

Annual Report 03/2022

Nomura Real Return Fonds

Investment fund under German law

As at 31 March 2022

Foreword

July 2022

Dear Investor,

We hereby submit the annual report for our mutual fund

Nomura Real Return Fonds

as at 31 March 2022.

Information about changes in the fund's value can be found on the following pages.

Best wishes from Frankfurt,

Nomura Asset Management Europe KVG mbH

The Executive Board

Magnus Fielko

Gerhard Engler

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Legal Information

Company:

Nomura Asset Management

Europe KVG mbH

Gräbstraße 109

60487 Frankfurt am Main

Phone +49 (0)69 153093 020

Fax +49 (0)69 153093 900

E-Mail info@nomura-asset.eu

Website www.nomura-asset.eu

Subscribed and paid-in capital:

EUR 9,963 mill.

Equity capital

EUR 8,890 mill.

(as at: 31/03/2021)

Date of foundation: 25/08/1988

Commercial register:

Frankfurt am Main HRB 29391

Tax number: 047 221 36017

ID number: DE811734719

Managing Directors:

Magnus Fielko (Spokesman)

Gerhard Engler

Competent supervisory authority:

Bundesanstalt für Finanzdienstleistungsaufsicht

German Federal Financial Supervisory

Authority, BaFin

Graurheindorfer Straße 108

53117 Bonn

Shareholder:

Nomura Asset Management Co. Ltd.

Tokyo (100%)

1–12–1 Nihonbashi, Chuo-ku,

Tokyo 103-8260 Japan

Supervisory Board:

Go Hiramatsu,

Chairman,

President and CEO of

Nomura Asset Management U.K. Limited

Minoru Tanabe,

Deputy Chairman,

Senior Corporate Managing Director of

Nomura Asset Management Co., Ltd.

Gerhard Wiesheu

Partner, B. Metzler seel. Sohn & Co. KGaA

and member of board of directors

B. Metzler seel. Sohn & Co. Holding AG

Investment Committee of the fund:

Frank Appel (Chairman)

Magnus Fielko (Vice Chairman)

Huy Anh Dinh

Depositary:

The Bank of New York Mellon SA/NV

Asset Servicing

Friedrich-Ebert-Anlage 49

60327 Frankfurt am Main

Subscribed capital:

EUR 1.754.386.000

Paid-in capital:

EUR 1.754.386.000

Total Regulatory capital:

EUR 3.287.000.000

(as at: 31/12/2021)

Additional information for distribution in Austria:

Tax representative in Austria

Ernst & Young Steuerberatungs- und

Wirtschaftsprüfungsgesellschaft m.b.H.

Wagramer Straße 19

A-1220 Vienna

Paying Agent/Distributor in Austria

UniCredit Bank Austria AG

Schottengasse 6-8

1010 Vienna, Austria

Development of share value, share sales and fund assets

Performance of the fund

Fund in Euro	31/03/2021	31/03/2022	Distribution	Date	Performance in %	
					01/04/2021 to 31/03/2022	
Nomura Real Return Fonds - Class R / EUR	594,87	597,21	4,95	05/07/2021	+	1,22
Nomura Real Return Fonds - Class I / EUR	105,64	106,53	0,80	05/07/2021	+	1,60
Nomura Real Return Fonds - Class I / USD	115,36 USD	117,96 USD	0,20	05/07/2021	+	2,43

Performance of Capital Markets

Index in Euro	31/03/2021	31/03/2022	Performance in %	
			01/04/2021 to 31/03/2022	
Bloomberg World Government Inflation Linked Bond Index Euro Hedged	267,07	277,99	+	4,09
Bloomberg World Government Inflation Linked Bond Index Euro Hedged	267,07	277,99	+	4,09
Bloomberg World Government Inflation Linked Bond Index USD Hedged	394,62 USD	414,42 USD	+	5,02

Fund unit sales 01/04/2021 to 31/03/2022

Funds	Number of shares in circulation	Fund value in TEUR	Net cashflow in TEUR	
Nomura Real Return Fonds - Class R / EUR	120.742	72.108	+	1.199
Nomura Real Return Fonds - Class I / EUR	383.231	40.827	+	9.673
Nomura Real Return Fonds - Class I / USD	100	11		0

Activity Report

Review

Global inflation-linked bonds performed well again during the reporting period and, unlike nominal bonds, showed a positive return. Real yields to maturity, which are the relevant yields for this asset class, declined in 2021 and subsequently showed a mixed trend. The eurozone avoided the global upward trend in yields in the first quarter of 2022 due to the comparatively large impact of the Ukraine conflict on Europe. The fund is not directly affected by the war since it only invests in highly rated OECD countries and holds no Russian or Ukrainian bonds.

Overall, the real yield on the 10-year inflation-linked US Treasury bond rose moderately from -0.6% to -0.5%, while the real yield on the 10-year inflation-indexed bund slid from -1.7% to -2.2%. By comparison, the yield on the comparable 10-year nominal US bond rose considerably from 1.7% to 2.4%, while 10-year bunds saw their yield rise a similar amount from -0.3% to +0.5%.

The lifting of most of the restrictions imposed during the COVID-19 crisis, together with very expansive fiscal policy, significantly increased demand in the reporting period. The supply side of the market was unable to respond to this quasi-simultaneous global surge in demand as nimble as it had in previous years because capacity was no longer or not yet available in some parts of the world. Supply bottlenecks ensued, from raw materials through transport capacity all the way to special production parts. This led to significant price increases in nearly all areas. The effect was exacerbated by the supply shortage in that companies did more than just replenish their initially significantly reduced inventories; some engaged in precautionary buying, too. The military conflict in Ukraine produced another global increase in energy and food prices in particular in 2022. Europe was particularly affected due to its heavy dependence on natural gas imports.

Inflation rates rose significantly as a result. In the US, the annual rate of change in the consumer price index rose from 2.6% in March 2021 to 8.5% in March 2022. The increase was similarly large in the European Monetary Union where the rate went from 1.3% in March 2021 to 7.4% in March 2022. The UK Retail Price Index – which is important to the fund due to Britain's heavy market weighting – was up 1.5% year-on-year in March and 9.0% in September.

