

# **KBC Eco Fund**

## **Semi-annual report**

### **28 February 2021**

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Public open-ended investment company under Belgian law with a variable number of units opting for investments complying with the conditions of Directive 2009/65/EC - **UCITS**



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# 1. General information on the Bevek

## 1.1. Organisation of the Bevek

### Office

2 Havenlaan - B-1080 Brussels, Belgium.

### Date of incorporation

27 March 1992

### Life

Unlimited.

### Board of directors of the Bevek

Name	Function	Mandat
Patrick Dallemagne	Financial Director CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur	Chairman
Jean-Louis Claessens	/	Independent Director
Jozef Walravens	/	Independent Director
Carine Vansteenkiste	General Manager KBC Private Banking - West Region KBC Bank NV, Havenlaan 2, B-1080 Brussels	Non-executive director
Johan Tyteca	/	Natural person to whom the executive management of the Bevek has been entrusted appointed 01/09/2020
Tom Mermuys	Head of Asset Allocation and Strategy Portfolios KBC Asset Management NV, Havenlaan 2, 1080 Brussels	Natural person to whom the executive management of the Bevek has been entrusted
Wilfried Kupers	General Manager Group Legal KBC Group NV, Havenlaan 2, 1080 Brussels	Natural person to whom the executive management of the Bevek has been entrusted resigned 31/08/2020

### Management type

Bevek that has appointed a company for the management of undertakings for collective investments. The appointed management company is KBC Asset Management NV, Havenlaan 2, B-1080 Brussels.

### Date of incorporation of the management company

30 december 1999.

### Names and positions of the directors of the management company

Name	Title	
Wouter Vanden Eynde	<i>Independent Director</i>	appointed 28/04/2020
Stefan Van Riet	<i>Non-Executive Director</i>	
Pierre Konings	<i>Non-Executive Director</i>	
Katrien Mattelaer	<i>Non-Executive Director</i>	
Johan Daemen	<i>Non-Executive Director</i>	
André Van Poeck	<i>Independent Director</i>	resigned 28/04/2020
Luc Popelier	<i>Chairman</i>	
Johan Lema	<i>President of the Executive Committee</i>	
Linda Demunter	<i>Managing Director</i>	resigned 14/11/2020
Jürgen Verschaeve	<i>Managing Director</i>	appointed 15/11/2020
Frank Van de Vel	<i>Managing Director</i>	
Chris Sterckx	<i>Managing Director</i>	
Klaus Vandewalle	<i>Managing Director</i>	

## Names and positions of the natural persons to whom the executive management of the management company has been entrusted

Name	Title	
Johan Lema	<i>President of the Executive Committee</i>	
Linda Demunter	<i>Managing Director</i>	resigned 14/11/2020
Jürgen Verschaeve	<i>Managing Director</i>	appointed 15/11/2020
Frank Van de Vel	<i>Managing Director</i>	
Chris Sterckx	<i>Managing Director</i>	
Klaus Vandewalle	<i>Managing Director</i>	

These persons may also be directors of various beveks.

## Auditor of the management company

PriceWaterhouseCoopers België, Woluwe Garden, Woluwedal 18, 1932 Sint-Stevens-Woluwe, represented by Gregory Joos, company auditor and recognized auditor.

## Status of the Bevek

Public Bevek with various sub-funds that has opted for investments complying with the conditions of Directive 2009/65/EC and which, as far as its operations and investments are concerned, is governed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables.

In the relationship between the investors, each sub-fund will be viewed as a separate entity. Investors have a right only to the assets of and return from the sub-fund in which they have invested. The liabilities of each individual sub-fund are covered only by the assets of that sub-fund.

## Financial portfolio management

Management of the investment policy has not been delegated.

## Financial service providers

The financial services providers in Belgium are:  
KBC Bank NV, Havenlaan 2, B-1080 Brussels  
CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur

## Custodian

KBC Bank NV, Havenlaan 2, B-1080 Brussels.

### Custodian's activities

The custodian:

- a) Ensures the safe-keeping of the assets of the Bevek and compliance with the standard obligations in this regard;
- b) Ensures that the sale, issue, purchase, redemption and withdrawal of shares in the Bevek occur in compliance with the applicable legal and regulatory provisions, the articles of association and the prospectus;
- c) Ensures that the net asset value of the shares in the Bevek is calculated in accordance with the applicable legal and regulatory provisions, the articles of association and the prospectus;
- d) Carries out the instructions of , provided that these do not contravene the applicable legal and regulatory provisions, the articles of association and/or the prospectus;
- e) Ensures that in transactions relating to the assets of the Bevek, the equivalent value is transferred to the Bevekin within the usual terms;
- f) Ascertain that:
  - i. The assets in custody correspond with the assets stated in the accounts of the Bevek;
  - ii. The number of shares in circulation stated in the accounts corresponds with the number of shares in circulation as stated in the accounts of the Bevek;
  - iii. The investment restrictions specified in the applicable legal and regulatory provisions, the articles of association and the prospectus are respected;
  - iv. The rules regarding fees and costs specified in the applicable legal and regulatory provisions, the articles of association and the prospectus are respected;
  - v. The returns of the Bevek are appropriated in accordance with the applicable legal and regulatory provisions, the articles of association and the prospectus.

