

Unaudited excerpt of the audited Annual Report – 30 June 2017

ComStage 1

This report is an unaudited abridged version of the audited Annual Report established in conformity with the German Investment Code (Kapitalanlagegesetzbuch – the “KAGB”). The complete version is available on request from the registered office of the Management Company in Luxembourg and from the Hong Kong Representative, Commerzbank AG, Hong Kong Branch.

This report does not constitute an offer of shares. Subscriptions are only valid if made on the basis of the current Hong Kong Offering Document which is available free of charge on request, supplemented by the most recent audited Annual Report of the Fund and any subsequent unaudited Semi Annual Report, from Commerzbank AG, Hong Kong Branch.

Certain sub-funds / share classes of the Fund are not authorised for offer or distribution in or from Hong Kong. Accordingly, no reference is made to these sub-funds / share classes in this unaudited excerpt of the audited Annual Report. The attention of the investors is drawn to the fact that certain figures in this unaudited excerpt of Annual Report are expressed on a consolidated basis and, thus, may include the assets of those sub-funds / share classes which are not registered in Hong Kong.

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Hong Kong Service Agent

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Hong Kong Legal Advisers

Simmons & Simmons
13/F One Pacific Place
88 Queensway, Hong Kong

Consolidated annual report for the Specialised Sub-fund ComStage 1 DAX® UCITS ETF and ComStage 1 DivDAX® UCITS ETF

Investment objectives and policy:

The investment objective of the respective Sub-fund is to achieve an income for investors, based on the performance of the respective underlying index of the Sub-fund.

ComStage 1 DAX® UCITS ETF Unit Class II → Performance of the DAX® Index (Performance Index) (ISIN DE0008469008)

ComStage 1 DivDAX® UCITS ETF Unit Class II → Performance of the DivDAX® Index (Price Index) (ISIN DE000A0C33C3)

No guarantee can be given that the investment objective of the Sub-fund will in fact be achieved.

By linking performance to the underlying index, we expect there to be some tracking error.

A detailed presentation of the investment objectives and policy can be found in the sales prospectus.

Investment income:

Dividends are recognised in income, net of irrecoverable withholding tax, on the date upon which the relevant securities are declared “ex-dividend”. Interest income, net of irrecoverable withholding tax, is accrued on a daily basis .

Significant tendencies during the period

Between 30 June 2016 and 30 June 2017 global equity markets were characterised by generally positive performance.

DAX:	+27.32%
DivDAX:	+23.74%

The Euro has gained 2.6% against the US dollar during this period, which means that, in turn, investments in US dollars lost by the same percentage value.

The yield on 10-year government bonds was in negative territory on July 1, at -0.126%, which is very unusual from an historical perspective. This situation changed to the effect that, as of 30 June 2017 long-dated German debt was again paying positive interest of 0.466%.

Over the period global equities, bonds and the commodity market continued to be strongly influenced by the central banks and their monetary policies. Another factor that had an impact came from the critical elections in the USA and France. In the USA Donald John Trump became its 45th President. On 7 May 2017 the French people elected Emmanuel Macron as their president in a second ballot. Additionally, with a referendum on 23 June 2016, voters in the United Kingdom (UK) chose to leave the European Union. Now the UK government has two years in which to come to an agreement with the EU on how to withdraw and to negotiate future cooperation.

No ComStage 1 Sub-funds were wound up in the business year just ended.

Significant risks of the Sub-funds during the period

Alongside the general risks associated with an investment fund, and in addition to the risks of investing in a UCITS securities fund (index risk), there were the following significant risks for the Sub-funds during the period:

Change in portfolio value risks

The assets in which the company invests for the account of the respective Sub-funds are subject to risks. In this way, value losses can occur if the market value of the asset item is lower than the cost price, or the spot and forward prices differ.

Capital market risk

The exchange or market value trends of financial products depend in particular on the development of the capital markets, which in turn are influenced by the general situation of the global economy and the economic and political conditions in the respective country. In particular, irrational factors such as feelings, beliefs and rumours can also have an influence on the general development of an index on a stock exchange. Fluctuations in the index and market value can also be attributable to changes in interest rates, exchange rates or the creditworthiness of issuers.

Counterparty risks (excluding central bank contract arrangers)

An issuer default, or a counterparty’s entitlements outstanding against the fund, may result in losses for the respective Sub-fund. Issuer risk describes the impact of the particular developments of the respective issuer, which, in addition to the general tendencies of the capital markets, affect the price of a security. Even careful selection of securities does not exclude the possibility that losses can arise from asset defaults by issuers. The party to a contract concluded for the account of the respective Sub-fund may be partially or wholly withdrawn (counterparty risk). This applies to all contracts concluded for the account of the respective Sub-fund.

Share price fluctuation risk

Shares are traditionally subject to strong price fluctuations and thus also to the risk of price declines. These are particularly influenced by the profit performance of the issuing company, industry sector performance and overall macroeconomic performance. The confidence of market participants in the respective company can also affect the price performance of the respective company. This particularly applies to companies whose shares are listed on the stock exchange or another organised market for a short period; with these, slight changes in forecasts can lead to significant price fluctuations. If the number of freely tradeable shares held by many shareholders (the so-called free float) is low, smaller purchase and sales orders can have a strong impact on the market price and thus lead to higher price fluctuations.

Liquidity risk and leverage

The fund does currently not invest in derivatives and does not engage in securities lending transactions. Therefore there is no leverage which would increase the market risk or the overall fund's risk profile. Normally the fund does only invest in equities which are members of the DAX index that contains the most liquid German equities. During the whole period there have been no assets that are difficult to liquidate. Based on a turnover analysis the liquidity risk is measured on a regular basis in line with UCITS guidelines and regulations. This approach can identify equities which are difficult to liquidate.

Negative credit interest rate risk

The company deposits the respective Sub-fund's liquid assets with a custodian institution or other banks for the account of the Sub-fund. For this cash-at-bank an interest rate is sometimes agreed that corresponds to the Euro Interbank Offered Rate (Euribor) minus a certain margin. If the Euribor sinks below the agreed margin it leads to negative interest on the corresponding account. Thus, the short- medium- and long-term cash-at-bank can realise negative interest, depending upon how the interest rate policy of the European Central Bank performs.

A detailed presentation of all the risks associated with the fund can be found in the sales prospectus.

Fund volume and performance

<u>Sub-fund</u>	<u>Fund volume in €</u>	<u>Performance in %</u>
ComStage 1 DAX UCITS ETF, II	6,138,719.77	26.93
ComStage 1 DivDAX UCITS ETF, II	6,088,815.67	27.45


Risk management

According to CSSF circular 11/512 on the risk management of UCITS, the overall risk of all existing ComStage 1 Sub-funds is calculated using the commitment approach for funds with limited or less complex derivative financial instruments, or with derivative financial instruments used only for hedging purposes. The utilisation of the upper limit for the market risk potential has been determined for this particular fund according to the derivatives regulation using the simple approach.

Board of Directors

Luxembourg, 9 October 2017

Note: The information in this report refers to historical data and is no indicator of future performance.