GDP continued to grow strongly in the reporting period. Growth started to weaken in the third quarter but indicators such as the OECD leading indicators continue to show that the economy is in the middle of an expansionary phase. The widely varying scope of expansionary fiscal policy and measures taken to limit COVID-19 in the individual countries affected how fast the various economies grew and how far advanced

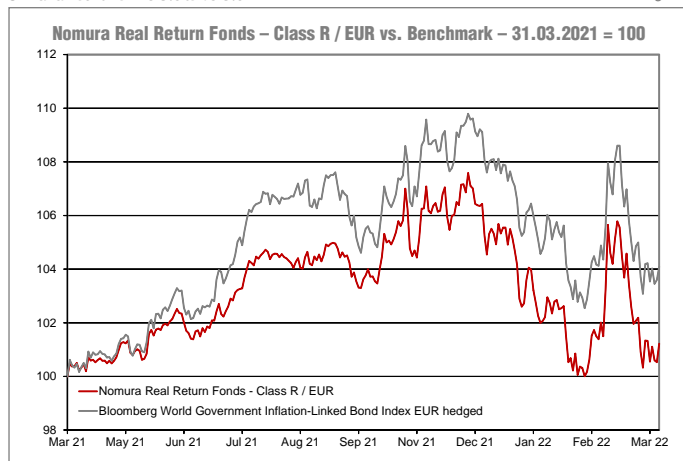
the individual countries are in the business cycle. The eurozone is lagging behind other regions in this regard.

The central banks did not change their monetary policy until very late in the reporting period because the economic risks from COVID-19 loomed large for a long time and the rapid rise in inflation was seen as a short-lived, temporary phenomenon. The Fed, the Bank of England and other central banks have recently responded to high inflation by raising key interest rates. The ECB, for its part, has only held out the prospect of ending bond purchases before potentially hiking interest rates at some unspecified time in the future. The Bank of Japan, in contrast, left its monetary policy unchanged.

The gap between nominal bond yields and real yields on inflation-linked bonds, i.e. breakeven inflation, was very volatile in the reporting period and varied between the individual countries and regions. Shorter-term implied inflation expectations increased significantly from 1.2% to 3.1% p.a. in the eurozone and from 3.4% to 4.7% p.a. in the UK, while 10-year average inflation expectations increased from 1.3% to 2.6% p.a. in the eurozone and from 3.6% to 4.3% p.a. in the UK. By contrast, inflation expectations in the US, which had risen sharply in previous quarters, changed very little on balance. For example, the spread for 10-year Treasuries rose from 2.4% at the beginning of the reporting period in May 2021 to just under 2.8%. The implied breakeven inflation rate for 5-year US bonds saw a net increase from 2.6% to as much as 3.4%.

Investment policy

The Nomura Real Return Funds invests in the bonds of OECD countries or in bonds guaranteed by these countries on a largely currency-hedged basis, with the majority being inflation-linked bonds. Differences between real yields are arbitrageable on a currency-hedged basis. For example, Canadian, Australian and New Zealand inflation-linked bonds were particularly attractive on this basis and were therefore overweighted. Inflation dynamics also play a role. The US implemented a comparatively strong fiscal stimulus and lifted coronavirus protection measures earlier than the eurozone, and inflation initially accelerated faster in the US than in the eurozone. The US was there



Annual Report of the Investment Fund Nomura Real Return Funds as at 31/03/2022

fore overweighted in the portfolio at the beginning of the reporting period. In the US, part of the interest rate risk of the inflation-linked bonds was hedged for much of the reporting period by selling nominal bond futures. The fund benefited from the rise in market-based inflation expectations in the US as the gap between nominal and real returns widened.

Inflation in the eurozone then began catching up in the third quarter of 2021. Since that meant market-based inflation expectations were more favourable in the eurozone than in the US at the middle of the year, with growing signs of positive inflation momentum, we scaled back our exposure to the US segment and increased our exposure to the EUR segment.

Valuation differences between maturities are also arbitrated. For example, in the US, we identified opportunities primarily in shorter maturities and consequently overweighted them. In contrast, we overweighted inflation-linked bonds maturing in less than 5 years in the eurozone as well as very short and very long maturities in the UK.

Spread risk between countries in the eurozone is actively managed. Italy, for example, was overweighted in 2021 because we expected the ECB's bond purchases and the EU's Recovery Fund to provide positive support for bonds from countries in the European periphery. We have reduced risk in Italy with the ECB's bond purchases coming to an end. We also reduced our exposure in France since we view its risk/reward ratio as generally below average due to the upcoming parliamentary elections.

Risks

The investment fund's market price risk was moderate and comparable to that of the benchmark during the reporting period due to interest rate changes.

The investment fund was hedged as far as possible for the shares invested in foreign currency.

The liquidity risk was consistently monitored during the reporting period and is relatively low as the bonds are liquid government bonds.

No defaults were observed. The default risk is assessed to be very low.

During the reporting period, the investment fund was generally exposed to operational risks in the processes of the capital management company but did not show any increased operational risk.

Disposal results

The realised gains are primarily the result of sales of US government bonds.

The realised losses are primarily the result of sales of forward exchange contracts for the currency USD.

Outlook

The drastic rise in energy future prices will continue to drive up consumer prices for some time, especially in Europe. In the US, by contrast, wage growth and core inflation have picked up significantly. The US already has a concerning wage-price dynamic that justifies the current elevated market-based inflation expectations for the US.

This trend will likely reach the eurozone as well, which poses a challenge for the ECB's monetary policy.

Eurozone inflation is currently being driven largely by energy and food prices, which have been recently heavily affected by the war in Ukraine.

The recent resurgence of COVID-19 in Asia could also cause supply chain problems for inputs. Central banks will probably not succeed in getting inflation under control quickly since they have no control over supply shortages and can, at best, only reduce demand. Structural reasons for higher inflation over the long term include the demographically induced labour shortage, deglobalization and the environmental transformation of the economy.

Regardless of the economic scenario, inflation-linked bonds offer a more balanced risk/reward ratio than nominal bonds since inflation compensation will offset price losses from yield increases in the event of upside inflation surprises and interest rate hikes. The reverse is obviously true in the event of surprises to the downside.

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Statement of assets and liabilities

Breakdown of fund assets by asset class

Asset class	Amount	Share in %
I. Assets	113,229,142.89	100.25
1. Bonds	100,804,323.80	89.25
Interest-bearing securities	100,804,323.80	89.25
2. Derivatives	-1,033,580.88	-0.92
Forward exchange contracts	-1,033,580.88	-0.92
3. Bank deposits	928,540.37	0.83
Bank balances in EUR	226,624.01	0.20
Bank balances in EU/EEA currency	27,515.84	0.03
Bank balances in non-EU/EEA currency	674,400.52	0.60
4. Other assets	12,529,859.60	11.09
II. Liabilities	-283,937.49	-0.25
Other liabilities	-283,937.49	-0.25
III. Fund assets	112,945,205.40	100.00

* The rounding of percentages in the calculation may result in minor rounding differences.

