion Rate

The **Average ESG Rating of the Fund** refers to all securities actually held by the fund, whereas the **Average ESG Rating of the Fund Universe** denotes the average of all securities that are rated for the fund, based on the stringent sustainability criteria of Erste Asset Management.

The **Exclusion Rate** indicates how many securities from the respective fund universe are rate "not investable" for the respective fund. For example, a 60% exclusion ratio means that only 40% of all potential securities are investable for the fund.

EAM-specific ESG Rating

The **EAM-specific ESG Rating** ranges from A+ to E. It scrutinises exclusively those companies that have already been rated by the three rating agencies cooperating with Erste Asset Management. In evaluating ESG criteria, EAM takes a very stringent approach. Thus, only 40% of the approx. 3,500 companies currently rated (i.e. the EAM Total Universe) are investable (with a rating from A+ to C-). At the moment, the average rating of the EAM Total Universe is D+. The investable universe is further restricted by exclusion criteria. Only one company achieves our current top rating of A-.

A	excellent
B	good
C	satisfactory
D	inadequate, not investable
E	insufficient, not investable

All Data (Average ESG-Rating for Funds, the Funds Universe and the Exclusion Rate) per 30.09.2014.



Glossary

Engagement

In the context of sustainable investments, Engagement means that the investor tries to convince the management of a company to take action in the fields of social responsibility, environment or transparency. On a national basis, the Erste Asset Management Responsible Investments Team carries out its engagement activities itself, on a global basis the team co-operates with a specialised provider.

ESG

ESG is an abbreviation of Environmental, Social and Corporate Governance and refers to sustainability in business.

Exclusion criteria

The Erste Asset Management responsible funds do not invest in sectors or companies that violate certain (exclusion) criteria, e. g. violation of labour regulation, nuclear energy, etc. These criteria include ethical, social and governance risk factors.

Investment Board

In this board, the Erste Asset Management Responsible Investments Team discusses topical issues and current developments, IPOs, etc. with sustainability specialists and financial experts.

Investment universe

An investment universe designates the amount of investable companies and countries. In order to become part of the Erste Asset Management Responsible Investment Universe, companies need to perform above average with regards to sustainability. From this selection the fund manager picks those companies with the best prospects according to their fundamental financial data. The Erste Asset Management Responsible Investment Universe is updated on a monthly basis, which enables quick reaction to changes within the respective companies.

SRI

Socially Responsible Investments

SRI Rating agency / SRI Rating

An SRI rating agency or SRI research agency analyses and rates the activities of companies according to social, ecological and ethical criteria (e.g. A = best grade to D = worst grade). SRI ratings help investors to assess a company's exposure to environment and stakeholders. The Erste Asset Management Responsible Investments Team co-operates with several SRI-rating agencies covering different key aspects. In contrast to SRI rating agencies, finance rating agencies (e. g. Moody's, Fitch, S&P etc.) focus on companies' financial data only.

Voting

In the context of sustainable investments, voting refers to the exercise of voting rights at shareholder meetings. Possible targets are an increased transparency in management compensation or in case of nominations for the board of directors. Like in its Engagement activities, the Erste Asset Management Responsible Investments Team cooperates with specialised partners in the area of voting.





Sustainability labels for our products



ERSTE RESPONSIBLE STOCK GLOBAL
ERSTE RESPONSIBLE STOCK EUROPE
ERSTE RESPONSIBLE BOND
ERSTE RESPONSIBLE BOND EURO-CORPORATE

Our long-term partners in sustainability



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Please consult the corresponding information in the prospectus for restrictions on the sale of fund shares to American citizens. Misprints and errors excepted.