COMMERZ FUNDS SOLUTIONS,
as management company on behalf of COMSTAGE 1
25, rue Edward Steichen
L-2540 Luxembourg

Custodian Report to the Shareholders of ComStage 1 ("the Company") for the year ended 30th June 2017

Having carried out such procedures as we considered necessary to discharge our responsibilities as Custodian of the Company it is our opinion, based on the information available to us and the explanations provided, that in all material respects, the Company has managed the scheme in accordance:

- (i) with the current prospectus
- (ii) with the provisions of the constitutive documents / management regulations

On behalf of BNP Paribas Securities Services


Dietmar ROESSLER
Managing Director


Richard THIEL
Global Service Manager

Frankfurt am Main, 09 October 2017

Statement of assets and liabilities as at 30 June 2017

	Market value in EUR	Market value in EUR	% of NAV
I. Assets		65,485,131.93	100.04
1. Shares		65,458,597.69	99.99
- Audiovisual industry	556,488.32		0.85
- Banks	2,650,208.82		4.05
- Construction and construction materials	830,416.50		1.27
- Mining	719,260.63		1.10
- Chemicals industry	6,882,012.41		10.51
- Retail	1,395,631.00		2.13
- Electrics / Electronics	1,385,765.00		2.12
- Energy suppliers	1,750,635.35		2.67
- Automotive and machine construction	8,907,753.78		13.61
- Pharma industry / Biotech	10,946,218.44		16.72
- Real Estate	999,841.40		1.53
- Software	5,876,577.00		8.98
- Other financial services	1,146,008.00		1.75
- Other industrial assets	6,465,924.10		9.88
- Telecommunications	3,300,083.88		5.04
- Textiles and clothing	2,037,827.00		3.11
- Transportation	2,635,965.21		4.03
- Insurance	6,971,980.85		10.65
2. Receivables		122,167.20	0.19
3. Cash-at-bank		-95,632.96	-0.15
II. Liabilities		-23,131.42	-0.04
III Net Asset Value		65,462,000.51	100.00¹⁾

¹⁾ Minor differences may arise as a result of rounding percentage shares in the calculation.

Statement of Net Assets as at 30 June 2017

ISIN	Denomination	Market	Qty. or share or Curr. in 1,000	Quantity 30.06.2017	Purchases/ Additions in the period under review	Sales/ Disposals	Price	Market Value in EUR	% of NAV
Stock Exchange-traded securities									
Shares									
Domestic									
DE000A1EWWW0	adidas AG registered-shares		Qty.	12,148	5,162	840	EUR 167.750	2,037,827.00	3.11
DE0008404005	Allianz SE vink.registered-shares		Qty.	29,902	13,609	1,617	EUR 172.400	5,155,104.80	7.87
DE000BASF111	BASF SE registered-shares		Qty.	60,969	26,914	2,109	EUR 81.090	4,943,976.21	7.55
DE000BAY0017	Bayer AG registered-shares		Qty.	54,893	23,702	1,370	EUR 113.200	6,213,887.60	9.49
DE0005190003	Bayerische Motoren Werke AG Stammaktien EO 1		Qty.	21,419	9,592	797	EUR 81.280	1,740,936.32	2.66
DE0005200000	Beiersdorf AG bearer-shares		Qty.	6,524	2,768	115	EUR 92.040	600,468.96	0.92
DE000CBK1001	Commerzbank AG bearer-shares		Qty.	70,163	29,794	1,245	EUR 10.430	731,800.09	1.12
DE0005439004	Continental AG bearer-shares		Qty.	7,169	3,074	157	EUR 188.950	1,354,582.55	2.07
DE0007100000	Daimler AG registered-shares		Qty.	66,158	29,972	3,057	EUR 63.370	4,192,432.46	6.40
DE0005140008	Deutsche Bank AG registered-shares		Qty.	123,569	71,088	1,344	EUR 15.525	1,918,408.73	2.93
DE0005810055	Deutsche Stock Exchange AG registered-shares		Qty.	12,400	12,988	7,940	EUR 92.420	1,146,008.00	1.75
DE0008232125	Deutsche Lufthansa AG vink.registered-shares		Qty.	31,217	13,673	810	EUR 19.925	621,998.73	0.95
DE0005552004	Deutsche Post AG registered-shares		Qty.	61,364	29,005	5,398	EUR 32.820	2,013,966.48	3.08
DE0005557508	Deutsche Telekom AG registered- shares		Qty.	209,929	92,639	7,484	EUR 15.720	3,300,083.88	5.04
DE000ENAG999	E.ON SE registered-shares		Qty.	142,880	76,194	10,187	EUR 8.248	1,178,474.24	1.80
DE0005785802	Fresenius Medical Care KGaA bearer- shares		Qty.	14,087	6,011	239	EUR 84.170	1,185,702.79	1.81
DE0005785604	Fresenius SE & Co. KGaA bearer- shares		Qty.	27,164	11,803	446	EUR 75.060	2,038,929.84	3.11
DE0006047004	HeidelbergCement AG bearer-shares		Qty.	9,810	4,529	180	EUR 84.650	830,416.50	1.27
DE0006048432	Henkel AG & Co. KGaA Inhaber- Vorzugsaktien o.St.o.N		Qty.	11,582	4,916	204	EUR 120.500	1,395,631.00	2.13
DE0006231004	Infineon Technologies AG registered- shares		Qty.	74,967	32,283	1,642	EUR 18.485	1,385,765.00	2.12
DE0006483001	Linde AG bearer-shares		Qty.	11,689	5,595	735	EUR 165.800	1,938,036.20	2.96
DE0006599005	Merck KGaA bearer-shares		Qty.	8,579	3,640	150	EUR 105.750	907,229.25	1.39
DE0008430026	Münchener Rückvers.-Ges. AG vink.registered-shares		Qty.	10,291	4,766	817	EUR 176.550	1,816,876.05	2.78
DE000PSM7770	ProSiebenSat.1 Media SE registered- shares		Qty.	15,188	7,864	1,124	EUR 36.640	556,488.32	0.85
DE0007037129	RWE AG Inhaber-Stammaktien		Qty.	32,798	14,264	475	EUR 17.445	572,161.11	0.87
DE0007164600	SAP SE bearer-shares		Qty.	64,260	27,477	942	EUR 91.450	5,876,577.00	8.98
DE0007236101	Siemens AG registered-shares		Qty.	53,726	26,808	3,059	EUR 120.350	6,465,924.10	9.88
DE0007500001	ThyssenKrupp AG bearer-shares		Qty.	28,915	12,276	513	EUR 24.875	719,260.63	1.10
DE0007664039	Volkswagen AG Vorzugsaktien o.St.		Qty.	12,147	5,147	214	EUR 133.350	1,619,802.45	2.47
DE000A1ML7J1	Vonovia SE registered-shares		Qty.	28,760	12,617	767	EUR 34.765	999,841.40	1.53
							EUR	65,458,597.69	99.99
Total of securities assets							EUR	65,458,597.69	99.99
Cash at bank, non-vested money market instruments and money market funds							EUR	-95,632.96	-0.15
EUR-credit at:									
Depository Bank			EUR	-95,632.96		% 100.000		-95,632.96	-0.15
Other Assets							EUR	122,167.20	0.19
Dividends receivables shares			EUR	122,167.20				122,167.20	0.19
Other Liabilities							EUR	-23,131.42	-0.04
Liabilities Administration fees			EUR	-23,131.42				-23,131.42	-0.04
Net Asset Value							EUR	65,462,000.51	100.00¹⁾
Unit class allocation									
ComStage 1 DAX[®] UCITS ETF (II)									
Proportional NAV							EUR	6,138,719.77	
NAV per Unit							EUR	12.28	
Units in circulation							Qty.	500,000	

¹⁾ Minor differences may arise as a result of rounding percentage shares in the calculation.