Annual Report of the Investment Fund Nomura Real Return Funds as at 31/03/2022

Statement of net assets

ISIN	Security description	Units, shares or currency	Holdings 31/03/2022	Purchases/ additions	Sales/ disposals	Price	Market value in EUR	% of fund assets
				during the reporting period				
Exchange-traded securities							63,884,793.01	56.56
Interest-bearing securities							63,884,793.01	56.56
EUR							29,661,912.21	26.26
<i>Government bonds</i>							<i>27,931,256.62</i>	<i>24.73</i>
DE0001030583	0.100% Federal Rep Germany Infl.-linked bond 2021(33) *	EUR	5,500,000	9,200,000	3,700,000	125.2320 %	6,964,988.84	6.17
FR0011008705	1.850% France EO-Infl.Index-Lkd OAT 2011(27) *	EUR	7,500,000	7,500,000	0	124.7200 %	9,681,638.88	8.57
FR0013519253	0.100% France EO-Infl.Index-Lkd OAT 2020(26) *	EUR	4,500,000	4,500,000	0	112.0400 %	5,068,391.54	4.49
ES00000126A4	1.800% Spain EO-Bonos Ind. Inflación 2014(24) *	EUR	3,000,000	0	0	114.8249 %	3,490,223.37	3.09
ES0000012B70	0.150% Spain EO-Bonos Ind. Inflación 2018(23) *	EUR	2,500,000	0	1,500,000	108.3631 %	2,726,013.99	2.41
<i>Other bonds/industry</i>							<i>1,730,655.59</i>	<i>1.53</i>
XS0163771396	2.450% SNCF Réseau EO-Infl. Lkd MTN 2003(23) *	EUR	1,590,000	0	0	106.5315 %	1,730,655.59	1.53
AUD							2,227,799.15	1.97
<i>Government bonds</i>							<i>2,227,799.15</i>	<i>1.97</i>
AU000XCLWAO6	1.415% Australia, Commonwealth of AD-Infl.Lkd Bonds 2015(40) *	AUD	3,000,000	3,000,000	0	123.1910 %	2,227,799.15	1.97
GBP							18,051,739.63	15.98
<i>Government bonds</i>							<i>18,051,739.63</i>	<i>15.98</i>
GB00B4PTCY75	0.375% United Kingdom LS-Inflat.Lkd.Treas.St.2011(62)*	GBP	2,100,000	2,100,000	300,000	229.2809 %	6,813,092.11	6.03
GB00B85SFQ54	0.125% United Kingdom LS-Inflat.Lkd.Treas.St.2012(24)*	GBP	1,800,000	1,800,000	0	110.0446 %	2,410,449.09	2.13
GB00BP9DLZ64	0.125% United Kingdom LS-Inflat.Lkd. Treas.St.2014(58) *	GBP	2,670,000	2,600,000	600,000	201.9414 %	7,158,535.53	6.34
GB00BYVP4K94	0.125% United Kingdom LS-Inflat.Lkd.Treas.St. 2016(56) *	GBP	650,000	0	700,000	197.6063 %	1,669,662.90	1.48

Annual Report of the Investment Fund Nomura Real Return Funds as at 31/03/2022

ISIN	Security description	Units, shares or currency	Holdings 31/03/2022	Purchases/ additions	Sales/ disposals	Price	Market value in EUR	% of fund assets
				during the reporting period				
	USD						13,943,342.02	12.35
	<i>Government bonds</i>						<i>13,943,342.02</i>	<i>12.35</i>
US912810QV35	0.750% United States of America DL-Inflation-Prot. Secs 2012(42) *	USD	5,700,000	0	0	114.1719 %	6,025,990.68	5.34
US912810RL44	0.750% United States of America DL-Inflation-Prot. Secs 2015(45) *	USD	7,500,000	7,500,000	0	114.6250 %	7,917,351.34	7.01
	Securities admitted to or included in organised markets						28,003,809.72	24.80
	Interest-bearing securities						28,003,809.72	24.80
	AUD						3,880,400.89	3.44
	<i>Government bonds</i>						<i>3,880,400.89</i>	<i>3.44</i>
AU000XCLWAV1	0.750% Australia, Commonwealth of AD-Inf.Lkd Bonds 2017(27) *	AUD	5,500,000	0	0	104.1500 %	3,880,400.89	3.44
	CAD						6,543,237.19	5.79
	<i>Government bonds</i>						<i>6,543,237.19</i>	<i>5.79</i>
CA135087XQ21	3.000% Canada CD-Inflation-Ind. Bonds 2003(36) *	CAD	2,720,000	0	0	136.8198 %	2,973,557.58	2.63
CA135087ZH04	1.500% Canada CD-Inflation-Ind. Bonds 2010(44) *	CAD	2,000,000	2,000,000	0	120.2143 %	1,804,647.13	1.60
CA135087WV25	4.000% Canada CD-Inflation-Ind. Bonds 1999(31) *	CAD	1,540,000	0	0	137.2951 %	1,765,032.48	1.56
	USD						17,580,171.64	15.57
	<i>Government bonds</i>						<i>17,580,171.64</i>	<i>15.57</i>
US912828YL86	0.125% United States of America DL-Inflation-Prot. Secs 2019(24) *	USD	7,500,000	0	12,000,000	104.7944 %	7,094,705.99	6.28
US91282CCA71	0.125% United States of America DL-Inflation-Prot. Secs 2021(26) *	USD	11,100,000	11,100,000	0	104.7631 %	10,485,465.65	9.29

Annual Report of the Investment Fund Nomura Real Return Funds as at 31/03/2022

ISIN	Security description	Units, shares or currency	Holdings 31/03/2022	Purchases/ additions	Sales/ disposals	Price	Market value in EUR	% of fund assets
				during the reporting period				
	Unlisted securities						8,915,721.07	7.89
	Interest-bearing securities						8,915,721.07	7.89
	NZD						8,915,721.07	7.89
	<i>Government bonds</i>						<i>8,915,721.07</i>	<i>7.89</i>
NZIIBDT002C2	2.310% New Zealand, Government ND-Inflation Lkd Bds 2012(25) *	NZD	5,260,000	0	0	123.5020 %	4,035,697.31	3.57
NZIIBDT005C5	2.789% New Zealand, Government ND-Inflation Lkd Bds 2017(40) *	NZD	6,300,000	3,000,000	0	135.4700 %	4,880,023.76	4.32
	Total securities						100,804,323.80	89.25