Price of transferable securities or market rate

The assets of the Sub-funds are valued on the basis of the following rates/market rates:

All asset prices: Prices as at 30/06/2017

Transactions concluded during the period under review, insofar as they no longer appear in the asset portfolio:

Purchases and sales in securities, investments funds and promissory notes (market allocation as of the reporting date):

ISIN	Denomination	Qty. or share or curr. in 1,000	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Stock Exchange-traded securities					
Shares					
Domestic					
DE000A2E42S2	Deutsche Lufthansa AG Dividendenanspruch Barauszahl.	Qty.	28,711	28,711	
DE000A2E4SC8	Deutsche Telekom AG Dividend in Kind-Cash Line	Qty.	203,612	203,612	
DE000ENAG1J9	E.ON SE Technische Wahldividenden	Qty.	119,288	119,288	
DE000A2E38R2	Vonovia SE Dividende Cash	Qty.	26,399	26,399	

Distribution and expense calculation including income equalization/ComStage 1 DAX® UCITS ETF
For the period from 01/07/2016 to 30/06/2017

	Overall EUR	Overall EUR	Per share ¹⁾ EUR
I. Income			
1. Dividend domestic issuer		1,838,077.30	
Income total		1,838,077.30	
II. Expenses			
1. Interest from borrowing transactions ²⁾		-70.08	
2. Administration fees		-90,723.70	
3. Other Expenses		-69.18	
Of which: negative deposit rates	-69.18		
Expenses total		-90,862.96	
III. Total net income		1,747,214.34	
IV. Sales transactions			
1. Realised profit		628,815.48	
2. Realised loss		-127,641.20	
Result from sales transactions		501,174.28	
V. Realised result for the financial year		2,248,388.62	
1. Net change in unrealised profit		6,273,579.99	
2. Net change in unrealised loss		2,922,582.30	
VI. Non-realised result for the financial year		9,196,162.29	
VII. Financial year result		11,444,550.91	

Development of the Sub-fund / ComStage 1 DAX® UCITS ETF

	EUR	EUR
		2016 / 2017
I. Value of the Sub-fund at the beginning of the financial year		31,042,614.78
1. Distribution/tax for the previous year		-863,089.29
2. Inflow(net)		24,050,595.92
a) Cash inflows from subscription of units	24,050,595.92	
b) Cash outflows from redemption of units	0.00	
3. Income equalization/cost compensation		-212,671.81
4. Result for the financial year		11,444,550.91
Of which: Net change in unrealised profit	6,273,579.99	
Of which: Net change in unrealised loss	2,922,582.30	
II. Value of the Sub-fund at the end of the financial year		65,462,000.51

¹⁾ Minor differences may arise as a result of rounding percentage shares in the calculation.

²⁾ Details: s. Appendix "Additional Information", page 12.

Distribution and expense calculation including income equalization/ComStage 1 DAX® UCITS ETF (II)
for the period from 01/07/2016 to 30/06/2017

	Overall EUR	Overall EUR	Per share ¹⁾ EUR
I. Income			
1. Dividend domestic issuer		172,301.20	0.345
Income total		172,301.20	0.345
II. Expenses			
1. Interest from borrowing transactions ²⁾		-6.57	0.000
2. Administration fees		-8,481.83	-0.017
3. Other Expenses		-6.49	0.000
Of which: negative deposit rate	-6.49	0.000	0.000
Expenses total		-8,494.89	-0.017
III. Total net income		163,806.31	0.328
IV. Sales transactions			
1. Realised profit		58,760.21	0.118
2. Realised loss		-11,788.44	-0.024
Result from sales transactions		46,971.77	0.094
V. Realised result for the financial year		210,778.08	0.422
1. Net change in unrealised profit		743,393.95	1.487
2. Net change in unrealised loss		357,074.16	0.714
VI. Non-realised result for the financial year		1,100,468.11	2.201
VII. Result for the financial year		1,311,246.19	2.622

Development of the Sub-fund / ComStage 1 DAX® UCITS ETF (II)

	EUR	EUR
I. Value of the Sub-fund at the beginning of the financial year		4,836,111.63
1. Distribution / tax for the previous year		-8,638.05
2. Cash inflow (net)		0.00
a) Cash inflows from subscription of units	0.00	
b) Cash outflows from redemption of units	0.00	
3. Income equalization/cost compensation		0.00
4. Result for the financial year		1,311,246.19
Of which: Net change in unrealised profit	743,393.95	
Of which: Net change in unrealised loss	357,074.16	
II. Value of the Sub-fund at the end of the financial year		6,138,719.77

Use of the Income of the Sub-fund / ComStage 1 DAX® UCITS ETF (II)

	Overall EUR	Per share ²⁾ EUR
I. Available for reinvestment		
1. Realised result for the financial year	210,778.08	0.422
2. Allocation out of the Sub-funds' assets	0.00	0.000
3. Tax deduction available	-37,299.75	-0.075
II. Reinvestment	173,478.33	0.347

¹⁾ Minor differences may arise as a result of rounding percentage shares in the calculation.

²⁾ Details: s. Appendix "Additional Information", page 12.

Comparison overview of the last three financial years/ ComStage 1 DAX® UCITS ETF (II)
Financial year

Sub-fund
at the end of the
financial year
EUR
Unit Price
EUR

2016/2017
2016

6,138,719.77
4,836,111.63
12.28
9.67

Comparative summary of the last three business years / ComStage 1 DAX® UCITS ETF (II)

Period	Sub-fund	Fund Volume in €	Performance in %	Highest Value	Lowest Value
30/06/2016 – 30/06/2017	ComStage 1 DAX UCITS ETF, II	6,138,719.77	26.93	12.84	9.35
12/05/2016 – 30/06/2016	ComStage 1 DAX UCITS ETF, II	4,836,111.63	-1.93	10.33	9.26

* Since this Sub-Fund's share class was launched on 12 May 2016, there are no more comparative values.

The total investment stated at cost

	Value at cost	Unrealized P/L	Market value
Securities Portfolio	59,396,307.81	6,062,289.88	65,458,597.69
Cash at Bank	-95,632.96		-95,632.96
Dividends receivables shares	122,167.20		122,167.20
Liabilities: Administration fees	-23,131.42		-23,131.42
Total	59,399,710.63		65,462,000.51

Comparison of the Sub-Fund's performance and the actual DAX's performance over the relevant period

	Performance Dax	Performance Sub-Fund
30/06/2016- 30/06/2017	27.32%	26.93%

Statement of Changes in Numbers of Units during the last three business years / ComStage 1 DAX® UCITS ETF (II)

Period	Number of Units in issue at the beginning of the period	Number of Units subscribed	Number of Units redeemed	Number of Units in issue at the end of the period
30/06/2016 – 30/06/2017	500,000	0	0	500,000
12/05/2016 – 30/06/2016	0	500,000	0	500,000

* Since this Sub-Fund's share class was launched on 12 May 2016, there are no more comparative values.

Information according to the German Derivatives Regulation (“Derivateverordnung“)

No derivatives transactions were concluded in the financial year

Other information**ComStage 1 DAX[®] UCITS ETF (II)**

International Security Identification Number (ISIN)

NAV per Unit

Units in circulation

Investor

Subscription Fee

Redemption Fee

All-in-Fee p.a.

EUR
Qty.

DE000ETF8019

12.28

500,000

Private Investor

5.00

5.00

0.15

Quantity of securities in the NAV (in %)

99.99

Quantity of derivatives in the NAV (in %)

0.00

Information on the procedure for valuation of the assets

The valuation of the assets during the financial year and on the reporting date of 30/06/2017 was in principle the last traded stock exchange or market price, which ensures a reliable valuation.

Assets that are neither admitted to trading on stock exchanges nor are admitted to or included in any other organized market or for which no tradeable price is available, are valued at the current market value, which is based on appropriate valuation models, taking into account current market conditions.

In the financial year and as at the reporting date of 30 June 2017, the following assets were not valued at the last traded stock exchange or market price:

Cash-at-bank and other Assets

to nominal value

Liabilities

to redemption amount

Information on transparency as well as on the total expense ratio according to § 16 (1) No. 3 of the KARBV**Significant other income and other expenses**

In the financial year just ended there were no significant other income or expenses.

Total expense ratio (in %) pursuant to § 101 (2) No. 1 KAGB [German Code of Investment]

ComStage 1 DAX[®] UCITS ETF (II)

0.15

The total expense ratio expresses all costs and payments (without transaction costs) borne by the Sub-fund in the course of the year in relation to the average net asset value of the Sub-fund.

All-in fees pursuant to § 101 (2) No. 2 KAGB [German Code of Investment]

The Company receives a cost-sharing fee (the "all-in fee") described in the special section from the respective Sub-fund which may differ for the different unit classes. Details of the remuneration and reimbursement expenses charged to the particular Sub-fund may be found in the Special Section of the Prospectus, as well as in the AAB and BAB. The all-in fee is calculated on the basis of the average daily net asset value of the unit class of the respective Sub-fund and is payable monthly or quarterly in arrears. The all-in fee covers all services provided by the company and third parties (such as the custodian, the auditor, etc.), unless otherwise specified in the following.

Transaction Cost

EUR

14.66

Total of the ancillary costs of the acquisition (incidental acquisition costs) and the costs of the sale of the assets.

The part of the securities transactions carried out in the period for the account of the Sub-fund by way of brokerage, which are closely linked to enterprises and persons, was 97.87 %. They amounted to a total of EUR 31,846,737.51.

Information on costs

The EU Management Company will not receive any reimbursements of the remunerations and expenses paid by the Sub-fund to the custodian and to third parties. The EU Management Company will not pay any remuneration to intermediaries.

Explanatory note on the distribution and expense calculation

The net change in net unrealised gains and losses is determined by comparing the value of the assets in the unit price with the respective historical cost, the amount of the positive differences goes into the sum of the unrealised gains, and the amount of the negative differences into the sum of the unrealised losses. The net changes are determined from the comparison of the totals positions at the end of the financial year with the totals positions at the beginning of the financial year.

Information on securities lending transactions pursuant to Regulation (EU) No 2015/2365

There were no securities lending transactions concluded or total return swaps in the financial year within the meaning of EU Regulation No. 2015/23645.

Information on Index funds pursuant to §16 (2) KARBV

Tracking Error and Tracking Difference

Tracking error describes the standard deviation of the difference between the performance of a Sub-fund and the performance of the underlying index (benchmark). A lower tracking error indicates similar performance. The higher the tracking error, the larger the average deviation of fund performance from the performance of the benchmark.

The tracking error basically results from the all-in fee collected from the individual Sub-fund's assets and the tracking difference of the particular Sub-fund.

In the case of ETFs, positive tracking differences arise mainly where they refer to a price index with no dividend consideration. The ETF performs more positively than the benchmark index, which leads to a correspondingly large tracking error.

ComStage 1 DAX[®] UCITS ETF (II)

Tracking error at the end of the period	0.203%
Annual tracking difference	-0.390%

Soft dollars and cash rebates

In connection with transactions for the account of a Sub-Fund, non-cash benefits (broker research, financial analyses, market and price information systems) may accrue to the Management Company; these benefits are used in the investors' interest when taking investment decisions.

Neither the Management Company, the Investment Manager, nor any of their connected persons may retain cash or other rebates save for soft commissions from brokers or dealers in consideration of directing transactions for the Sub-Fund to such brokers or dealers.

The Management Company may grant recurring – mostly annual – brokerage fees, known as “trail commissions”, to financial intermediaries such as banks and other credit institutions. Currently there are no soft commission agreements in place for the Fund or the Sub-Fund.

Transaction with Connected Persons

Cash forming part of the property of the Fund or the Sub-Fund may be placed as deposits with the Custodian, the Management Company, the Investment Manager or with any Connected Persons of these companies (being an institution licensed to accept deposits) so long as that institution pays interest thereon at no lower rate than is, in accordance with normal banking practice, the commercial rate for deposits of the size of the deposit in question negotiated at arm's length.

Money can be borrowed from the Custodian, the Management Company, the Investment Manager or any of their Connected Persons (being a bank) so long as that bank charges interest at no higher rate, and any fee for arranging or terminating the loan is of no greater amount than is in accordance with normal banking practice, the commercial rate for a loan of the size and nature of the loan in question negotiated at arm's length. Any transactions between the Fund or the Sub-Fund and the Management Company, the Investment Manager or any of their Connected Persons as principal may only be made with the prior written consent of the Custodian. In transacting with brokers or dealers connected to the Management Company, the Investment Manager or any of their connected persons, the Management Company shall ensure that the following are complied with:

- (a) such transactions are on arm's length terms;
- (b) the Management Company must use due care in the selection of brokers or dealers and ensure that they are suitably qualified in the circumstances;
- (c) transaction execution is consistent with applicable best execution standards;
- (d) the fee or commission paid to any such broker or dealer in respect of a transaction must not be greater than that which is payable at the prevailing market rate for a transaction of that size and nature;
- (e) the Management Company must monitor such transactions to ensure compliance with its obligations; and
- (f) the nature of such transactions and the total commissions and other quantifiable benefits received by such brokers or dealers are disclosed in the Annual Report (see below)

All transactions carried out by or on behalf of the Fund or the Sub-Fund have been executed via the connected party Commerzbank AG in its functions as counterparty or broker at arm's length and on the best available terms. No commissions and other quantifiable benefits have been received by brokers or dealers connected to the Management Company, the Investment Manager or any of their connected persons.

Information on remuneration pursuant to KAGB § 101 (4) 1.-5.:

Commerz Funds Solutions S.A. (hereinafter CFS) has adopted the remuneration policy of its sole shareholder, Commerzbank AG, taking into account the local and European requirements regarding UCITS and AIFMD regulations.

The remuneration policy sets out the principles applicable to:

Any form of payment or other performance to employees by CFS;

Anyone directly controlled by the CFS-managed collective investment company (hereinafter CIC) for collective or individual investment amounts paid, including performance-related remuneration; and any transfer of units of the CIC concerned in exchange for professional services provided by CFS employees.