* These securities are inflation-linked bonds

Annual Report of the Investment Fund Nomura Real Return Funds as at 31/03/2022

Security description	Market	Units, shares or currency	Holdings 31/03/2022	Purchases/ additions	Sales/ disposals	Price	Market value in EUR	% of fund assets
				during the reporting period				
Derivatives								
Holdings with a minus sign								
are sold positions.								
Foreign exchange derivatives							-1,033,580.88	-0.92
Receivables/liabilities								
Foreign exchange futures contracts (sold)							-1,037,788.79	-0.92
AUD EUR 04/04/22	OTC	AUD	-10,480,000.00				-325,807.64	-0.29
CAD EUR 04/04/22	OTC	CAD	-11,790,000.00				-234,550.29	-0.21
EUR USD 04/04/22	OTC	EUR	-10,421.00				198.80	0.00
GBP EUR 04/04/22	OTC	GBP	-18,120,000.00				196,875.13	0.17
NZD EUR 04/04/22	OTC	NZD	-15,610,000.00				-407,714.03	-0.36
USD EUR 04/04/22	OTC	USD	-51,280,000.00				-266,790.76	-0.23
Foreign exchange futures contracts (purchased)							4,207.91	0.00
USD EUR 04/04/22	OTC	USD	11,900,000.00				4,207.91	0.00
Bank deposits							928,540.37	0.83
EUR balances at:							226,624.01	0.20
The Bank of New York Mellon SA/NV (depository)		EUR	226,624.01				226,624.01	0.20
Balances in EU/EEA currencies							27,515.84	0.03
The Bank of New York Mellon SA/NV (depository)		DKK	64,551.50				8,678.08	0.01
The Bank of New York Mellon SA/NV (depository)		SEK	195,333.41				18,837.76	0.02
Balances in non-EU/EEA currencies							674,400.52	0.60
The Bank of New York Mellon SA/NV (depository)		AUD	23,561.68				15,901.79	0.01
The Bank of New York Mellon SA/NV (depository)		CAD	2,661.73				1,915.26	0.00

Annual Report of the Investment Fund Nomura Real Return Funds as at 31/03/2022

Security description	Market	Units, shares or currency	Holdings 31/03/2022	Purchases/ additions	Sales/ disposals	Price	Market value in EUR	% of fund assets
				during the reporting period				
The Bank of New York Mellon SA/NV (depository)		GBP	270,443.43				320,032.46	0.29
The Bank of New York Mellon SA/NV (depository)		JPY	3,136,307.00				23,223.66	0.02
The Bank of New York Mellon SA/NV (depository)		NZD	130,439.58				81,542.57	0.07
The Bank of New York Mellon SA/NV (depository)		USD	257,895.33				231,784.78	0.21
Other assets							12,529,859.60	11.09
Receivables from issued shares *		EUR	82,455.87				82,455.87	0.07
Interest receivables **		EUR	12,447,403.73				12,447,403.73	11.02
Liabilities							-283,937.49	-0.25
Other liabilities							-283,937.49	-0.25
Custodian fees		EUR	-5,000.00				-5,000.00	0.00
Auditing expenses		EUR	-88,750.00				-88,750.00	-0.08
Miscellaneous expenses		EUR	-68,750.00				-68,750.00	-0.06
Liabilities arising from redeemed shares *		EUR	-31,437.48				-31,437.48	-0.03
Publication expenses		EUR	-22,000.00				-22,000.00	-0.02
Depositary fee		EUR	-10,947.88				-10,947.88	-0.01
Management fee		EUR	-57,052.13				-57,052.13	-0.05
Fund assets						EUR	112,945,205.40	100.00 ***

Annual Report of the Investment Fund Nomura Real Return Funds as at 31/03/2022

Security description	Market	Units, shares or currency	Holdings 31/03/2022	Purchases/ additions	Sales/ disposals	Price	Market value in EUR	% of fund assets
during the reporting period								
Fund assets share class – Class R / EUR						EUR	72,107,822.59	
Value share class – Class R / EUR						EUR	597.21	
Shares in circulation share class – Class R / EUR						Shares	120,742.000	
Fund assets share class – Class I / EUR						EUR	40,826,781.33	
Value share class – Class I / EUR						EUR	106.53	
Shares in circulation share class – Class I / EUR						Shares	383,231.000	
Fund assets share class – Class I / USD						USD	11,795.74	
Value share class – Class I / USD						USD	117.96	
Shares in circulation share class – Class I / USD						Shares	100.000	

* Not yet value-dated transactions.

** The interest receivables include inflation components

*** The rounding of percentages in the calculation may result in minor rounding differences.

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Security description	Units, shares or currency	Purchases/ additions	Sales/ disposals	
		during the reporting period		
Transactions concluded during the reporting period that no longer appear in the statement of net assets:				
Purchases and sales of securities, investment units and bonds (market allocation on the reporting date)				
Exchange-traded securities				
Interest-bearing securities				
DE0001030575	0.100% Federal Rep Germany Infl.-linked bond 2015(46)	EUR	4,000,000	4,000,000
FR0013209871	0.100% France EO-Infl.Index-Lkd OAT 2016(47)	EUR	0	1,000,000
GB00B0CNHZ09	1.250% United Kingdom LS-Index-Lkd.Treas.St. 2005(55)	GBP	0	950,000
GB00BD9MZZ71	0.125% United Kingdom LS-Inflat.Lkd.Treas.St. 2016(65)	GBP	0	400,000
IT0003745541	2.350% Italy, Republic of EO-Infl.Idx Lkd B.T.P.2004(35)	EUR	0	600,000
IT0004545890	2.550% Italy, Republic of EO-Infl.Idx Lkd B.T.P.2009(41)	EUR	0	1,200,000
IT0004735152	3.100% Italy, Republic of EO-Infl.Idx Lkd B.T.P.2011(26)	EUR	6,500,000	6,500,000
IT0005387052	0.400% Italy, Republic of EO-Infl.Idx Lkd B.T.P.2019(30)	EUR	0	3,350,000
US912828X398	0.125% United States of America DL-Inflation-Prot. Secs 2017(22)	USD	0	8,500,000
Securities admitted to or included in organised markets				
Interest-bearing securities				
US9128286N55	0.500% United States of America DL-Inflation-Prot. Secs 2019(24)	USD	0	8,500,000
IT0005415416	Italy, Republic of EO-Infl.Idx Lkd B.T.P.2020(26)	Nominal	900,000	900,000
US912810RR14	United States of America DL-Inflation-Prot. Secs 2016(46)	Nominal	4,000,000	6,200,000
US9128287D64	United States of America DL-Inflation-Prot. Secs 2019(29)	Nominal	0	4,800,000
US912828Z377	United States of America DL-Inflation-Prot. Secs 2020(30)	Nominal	0	5,800,000