To provide CFS employees with overall remuneration that meets market supervisory requirements, it is made up of several components: The success of the company, voluntary occupational benefits and voluntary occupational pension. The above remuneration components determine the overall remuneration of employees that meet market supervisory requirements, taking into consideration an appropriate and permissible ratio of variable and fixed remuneration.

The following information — in particular the information on the remuneration of beneficiaries — is based on the financial statements of the company from 31 December 2016, pertaining to the 2016 financial year.

In the 2016 financial year, the overall fixed remuneration for all employees of CFS amounted to 1,048,000.00 EUR (88.29%) and the variable amount was 127,000 EUR (11.71%). Overall remuneration amounted to 1,175,000 EUR.

A performance fee is not generally paid to CFS employees. The number of beneficiaries corresponds to the average number of employees employed in the past financial year 2016 (11). The total amount of remuneration paid to certain employee groups in the 2016 financial year is pro rata for ComStage 1:

- Directors: 5,950,000 EUR

- Employees with risk responsibilities according to remuneration guidelines (risk-taker): 9,760,000 EUR
- Employees with control functions: 14,600,000 EUR
- Employees with an overall remuneration such as directors or risk-takers: not applicable.

Pursuant to Chapter 7 of ESMA guidelines on remuneration policy (final report of 31/03/2016) CFS applies the proportionality principle envisaged.

As a result, CFS:

- has declared the following as risk-takers: Mathias Turra, Hermann Berger, Thomas Meyer zu Drewer, Andreas Herresthal and Dietmar Kusch
- has no remuneration committee;
- does not make disbursements of variable remuneration in AIF/UCITS instruments, and
- does not apply the "disbursement procedure" (i.e. blocking period, deferral and ex-post consideration of risk).

A change in remuneration policy has to date not taken place. A review of the remuneration policy pursuant to Article 14b (1) (c) and (d) has been effected as at 30 June 2017.

Additional information on the EU Management Company's remuneration policy can be found on the internet at the website <http://www.am.commerzbank.de/News/EditorialList.aspx?c=34929>. A printed version is available free of charge upon request.

ComStage 1 DAX[®] UCITS ETF

Appendix

Additional information

Interest from borrowing transactions

Interest from borrowing transactions result from short term overdraft of the sub-fund's cash account. The respective negative interest resulting from these overdrafts is allocated proportionally to the single share classes.

The following overdrafts occurred during the financial year:

Period		Overdraft EUR
30/06/2016	04/07/2016	-12,141.53
04/07/2016	07/07/2016	-12,125.62
20/09/2016	21/09/2016	-34,196.83
21/09/2016	22/09/2016	-44,316.59
22/09/2016	26/09/2016	-44,530.06
26/09/2016	30/09/2016	-52,495.29
30/09/2016	06/10/2016	-52,516.82
06/10/2016	07/10/2016	-57,570.74
23/03/2017	24/03/2017	-138,463.32
04/05/2017	05/05/2017	-108,249.04
15/05/2017	16/05/2017	-161,194.99
16/05/2017	17/05/2017	-57,258.29
17/05/2017	19/05/2017	-11,942.32
19/05/2017	22/05/2017	-41,495.09
22/05/2017	23/05/2017	-41,532.64
23/05/2017	24/05/2017	-25,739.42
24/05/2017	29/05/2017	-41,536.12
29/05/2017	31/05/2017	-14,983.26
31/05/2017	02/06/2017	-15,000.31
06/06/2017	07/06/2017	-14,745.94
07/06/2017	13/06/2017	-10,720.93
30/06/2017	30/06/2017	-107,774.49

Statement of assets and liabilities as at 30 June 2017

	Market value in EUR	Market value in EUR	% of NAV
I. Assets		29,062,563.29	100.06
1. Shares		28,085,153.85	96.70
- Audio-visual industry	527,249.60		1.82
- Chemicals industry	4,609,594.09		15.87
- Energy suppliers	1,116,556.50		3.84
- Automotive and machine manufacture	4,475,907.15		15.41
- Pharmaceutical industry / Biotech	2,680,802.40		9.23
- Real Estate	947,311.49		3.26
- Other financial services	1,085,750.16		3.74
- Other industrial assets	2,810,172.50		9.68
- Telecommunications	2,739,115.68		9.43
- Transportation	2,497,423.78		8.60
- Insurance	4,595,270.50		15.82
2. Receivables		104,100.60	0.36
3. Cash at Bank		873,308.84	3.01
II. Liabilities		-18,311.49	-0.06
III Net Asset Value		29,044,251.80	100.00 ¹⁾

¹⁾ Minor differences may arise as a result of rounding percentage shares in the calculation.

Statement of Net Assets as at 30 June 2017

ISIN	Denomination	Market	Qty. or shares or Curr. in 1,000	Quantity 30/06/2017	Purchases/ Additions	Sales Disposals	Price	Market value in EUR	% of NAV
Stock Exchange-traded Securities									
Shares									
Inland									
DE0008404005	Allianz SE vink.registered-shares		Qty.	16,670	1,414	1,970	EUR 172.400	2,873,908.00	9.89
DE000BASF111	BASF SE registered-shares		Qty.	34,201	4,097	3,157	EUR 81.090	2,773,359.09	9.55
DE000BAY0017	Bayer AG registered-shares		Qty.	23,682	27,699	4,017	EUR 113.200	2,680,802.40	9.23
DE0005190003	Bayerische Motoren Werke AG Stammaktien EO 1		Qty.	20,293	1,658	867	EUR 81.280	1,649,415.04	5.68
DE0007100000	Daimler AG registered-shares		Qty.	44,603	6,423	2,010	EUR 63.370	2,826,492.11	9.73
DE0005810055	Deutsche Stock Exchange AG registered-shares		Qty.	11,748	12,250	11,860	EUR 92.420	1,085,750.16	3.74
DE0008232125	Deutsche Lufthansa AG vink.registered- shares		Qty.	29,576	30,745	1,169	EUR 19.925	589,301.80	2.03
DE0005552004	Deutsche Post AG registered-shares		Qty.	58,139	4,270	4,458	EUR 32.820	1,908,121.98	6.57
DE0005557508	Deutsche Telekom AG registered-shares		Qty.	174,244	16,394	0	EUR 15.720	2,739,115.68	9.43
DE000ENAG999	E.ON SE registered-shares		Qty.	135,373	24,997	8,379	EUR 8.248	1,116,556.50	3.84
DE0006483001	Linde AG bearer-shares		Qty.	11,075	1,317	791	EUR 165.800	1,836,235.00	6.32
DE0008430026	Münchener Rückvers.-Ges. AG vink.registered-shares		Qty.	9,750	510	556	EUR 176.550	1,721,362.50	5.93
DE000PSM7770	ProSiebenSat.1 Media SE registered- shares		Qty.	14,390	15,005	615	EUR 36.640	527,249.60	1.82
DE0007236101	Siemens AG registered-shares		Qty.	23,350	1,317	2,297	EUR 120.350	2,810,172.50	9.68
DE000A1ML7J1	Vonovia SE registered-shares		Qty.	27,249	2,129	1,003	EUR 34.765	947,311.49	3.26
							EUR	28,085,153.85	96.70
							EUR	28,085,153.85	96.70
Total of securities									
Cash-at-bank, non-vested money market instruments and money market funds									
EUR-credit at:									
EUR									
Depository Bank			EUR	873,308.84			% 100.000	873,308.84	3.01
Other Assets									
Dividend receivables			EUR	104,100.60				104,100.60	0.36
Other Liabilities									
Liabilities Administration fees			EUR	-18,311.49				-18,311.49	-0.06
Net Asset Value									
EUR									
29,044,251.80									
100.00¹⁾									
Unit class allocation									
ComStage 1 DivDAX® UCITS ETF (II)									
Proportional NAV									
EUR									
6,088,815.67									
NAV per Unit									
EUR									
17.40									
Units in circulation									
Qty.									
350,000									

¹⁾ Minor differences may arise as a result of rounding percentage shares in the calculation.