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Security description	Units, shares or currency	Purchases/ additions	Sales/ disposals
		during the reporting period	
Derivatives turnover			Volume in 1,000
(Option premiums received in opening transactions or volume of option transactions. Purchases and sales in the case of warrants.)			
Futures contracts			
Interest rate index futures contracts			
Contracts bought	EUR		54,551
(Underlying instrument[s]: Ten-Year US Treasury Notes Futures)			
Contracts sold	EUR		93,891
(Underlying instrument[s]: Long Gilt Futures (No.7), Long Term Ultra US Treasury Bd Futures, Ten-Year U.S. Treasury Notes Futures)			
Foreign exchange futures contracts (sold)			
AUD - EUR	EUR		20,135
CAD - EUR	EUR		29,506
GBP - EUR	EUR		191,363
NZD - EUR	EUR		27,963
USD - EUR	EUR		516,626
Foreign exchange futures contracts (purchased)			
CAD - EUR	EUR		2,665
GBP - EUR	EUR		19,206
USD - EUR	EUR		19,290

The share of security transactions that are settled for the account of the investment fund via brokers of closely related companies and persons during the reporting period is 10.98 percent. This corresponds to a volume of EUR 19,020,147.49 out of a total of EUR 173,167,586.12 transactions.

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Profit and loss account (including equalisation) for the period from 01/04/2021 to 31/03/2022

Share class – Class R / EUR	Total value in EUR	Per share in EUR
I. Income		
1. Interest from German securities	1,658.68	0.01
2. Interest from foreign securities (before withholding tax)	559,289.03	4.63
3. Interest from liquid assets in Germany	9,145.01	0.08
Total income	570,092.72	4.72
II. Expenses		
1. Interest from borrowing	-17,146.57	-0.14
2. Management fee	-530,845.27	-4.40
3. Depositary fee	-46,411.82	-0.38
4. Auditing and publication expenses	-27,309.74	-0.23
5. Other expenses	-50,767.70	-0.42
Total expenses	-672,481.10	-5.57
III. Ordinary net income	-102,388.38	-0.85
IV. Sales transactions		
1. Realised gains	8,258,987.41	68.40
2. Realised losses	-7,212,232.48	-59.73
Sum of transactions	1,046,754.93	8.67
V. Realised net income for the fiscal year	944,366.55	7.82
1. Net change in unrealised gains	6,493,329.82	53.78
2. Net change in unrealised losses	-6,615,424.07	-54.79
VI. Unrealised net income for the fiscal year	-122,094.25	-1.01
VII. Net income for the fiscal year	822,272.30	6.81

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Development statement

Share class – Class R / EUR	in EUR	in EUR
I. Value of the investment fund at the beginning of the fiscal year		70,660,690.05
1. Distribution for the previous year/tax reduction for the previous year		-585,416.70
2. Interim distributions		0.00
3. Cash inflow (net)		1,198,803.77
a) Cash inflows from share sales	14,227,519.14	
b) Cash outflows for share redemptions	-13,028,715.37	
4. Income/expense equalisation		11,473.17
5. Net income for the fiscal year		822,272.30
of which unrealised gains	6,493,329.82	
of which unrealised losses	-6,615,424.07	
II. Value of the investment fund at the end of the fiscal year		72,107,822.59

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Cash flow statement

Share class – Class R / EUR	Total value in EUR	Per share in EUR
Calculation of distribution		
I. Available for distribution	11,655,788.68	96.53
1. Carried forward from the previous year	10,711,422.13	88.71
2. Realised net income for the fiscal year	944,366.55	7.82
II. Not used for distribution	11,058,115.78	91.58
1. Carried forward to new account	10,816,173.39	89.58
2. Allocated to reinvestment	241,942.39	2.00
III. Total distribution	597,672.90	4.95
1. Final distribution	597,672.90	4.95

Comparative overview of the last three fiscal years

Share class – Class R / EUR Fiscal year	Fund assets in EUR	Share value in EUR
31 March 2020	101,931,624	573.89
31 March 2021	70,660,690	594.87
31 March 2022	72,107,823	597.21

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Profit and loss account for the period from 01/04/2021 to 31/03/2022

Share class – Class I / EUR	Total value in EUR	Per share in EUR
I. Income		
1. Interest from German securities	937.87	0.00
2. Interest from foreign securities (before withholding tax)	315,954.35	0.83
3. Interest from liquid assets in Germany	5,171.25	0.01
Total income	322,063.47	0.84
II. Expenses		
1. Interest from borrowing	-9,689.80	-0.03
2. Management fee	-145,793.57	-0.38
3. Depositary fee	-26,219.87	-0.07
4. Auditing and publication expenses	-15,454.70	-0.04
5. Other expenses	-28,695.40	-0.07
Total expenses	-225,853.34	-0.59
III. Ordinary net income	96,210.13	0.25
IV. Sales transactions		
1. Realised gains	4,669,566.35	12.19
2. Realised losses	-4,075,904.08	-10.64
Sum of transactions	593,662.27	1.55
V. Realised net income for the fiscal year	689,872.40	1.80
1. Net change in unrealised gains	3,842,921.42	10.03
2. Net change in unrealised losses	-4,185,150.06	-10.92
VI. Unrealised net income for the fiscal year	-342,228.64	-0.89
VII. Net income for the fiscal year	347,643.76	0.91

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Development statement

Share class – Class I / EUR	in EUR	in EUR
I. Value of the investment fund at the beginning of the fiscal year		30,985,147.23
1. Distribution for the previous year/tax reduction for the previous year		-235,105.60
2. Interim distributions		0.00
3. Cash inflow (net)		9,673,168.30
a) Cash inflows from share sales	18,808,779.22	
b) Cash outflows for share redemptions	-9,135,610.92	
4. Income/expense equalisation		55,927.64
5. Net income for the fiscal year		347,643.76
of which unrealised gains	3,842,921.42	
of which unrealised losses	-4,185,150.06	
II. Value of the investment fund at the end of the fiscal year		40,826,781.33