Price of transferable securities or market rate

The assets of the Sub-funds are valued based on the following prices/market rates:

All asset prices: Prices as at 30/06/2017

Transactions concluded during the period under review, insofar as they no longer appear in the asset portfolio:

Purchases and sales in securities, investments funds and promissory notes (market allocation as of the reporting date):

ISIN	Denomination	Qty. or shares or Curr. in 1,000	Purchases/ Additions	Sales Disposals	Volume in 1,000
Stock Exchange-traded securities					
Shares					
Domestic					
DE000A1EWWW0	adidas AG registered-shares	Qty.	27	12,116	
DE000A2AA253	Deutsche Stock Exchange AG z.Umtausch eing.registered-shares	Qty.	11,850	11,850	
DE000A2E42S2	Deutsche Lufthansa AG Dividendenanspruch Barauszahl.	Qty.	30,745	30,745	
DE000A2E4SC8	Deutsche Telekom AG Dividend in Kind-Cash Line	Qty.	173,501	173,501	
DE000ENAG1J9	E.ON SE Technische Wahldividende	Qty.	128,036	128,036	
DE000KSAG888	K+S Aktiengesellschaft registered-shares	Qty.	26	11,668	
DE000UNSE018	Uniper SE registered-shares	Qty.	11,901	11,901	
DE0007664039	Volkswagen AG Vorzugsaktien o.St.	Qty.	25	11,156	
DE000A2E38R2	Vonovia SE Dividende Cash	Qty.	28,252	28,252	

Distribution and expense calculation including income equalization/ComStage 1 DivDAX® UCITS ETF
for the period from 01/07/2016 to 30/06/2017

	Overall EUR	Overall EUR
I. Income		
1. Dividend domestic issuer		1,008,351.26
Income total		1,008,351.26
II. Expenses		
1. Interest from borrowing transactions ²⁾		-58.18
2. Administration fees		-66,871.27
3. Other Expenses		-779.29
Of which: negative deposit rate	-779.29	
Expenses total		-67,708.74
III. Total net income		940,642.52
IV. Sales transactions		
1. Realised profit		1,063,460.80
2. Realised loss		-95,267.77
Result from sales transactions		968,193.03
V. Realised result for the financial year		1,908,835.55
1. Net change in unrealised profit		2,434,950.42
2. Net change in unrealised loss		1,951,832.44
VI. Non-realised result for the financial year		4,386,782.86
VII. Result for the financial year		6,295,618.41
Development of the Sub-fund / ComStage 1 DivDAX® UCITS ETF		2016 / 2017
	EUR	EUR
I. Value of the Sub-fund at the beginning of the financial year		23,303,150.33
1. Distribution / tax for the previous year		-679,237.70
2. Cash inflow (net)		129,196.88
a) Cash inflows from subscription of units	129,196.88	
b) Cash outflows from redemption of units	0.00	
3. Income equalization/cost compensation		-4,476.12
4. Result for the financial year		6,295,618.41
Of which: Net change in unrealised profit	2,434,950.42	
Of which: Net change in unrealised loss	1,951,832.44	
II. Value of the Sub-fund at the end of the financial year		29,044,251.80

²⁾ Details: s. Appendix "Additional Information", page 21.

Distribution and expense calculation including income equalization/ ComStage 1 DivDAX[®] UCITS ETF (II)
for the period from 01/07/2016 to 30/06/2017

	Overall EUR	Overall EUR	Per share ¹⁾ EUR
I. Income			
1. Dividend domestic issuer		211,245.98	0.604
Income total		211,245.98	0.604
II. Expenses			
1. Interest from borrowing transactions ²⁾		-12.20	0.000
2. Administration fees		-13,989.05	-0.040
3. Other Expenses		-162.96	0.000
Of which: negative deposit rate	-162.96		0.000
Expenses total		-14,164.21	-0.040
III. Total net income		197,081.77	0.563
IV. Sales transactions			
1. Realised profit		222,977.44	0.637
2. Realised loss		-19,980.69	-0.057
Result from sales transactions		202,996.75	0.580
V. Realised result for the financial year		400,078.52	1.143
1. Net change in unrealised profit		507,486.40	1.450
2. Net change in unrealised loss		407,553.76	1.164
VI. Non-realised result for the financial year		915,040.16	2.614
VII. Result for the financial year		1,315,118.68	3.757

Development of the Sub-fund / ComStage 1 DivDAX[®] UCITS ETF (II)

	EUR	EUR
I. Value of the Sub-fund at the beginning of the financial year		4,818,671.99
1. Distribution / tax for the previous year		-44,975.00
2. Cash inflow (net)		0.00
a) Cash inflows from subscription of units	0.00	
b) Cash outflows from redemption of units	0.00	
3. Income equalization/cost compensation		0.00
4. Result for the financial year		1,315,118.68
Of which: Net change in unrealised profit	507,486.40	
Of which: Net change in unrealised loss	407,553.76	
II. Value of the Sub-fund at the end of the financial year		6,088,815.67

Use of the Income of the Sub-fund / ComStage 1 DivDAX[®] UCITS ETF (II)

	Overall EUR	Overall EUR	Per share ¹⁾ EUR
I. Available for reinvestment		434,985.66	1.243
1. Previous year's report		14,926.45	0.043
2. Realised result for the financial year		400,078.52	1.143
3. Allocation out of the Sub-fund's assets ³⁾		19,980.69	0.057
II. Not used for distribution		277,625.66	0.793
1. Reinvestments made		0.00	0.000
2. Report on new account		277,625.66	0.793
III. Overall distribution		157,360.00	0.450
1. Final distribution ⁴⁾		157,360.00	0.450

¹⁾ Minor differences may arise as a result of rounding percentage shares in the calculation.

²⁾ Details: s. Appendix "Additional Information", page 21.

³⁾ The allocation from the Sub-fund's assets shall be used to offset losses realised during the financial year. This allocation is not taken into account in the calculation of the dividends distributed; as a result, it could lead to a substantial distribution in terms of investment law in the current or future financial years.

⁴⁾ The deduction of capital gains tax and solidarity surcharge is made in accordance with Art. Section 7 (3), (3a) and (3c) of the InvStG through the securities account or the last domestic paying body as the body liable to pay the tax. The distribution takes place with value-date 04/09/2017.