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Cash flow statement

Share class – Class I / EUR	Total value in EUR	Per share in EUR
Calculation of distribution		
I. Available for distribution	4,557,100.85	11.89
1. Carried forward from the previous year	3,867,228.45	10.09
2. Realised net income for the fiscal year	689,872.40	1.80
II. Not used for distribution	4,250,516.05	11.09
1. Carried forward to new account	4,250,516.05	11.09
III. Total distribution	306,584.80	0.80
1. Final distribution	306,584.80	0.80

Comparative overview of the last three fiscal years

Share class – Class I / EUR Fiscal year	Fund assets in EUR	Share value in EUR
31 March 2020	5,671,864	101.46
31 March 2021	30,985,147	105.64
31 March 2022	40,826,781	106.53

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Profit and loss account (including equalisation) for the period from 01/04/2021 to 31/03/2022

Share class – Class I / USD	Total value in USD	Per share in USD
I. Income		
1. Interest from German securities	0.27	0.00
2. Interest from foreign securities (before withholding tax)	90.33	0.90
3. Interest from liquid assets in Germany	1.47	0.02
Total Income	92.07	0.92
II. Expenses		
1. Interest from borrowing	-2.76	-0.03
2. Management fee	-41.79	-0.42
3. Depositary fee	-7.51	-0.07
4. Auditing and publication expenses	-4.34	-0.04
5. Other expenses	-8.14	-0.08
Total expenses	-64.54	-0.64
III. Ordinary net income	27.53	0.28
IV. Sales transactions		
1. Realised gains	2,991.38	29.91
2. Realised losses	-2,015.23	-20.15
Sum of transactions	976.15	9.76
V. Realised net income for the fiscal year	1,003.68	10.04
1. Net change in unrealised gains	442.10	4.42
2. Net change in unrealised losses	-1,165.79	-11.66
VI. Unrealised net income for the fiscal year	-723.69	-7.24
VII. Net income for the fiscal year	279.99	2.80

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Development statement

Share class – Class 1 / USD	in USD	in USD
I. Value of the investment fund at the beginning of the fiscal year		11,535.75
1. Distribution for the previous year/tax reduction for the previous year		-20.00
2. Interim distributions		0.00
3. Cash inflow (net)		0.00
a) Cash inflows from share sales	0.00	
b) Cash outflows for share redemptions	0.00	
4. Income/expense equalisation		0.00
5. Net income for the fiscal year		279.99
of which unrealised gains	442.10	
of which unrealised losses	-1,165.79	
II. Value of the investment fund at the end of the fiscal year		11,795.74

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Cash flow statement

Share class – Class I / USD	Total value in USD	Per share in USD
Calculation of distribution		
I. Available for distribution	2,019.45	20.20
1. Carried forward from the previous year	1,015.77	10.16
2. Realised net income for the fiscal year	1,003.68	10.04
II. Not used for distribution	1,991.45	19.92
1. Carried forward to new account	1,769.36	17.69
2. Allocated to reinvestment	222.09	2.23
III. Total distribution	28.00	0.28
1. Final distribution	28.00	0.28

Comparative overview of the last three fiscal years

Share class – Class I / USD Fiscal year	Fund assets in USD	Share value in USD
31 March 2020	10,937	109.37
31 March 2021	11,536	115.36
31 March 2022	11,796	117.96

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Investment Fund Nomura Real Return Fonds

Share class – Class R / EUR

Minimum investment amount	n/a
Fund launch	20 October 2004
Entry charge	2 %
Exit charge	Not charged
Management fee p.a.	Currently 0.72%
Division into shares	Global certificate
Utilisation of earnings	Distributing
Currency	EUR
ISIN	DE0008484361

Share class – Class I / EUR

Minimum investment amount	EUR 1,000,000
Fund launch	20 January 2017
Entry charge	2 %
Exit charge	Not charged
Management fee p.a.	Currently 0.35%
Division into shares	Global certificate
Utilisation of earnings	Distributing
Currency	EUR
ISIN	DE000A1XDW21

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Share class – Class I / USD

Minimum investment amount	USD 1,000,000
Fund launch	20 January 2017
Entry charge	2 %
Exit charge	Not charged
Management fee p.a.	Currently 0.35%
Division into shares	Global certificate
Utilisation of earnings	Distributing
Currency	USD (hedged)
ISIN	DE000A1XDW39

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Appendix pursuant to Section 7(9) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

Information according to the German Derivatives Ordinance

The underlying exposure generated by derivatives

EUR 103,542,704.24

The contracting parties of derivative transactions

Barclays PLC

Deutsche Bank AG

J.P.Morgan AG

Standard Chartered PLC

Total amount of collateral received in connection with derivatives

EUR 0.00

Holdings of securities in fund assets (in %)

89.25

Holdings of derivatives in fund assets (in %)

-0.92

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

The utilisation of the upper limit for the market risk potential for this fund was determined in accordance with the German Derivatives Ordinance using the qualified approach on the basis of a reference asset.

Composition of the reference asset (Section 9 Paragraph 5 Sentence 4 DerivateV)

Derivative-free investment fund	100 %	01/04/2021 to 31/03/2022
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Potential risk amount for market risk according to Section 10 Paragraph 1 Sentence 1 In conjunction with Section 37 Paragraph 4 Sentence 2 DerivateV

Smallest potential amount at risk	1.43 %	(01/10/2021)
Largest potential amount at risk	4.05 %	(12/01/2022)
Average potential amount at risk	2.56 %	

Risk model (Section 10 DerivateV) Historical simulation

Parameters (Section 11 DerivateV) 10 day holding period, confidence level 99 %

The average amount of leverage from derivative transactions reached in the fiscal year was 172%.