Comparison overview of the last three financial years/ ComStage 1 DivDAX® UCITS ETF (II)
Financial year

Sub-fund
at the end of the
financial year
EUR

Unit Price
EUR

2016/2017
2016

6,088,815.67
4,818,671.99

17.40
13.77

Comparative summary of the last three business years / ComStage 1 DivDAX® UCITS ETF (II)

Period	Sub-fund	Fund Volume in €	Performance in %	Highest Value	Lowest Value
30/06/2016 – 30/06/2017	ComStage 1 DivDAX UCITS ETF, II	6,088,815.67	27.45	18.19	13.29
12/05/2016 – 30/06/2016	ComStage 1 DivDAX UCITS ETF, II	4,818,671.99	-1.44	14.78	13.16

* Since this Sub-Fund's share class was launched on 12 May 2016, there are no more comparative values.

The total investment stated at cost

	Value at cost	Unrealized P/L	Market value
Securities Portfolio	25,823,845.52	2,261,308.33	28,085,153.85
Cash at Bank	873,308.84		873,308.84
Dividends receivables shares	104,100.60		104,100.60
Liabilities: Administration fees	-18,311.49		-18,311.49
Total	26,782,943.47		29,044,251.80

List of any constituent securities of the DivDAX that each account for more than 10% of the weighting of the DivDAX

ISIN	Denomination	Shares	Price / Rate	% of Index
DE0008404005	Allianz SE	265.061601	172.4	10.232997
DE0007100000	Daimler AG	709.2024	63.37	10.064048
DE0007236101	Siemens AG	371.256495	120.35	10.005503

Comparison of the Sub-Fund's performance and the actual DivDAX's performance over the relevant period

	Performance DivDax	Performance Sub-Fund
30/06/2016 - 30/06/2017	23.74%	27.45%

Statement of Changes in Numbers of Units during the last three business years / ComStage 1 DivDAX® UCITS ETF (II)

Period	Number of Units in issue at the beginning of the period	Number of Units subscribed	Number of Units redeemed	Number of Units in issue at the end of the period
30/06/2016 – 30/06/2017	350,000	0	0	350,000
12/05/2016 – 30/06/2016	0	350,000	0	350,000

* Since this Sub-Fund's share class was launched on 12 May 2016, there are no more comparative values.

Information according to the German Derivatives Regulation (“Derivateverordnung“)

No derivatives transactions were concluded in the financial year

Other information**ComStage 1 DivDAX[®] UCITS ETF (II)**

International Security Identification Number (ISIN)

NAV per Unit

Units in circulation

Investor

Subscription Fee

Redemption Fee

All-in-Fee p.a.

EUR
Qty.

DE000ETF8027

17.40

350,000

Private investor

5.00

5.00

0.25

Quantity of securities in the NAV (in %)

96.70

Quantity of derivatives in the NAV (in %)

0.00

Information on the procedure for valuation of the assets

The valuation of the assets during the financial year and at the reporting date of 30/06/2017 was in principle the last traded stock exchange or market price, which ensures a reliable valuation.

Assets that are neither admitted to trading on stock exchanges nor are admitted to or included in any other organised market or for which no tradeable price is available, are valued at the current market value, which is based on appropriate valuation models, taking into account current market conditions.

In the financial year and as at the reporting date of 30 June 2017, the following assets were not valued at the last traded stock exchange or market price:

Cash-at-bank and other Assets

to nominal value

Liabilities

to redemption amount

Information on transparency as well as on the total expense ratio according to. § 16 (1) No. 3 of the KARBV**Significant other income and other expenses**

In the financial year just ended there were no significant other income or expenses.

Total expense ratio (in %) pursuant to § 101 (2) No. 1 KAGB [German Code of Investment]

ComStage 1 DivDAX[®] UCITS ETF (II)

0.25

The total expense ratio expresses all costs and payments (without transaction costs) borne by the Sub-fund in the course of the year in relation to the average net asset value of the Sub-fund.

All-in fees pursuant to § 101 (2) No. 2 KAGB [German Code of Investment]

The Company receives a cost-sharing fee (the "all-in fee") described in the special section from the respective Sub-fund, which may differ for the different unit classes. Details of the remuneration and reimbursement expenses charged to the particular Sub-fund may be found in the Special Section of the Prospectus, as well as in the AAB and BAB. The all-in fee is calculated on the basis of the average daily net asset value of the unit class of the respective Sub-fund and is payable monthly or quarterly in arrears. The all-in fee covers all services provided by the company and third parties (such as the custodian, the auditor, etc.), unless otherwise specified in the following.

Transaction Cost

EUR

0.00

The total of the ancillary costs of the acquisition (incidental acquisition costs) and the costs of the sale of the assets.

The transaction costs incurred in the past reporting year were borne by the EU Management Company, Commerz Funds Solutions S.A. For this reason, no transaction costs have been incurred in the individual Sub-funds and they are compensated by the all-in fee.

The part of the securities transactions carried out in the period for the account of the Sub-fund by way of brokerage, which are closely linked to enterprises and persons, was 92.83%. They amounted to a total of 13,302,638.03 EUR.

Information on costs

The EU Management Company will not receive any reimbursements of the remunerations and expenses paid by the Sub-fund to the custodian and to third parties. The EU Management Company will not pay any remuneration to intermediaries.

Explanatory note on the distribution and expense calculation

The net change in net unrealised profit and loss is determined by comparing the value of the assets in the unit price with the respective historical cost, the amount of the positive differences goes into the sum of the unrealised profit, and the amount of the negative differences goes into the sum of the unrealised losses. The net changes are determined from the comparison of the totals positions at the end of the financial year with the totals positions at the beginning of the financial year.

Information on securities lending transactions pursuant to Regulation (EU) No 2015/2365

There were no securities lending transactions concluded or total return swaps in the financial year within the meaning of EU Regulation No. 2015/2365.

Information on Index funds pursuant to §16 (2) KARBV

Tracking Error and Tracking Difference

Tracking error describes the standard deviation of the difference between the performance of a Sub-fund and the performance of the underlying index (benchmark). A lower tracking error indicates similar performance. The tracking error is higher when the average deviation of fund performance from the performance of the benchmark is larger.

The tracking error basically results from the all-in fee collected from the individual Sub-fund's assets and the tracking difference of the particular Sub-fund.

In the case of ETFs, positive tracking differences arise mainly where they refer to a price index with no dividend consideration. The ETF performs more positively than the benchmark index, which leads to a correspondingly large tracking error.

ComStage 1 DivDAX[®] UCITS ETF (II)

Tracking error at the end of the period	1.125%
Annual tracking difference	3.710%

Soft dollars and cash rebates

In connection with transactions for the account of a Sub-Fund, non-cash benefits (broker research, financial analyses, market and price information systems) may accrue to the Management Company; these benefits are used in the investors' interest when taking investment decisions.

Neither the Management Company, the Investment Manager, nor any of their connected persons may retain cash or other rebates save for soft commissions from brokers or dealers in consideration of directing transactions for the Sub-Fund to such brokers or dealers.

The Management Company may grant recurring – mostly annual – brokerage fees, known as “trail commissions”, to financial intermediaries such as banks and other credit institutions. Currently there are no soft commission agreements in place for the Fund or the Sub-Fund.