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Other disclosures

Fund assets share class – Class R / EUR	EUR	72,107,822.59
Value share class – Class R / EUR	EUR	597.21
Shares in circulation share class – Class R / EUR	Shares	120,742.000
Fund assets share class – Class I / EUR	EUR	40,826,781.33
Value share class – Class I / EUR	EUR	106.53
Shares in circulation share class – Class I / EUR	Shares	383,231.000
Fund assets share class – Class I / USD	USD	11,795.74
Value share class – Class I / USD	USD	117.96
Shares in circulation share class – Class I / USD	Shares	100.000

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Disclosure of procedures for the valuation of assets

The assets of the investment fund are valued on the basis of the German Capital Investment Accounting and Valuation Ordinance at the following prices/market rates:

Type of security	Region	Valuation date	Section 27 Valuation at tradable prices	Section 28 Valuation using valuation models	Section 32 Special issues for the valuation of equity interests	Section 29 Special issues for investment shares, bank balances and liabilities
Bonds						
	Germany	31/03/2022	6.17 %			
	Europe	31/03/2022	36.07 %			
	Australia	31/03/2022	13.30 %			
	North America	31/03/2022	33.71 %			
Derivatives – forward exchange contracts						
		31/03/2022		-0.92 %		
Other assets						
		31/03/2022				11.67 %
			89.25 %	-0.92 %		11.67 %

The percentage figures indicate the share of individual assets relative to the total fund assets.

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

The valuation principles of the company are based on Sections 26–28 of the German Capital Investment Accounting and Valuation Ordinance (“KARBV”).

The valuation of the assets is made by the depositary. The principles applied by the depositary for the valuation of the asset positions are documented by the depositary and submitted to the capital management company. On each valuation date, the valuations provided by the depositary undergo specified plausibility checks to identify irregularities in the capital management company. As per the reporting date, all valuation sources quoted by the depositary continued to be documented and archived at the capital management company.

Assets that are admitted to trading on, or included in, a stock exchange or other organised market are valued at the latest available tradable prices. Investment shares are valued at the companies' prices on the previous day. The prices of the depositary are generally obtained from ValueLink Information Services. If no price is provided by ValueLink Information Services, prices provided by known rate providers (e.g. Bloomberg or Reuters) can be used.

If the fund is invested in products for which no tradable price is available at the reporting date, the valuation of the assets is made on the basis of external valuation models (e.g. DCF method), which are used by independent price providers (e.g. Value & Risk).

Bank deposits and existing receivables are valued at their current nominal value. Existing liabilities are valued at the amounts payable.

Exchange rates

	as at	31/03/2022	
Australian dollar	(AUD)	1.481700	= EUR 1
British pound sterling	(GBP)	0.845050	= EUR 1
Canadian dollar	(CAD)	1.389750	= EUR 1
Danish krone	(DKK)	7.438450	= EUR 1
Japanese yen	(JPY)	135.047900	= EUR 1
New Zealand dollar	(NZD)	1.599650	= EUR 1
Swedish krona	(SEK)	10.369250	= EUR 1
US dollar	(USD)	1.112650	= EUR 1

Futures market

Over-the-counter (OTC)

Annual Report of the Investment Fund Nomura Real Return Funds as at 31/03/2022

Ongoing charges figure (OCF)

The ongoing charges figure expresses the sum of all costs and fees (excluding transaction costs, including target fund costs) as a percentage of the average fund volume within a fiscal year.

Share class – Class R / EUR	0.89 %
Share class – Class I / EUR	0.52 %
Share class – Class I / USD	0.52 %

No flat-rate fees were paid to the management company or third parties.

The capital management company does not receive reimbursements of the fees and reimbursements paid out of the fund to the depositary or to third parties. The capital management company pays remuneration to intermediaries of fund shares for holdings of fund shares from the management fee paid to it.

Other significant income and other expenses

Share class – Class R / EUR

The other expenses consist of custody fees of EUR 29,207.38.

Share class – Class I / EUR

The other expenses consist of custody fees of EUR 16,494.32.

Share class – Class I / USD

The other expenses consist of custody fees of USD 4.71.

Transaction costs (sum of ancillary costs of acquisition (acquisition costs) and costs of disposal of assets)

The transaction costs incurred in the reporting period for the account of the investment fund amount to EUR 9,605.64.

The transaction costs include counterparty, delivery and stock exchange fees, taxes and commissions. In some types of transaction (including annuity transactions), the commissions are not shown separately in the billing but are already included in the respective price and therefore not included in the above tax.

During the reporting period, no transactions subject to Regulation (EU) 2015/2365 on securities lending transactions were entered into.

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Information on employee remuneration (in thousands of euros (TEUR))

Total of the remuneration paid to CMC in the past fiscal year	TEUR 8,883
of which fixed remuneration	TEUR 6,206
of which variable remuneration	TEUR 2,677
Number of employees of CMC (including managing directors) on 31 March 2022 (number)	56
Total amount of remuneration paid to managers and other risk carriers in the past fiscal year of CMC	TEUR 3,798
of which managing directors	TEUR 921
of which other risk carriers	TEUR 1,245
of which employees with positions of control	TEUR 265
of which employees with the same remuneration category	TEUR 1,367

The term "managing director" includes all managers within the risk carriers.

Description of how the remuneration and any other benefits were calculated

The amount of the remuneration results from a fixed base salary, to which a variable component (bonus) was additionally paid.

The bonus is calculated based on the fulfilment of the employee's objectives, the results of the capital management company and the results of operations of the parent company.

Results of the annual review of the remuneration policy

The independent Compensation Committee of the capital management company, which is made up of members of the owner, the Supervisory Board and the Human Resources department, reviewed and approved the remuneration scheme at the annual meeting.

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Disclosures pursuant to Section 134c Paragraph 4 of the German Stock Corporation Act in conjunction with Section 101 Paragraph 2 No. 5 of the German Investment Code

No.	Requirement	Reference
ad 1.	Disclosures on medium- to long-term risks:	The main medium- to long-term risks are described in the activity report and sales prospectus under "Risk warnings".
ad 2.	Disclosures on the composition of the portfolio:	The composition of the portfolio can be found in the statement of net assets.
ad 2.	Disclosures on portfolio transactions:	The portfolio transactions are shown in the statement of net assets. Transactions not shown in the statement of net assets can be found in the presentation of transactions concluded during the fiscal year.
ad 2.	Disclosures on portfolio transaction costs:	The transaction costs can be found in the notes to this annual report. The portfolio turnover rate for the fiscal year was (in per cent): 77.
ad 3.	Consideration of the company's medium- to long-term performance in investment decisions:	The consideration of the company's medium- to long-term performance in investment decisions is explained in the activity report.
ad 4.	Use of proxy advisers:	You can find Nomura Asset Management Europe KVG mbH's statement on the use of proxy advisers on the company's current website in the menu "About Us" and the sub-menu "Our Principles" in the documents entitled "Engagement Policy" and "Principles governing the exercise of voting rights".
ad 5.	Handling securities lending and conflicts of interest related to engagement in the companies, in particular by exercising shareholder rights:	The investment fund is not intended to conclude securities lending transactions, and no securities lending transactions were concluded during the reporting period. Further information on handling conflicts of interest related to engagement in the companies, in particular by exercising shareholder rights, is published on the company's website (see previous point) in the documents entitled "Handling conflicts of interest" and "Engagement Policy".

Information on the Disclosure and Taxonomy Regulations

The investments in this financial product are made without regard for the EU criteria for environmentally sustainable economic activity.

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Frankfurt am Main, 14 July 2022

Nomura Asset Management Europe KVG mbH

Magnus Fielko

Koichi Katakawa

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Report on the consolidated financial statements by the independent auditor

To Nomura Asset Management Europe KVG mbH

Auditor's opinion

We have audited the annual report of the investment fund Nomura Real Return Fonds, comprising the activity report for the fiscal year from 1 April 2021 to 31 March 2022, the statement of assets and liabilities and the statement of net assets as per 31 March 2022, the profit and loss account, the cash flow statement, the development statement for the fiscal year from 1 April 2021 to 31 March 2022 and the comparative overview of the last three fiscal years, the list of transactions concluded during the reporting period that no longer appear in the statement of net assets, and the notes to the financial statements.

In our opinion, based on the findings obtained during the audit, the attached annual report corresponds in all material matters to the provisions of the German Investment Code (KAGB) and the relevant European regulations and, in compliance with these regulations, make it possible to obtain a comprehensive picture of the actual circumstances and developments of the investment fund.

Basis for the auditor's opinion

We have conducted our audit of the annual report in accordance with Section 102 KAGB in compliance with the generally accepted standards for the audit of financial statements determined by the Institute of Public Auditors in Germany (IDW). Our responsibility under these regulations and principles is described in more detail in the "Responsibility of the auditor for the audit of the annual report" section of our report. We are independent of Nomura Asset Management Europe KVG mbH in accordance with German commercial and professional regulations and have fulfilled our other German professional obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our opinion on the annual report.

Other information

The legal representatives are responsible for the other information. The other information includes the components "Legal information" and "Development of unit value, unit sales and fund assets" for the "Annual Report 03/2022". We received a version of this information up to the issue of this report.

Our audit opinion on the annual report does not extend to the other information, and accordingly, we do not issue an audit opinion or any other form of audit conclusion on it.

In connection with our audit, we have the responsibility to read the other information and to assess whether the other information

- contains material discrepancies from the annual report or our knowledge acquired during the audit, or
- appears to be otherwise materially misrepresented.

If, on the basis of the work we carry out, we conclude that there is a material misrepresentation of this other information, we are obliged to report on this fact. We have nothing to report in this regard.

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

Responsibility of the legal representatives for the annual report

The legal representatives of Nomura Asset Management Europe KVG MBH are responsible for the preparation of the annual report which complies with the provisions of the German KAGB and the relevant European regulations in all material matters, and for ensuring that the annual report, in compliance with these regulations, makes it possible to obtain a comprehensive picture of the actual circumstances and developments of the investment fund. In addition, the legal representatives are responsible for the internal controls that they have identified as necessary in accordance with these provisions in order to enable the preparation of an annual report which is free from material – intentional or unintentional – misrepresentations.

When preparing the annual report, the legal representatives are responsible for incorporating events, decisions and factors that could have a material impact on the further development of investment assets into the reporting. This means, among other things, that during the preparation of the annual report, the legal representatives have to assess the continuation of the investment fund by Nomura Asset Management Europe KVG mbH and have the responsibility to disclose facts connected with the continuation of the investment fund, if relevant.

Responsibility of the auditor for the audit of the annual report

Our objective is to obtain sufficient assurance as to whether the annual report as a whole is free from material – intentional or unintentional – misrepresentations, and to issue a report that includes our audit opinion on the annual report.

Sufficient assurance is a high degree of assurance but not a guarantee that an audit conducted in accordance with Section 102 KAGB and in compliance with the generally accepted standards for the audit of financial statements determined by the Institute of Public Auditors in Germany (IDW) will always uncover a material misrepresentation. Misrepresentations may result from violations or inaccuracies and are considered to be material if it could reasonably be expected that they, individually or as a whole, could influence the economic decisions of the addressees taken on the basis of this annual report.

During the audit, we exercise our duty of discretion and maintain a critical attitude. In addition:

- We identify and assess the risks of material – intentional or unintentional – misrepresentations in the annual report, plan and conduct audit procedures in response to these risks and obtain audit evidence that is sufficient and suitable to serve as a basis for our audit opinion. The risk that material misrepresentations will not be discovered is higher for violations than for inaccuracies, since violations may include fraudulent conduct, counterfeits, intentional omissions, misleading representations and derogation of internal controls.
- We gain an understanding of the internal control system relevant to the audit of the annual report in order to plan audit procedures that are appropriate in the given circumstances but not with the objective of expressing an audit opinion on the effectiveness of the internal control system of Nomura Asset Management Europe KVG mbH.
- We assess the adequacy of the accounting methods applied by the legal representatives of Nomura Asset Management Europe KVG mbH in the preparation of the annual report and the justifiability of the estimated values and related information presented by the legal representatives.
- We draw conclusions based on audit evidence obtained as to whether there is material uncertainty in relation to events or circumstances that could cast significant doubts on the continuation of the investment fund by Nomura Asset Management Europe KVG mbH. If we conclude that there is a material uncertainty, we are obliged to draw attention to the relevant information in the annual report or, if this information is inappropriate, to modify our audit opinion. We draw our conclusions based on the audit evidence obtained up to the date of our report. However, future events or circumstances may lead to the investment fund not being continued by Nomura Asset Management Europe KVG mbH.
- We assess the overall presentation, structure and content of the annual report, including the disclosures and whether the annual report represents the underlying transactions and events in such a way that the annual report, in compliance with the provisions of the German KAGB and the relevant European regulations, makes it possible to obtain a comprehensive picture of the actual circumstances and developments of the investment fund.

Annual Report of the Investment Fund Nomura Real Return Fonds as at 31/03/2022

We discuss, among other things, the planned scope and timing of the audit, as well as significant audit findings, including any deficiencies in the internal control system that we find during our audit, with the managers responsible for monitoring.

Eschborn / Frankfurt am Main, 14 July 2022

Ernst & Young GmbH
Auditing Company

Kruskop
Auditor

Bordt
Auditor

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