Transaction with Connected Persons

Cash forming part of the property of the Fund or the Sub-Fund may be placed as deposits with the Custodian, the Management Company, the Investment Manager or with any Connected Persons of these companies (being an institution licensed to accept deposits) so long as that institution pays interest thereon at no lower rate than is, in accordance with normal banking practice, the commercial rate for deposits of the size of the deposit in question negotiated at arm's length.

Money can be borrowed from the Custodian, the Management Company, the Investment Manager or any of their Connected Persons (being a bank) so long as that bank charges interest at no higher rate, and any fee for arranging or terminating the loan is of no greater amount than is in accordance with normal banking practice, the commercial rate for a loan of the size and nature of the loan in question negotiated at arm's length. Any transactions between the Fund or the Sub-Fund and the Management Company, the Investment Manager or any of their Connected Persons as principal may only be made with the prior written consent of the Custodian. In transacting with brokers or dealers connected to the Management Company, the Investment Manager or any of their connected persons, the Management Company shall ensure that the following are complied with:

- (a) such transactions are on arm's length terms;
- (b) the Management Company must use due care in the selection of brokers or dealers and ensure that they are suitably qualified in the circumstances;
- (c) transaction execution is consistent with applicable best execution standards;
- (d) the fee or commission paid to any such broker or dealer in respect of a transaction must not be greater than that which is payable at the prevailing market rate for a transaction of that size and nature;
- (e) the Management Company must monitor such transactions to ensure compliance with its obligations; and
- (f) the nature of such transactions and the total commissions and other quantifiable benefits received by such brokers or dealers are disclosed in the Annual Report (see below)

All transactions carried out by or on behalf of the Fund or the Sub-Fund have been executed via the connected party Commerzbank AG in its functions as counterparty or broker at arm's length and on the best available terms. No commissions and other quantifiable benefits have been received by brokers or dealers connected to the Management Company, the Investment Manager or any of their connected persons.

Information on remuneration pursuant to KAGB § 101 (4) 1.-5.:

Commerz Funds Solutions S.A. (hereinafter CFS) has adopted the remuneration policy of its sole shareholder, Commerzbank AG, taking into account the local and European requirements regarding UCITS and AIFMD regulations.

The remuneration policy sets out the principles applicable to:

Any form of payment or other benefit to employees by CFS;

Anyone directly controlled by the CFS-managed collective investment company (hereinafter CIC) for collective or individual investment amounts paid, including performance-related remuneration; and any transfer of units of the CIC concerned; in exchange for professional services provided by CFS employees.

To provide CFS employees with overall remuneration that meets market supervisory requirements, it is made up of several components: the performance of the company, voluntary occupational benefits and voluntary occupational pension. The above remuneration components determine the overall remuneration of employees that meet market supervisory requirements, taking into consideration an appropriate and permissible ratio of variable and fixed remuneration.

The following information — in particular the information on remuneration of beneficiaries — is based on the financial statements of the company from 31 December 2016, pertaining to the 2016 financial year.

In the 2016 financial year, the overall fixed remuneration for all employees of CFS amounted to 1,048,000 EUR (88.29%) and the variable amount was 127,000 EUR (11.71%). Overall remuneration amounted to 1,175,000 EUR.

A performance fee is not generally paid to CFS employees. The number of beneficiaries corresponds to the average number of employees employed in the past financial year 2016 (11). The total amount of remuneration paid to certain employee groups in the 2016 financial year is pro rata for ComStage 1:

- Directors: EUR 5,950,000

- Employees with risk responsibilities according to remuneration guidelines (risk-taker): EUR 9,760,000
- Employees with control functions: EUR 14,600,000
- Employees with a total remuneration such as directors or risk-takers: not applicable.

Pursuant to Chapter 7 of ESMA guidelines on remuneration policy (final report of 31/03/2016) CFS applies the proportionality principle envisaged.

As a result, CFS:

- has declared the following as risk-takers: Mathias Turra, Hermann Berger, Thomas Meyer zu Drewer, Andreas Herresthal and Dietmar Kusch
- has no remuneration committee;
- has not made a disbursement of the variable remuneration in AIF/UCITS instruments, and
- has not applied the "disbursement procedure" (i.e. blocking period, deferral and ex-post consideration of risk).

A change in remuneration policy has to date not taken place. A review of the remuneration policy pursuant to Article 14b (1) (c) and (d) has been effected as at 30 June 2017.

Additional information on the EU Management Company's remuneration policy can be found on the internet on the following website: <http://www.am.commerzbank.de/News/EditorialList.aspx?c=34929>. A printed version is available free of charge upon request.

ComStage 1 DivDAX[®] UCITS ETF

Appendix

Additional Information

Interest from borrowing transactions

Interest from borrowing transactions result from short term overdraft of the sub-fund's cash account. The respective negative interest resulting from these overdrafts is allocated proportionally to the single share classes.

The following overdrafts occurred during the financial year:

Period		Overdraft EUR
21/09/2016	30/09/2016	-63,155.89
30/09/2016	06/10/2016	-63,212.06
06/10/2016	07/10/2016	-92,717.36
28/11/2016	30/11/2016	-3,143.35
30/11/2016	20/12/2016	-3,152.05
20/12/2016	30/12/2016	-2,980.93
30/12/2016	31/01/2017	-2,983.43
31/01/2017	06/02/2017	-2,985.86

Luxembourg, 9 October 2017

Commerz Funds Solutions S.A

Auditor's report

To: Commerz Funds Solutions S.A., Luxembourg

In accordance with Section 102 of the German Investment Code (KAGB) Commerz Funds Solutions S.A. has instructed us to audit the annual report of the Sub-funds ComStage 1 DAX[®] UCITS ETF, ComStage 1 MDAX[®] UCITS ETF, ComStage 1 DivDAX[®] UCITS ETF, ComStage 1 EURO STOXX 50[®] UCITS ETF and ComStage 1 SDAX[®] UCITS ETF and ComStage 1 TecDAX[®] UCITS ETF of the umbrella fund ComStage 1 for the financial year from 1 July 2016 to 30 June 2017.

Responsibility of the legal representative

The preparation of the annual report in accordance with the requirements of the KAGB is the responsibility of the legal representative of Commerz Funds Solutions S.A.

Responsibility of the auditors

Our task, based on the audit we carry out, is to assess the annual report.

We have carried out our audit pursuant to Section 102 of the KAGB and taking into consideration the German principles of proper accounting set out by the German Institute of Auditors (IDW). The standards require that we plan and carry out an audit so that inaccuracies and infringements materially affecting the annual report are detected with reasonable assurance. Knowledge of management of the Sub-fund in the umbrella structure and expectations of possible mis-statements are taken into account when determining audit procedures. The impact of accounting-related internal control systems and information for the notes in the financial statements are principally based on random samples for the audit. The audit includes assessing the accounting principles used for the annual reports and material estimates made by the legal representative of Commerz Funds Solutions S.A. We believe that our audit provides a reasonable basis for our opinion.

Opinion

Based on the knowledge gained during our audit, we believe the annual report for the financial year from 1 July 2016 to 30 June 2017 complies with the statutory provisions.

Frankfurt, 9 October 2017

PricewaterhouseCoopers GmbH Auditing firm

Stefan Peetz
Auditor

ppa. Fatih Agirman
Auditor