The custodian ensures that the cash flows of the Bevek are correctly monitored and in particular that all payments by or on behalf of subscribers on subscription to shares in the Bevek, have been received and that all the cash of has been booked to cash accounts that:

1. Have been opened in the name of the Bevek, in the name of the management company acting on its behalf, or in the name of the custodian acting on its behalf;
2. Have been opened at an entity as intended in Article 18(1a, b and c) of Directive 2006/73/EC; and
3. Are held in accordance with the principles set out in Article 16 of Directive 2006/73/EC.

If the cash accounts have been opened in the name of the custodian acting in name of the Bevek, no cash from the entity intended in Article 18(1a, b and c) of Directive 2006/73/EC and none of the custodian's own cash may be booked to these accounts.

The assets of the Bevek are placed in custody with a custodian as follows:

- a) For financial instruments that may be held in custody:
  - i. The custodian will hold in custody all financial instruments that may be registered in a financial instrument account in the books of the custodian, as well as all financial instruments that can be physically delivered to the custodian;
  - ii. the custodian will ensure that all financial instruments that can be registered in a financial instrument account in the custodian's books, are registered in the custodian's books in separate accounts in accordance with the principles set out in Article 16 of Directive 2006/73/EC; these separate accounts have been opened in the name of the Bevek or in the name of the management company acting on its account, so that it can be clearly ascertained at all times that they belong to the Bevek, in accordance with the applicable law.
- b) For other assets:
  - i. The custodian will verify that the Bevek or the management company acting on its behalf is the owner of the assets by checking based on information or documents provided by the Bevek or the management company and, where appropriate, of available external proofs, whether the Bevek or the management company acting on its behalf has ownership;
  - ii. The custodian will maintain a register of the assets from which it is clear that the Bevek or the management company acting on its behalf is the owner thereof and will keep that register up-to-date.

The custodian's duty to return the financial instruments only applies to financial instruments that may be held in custody.

### ***Custody tasks delegated by the custodian***

The custodian of the Bevek has delegated a number of custody tasks as of the publication date of this annual/half-year report. The tasks delegated to this sub-custodian are:

- Holding the required accounts in financial instruments and cash;
- Carrying out the custodian's instructions regarding the financial instruments and cash;
- Where required, the timely delivery of the relevant financial instruments to other parties involved with holding them;
- The collection of every type of return from the financial instruments;
- The appropriate communication to the custodian of all information that the sub-custodian receives directly or indirectly from the issuers via the chain of depositaries and performing the required formalities with regard to the financial instruments, with the exception of exercising voting rights, unless otherwise agreed in writing;
- Maintaining and communicating to the custodian all required details regarding the financial instruments;
- Processing corporate events on financial instruments, whether or not after the holder of these instruments has made a choice;
- Providing the services that have been agreed between the custodian and the sub-custodian and are legally permitted, with the exception of investment advice and asset management and/or any other form of advice relating to transactions in or the simple holding of financial instruments;
- Maintaining and communicating to the custodian all required details regarding the financial instruments.

### ***List of sub-custodians and sub-sub-custodians***

The updated list of entities to which the custodian has delegated custody duties and, where applicable, the entities to which the delegated custody duties have been sub-delegated, can be consulted at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents).

The custodian is liable for the loss of financial instruments held in custody in the sense of Article 55 of the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables.

Investors can approach the institutions providing the financial services for up-to-date information regarding the identity of the custodian and its principal duties, as well as the delegation of these duties, and the identity of the institutions to which these duties have been delegated or sub-delegated, and also regarding any conflicts of interest as specified below.

## Conflicts of interest

The custodian will take all reasonable measures to identify conflicts of interest that may arise in the execution of its activities between

- The custodian and management company of the Bevek, or the management companies of other beveks or funds of which the custodian holds assets;
- The custodian and the Bevek whose assets the custodian holds, or other beveks or funds of which the custodian holds assets;
- The custodian and the investors in this Bevek whose assets the custodian holds, or other beveks or funds of which the custodian holds assets;
- These parties themselves.

The custodian of the Bevek will implement and maintain effective organisational and administrative procedures in order to take all reasonable measures to detect, prevent, manage and control conflicts of interest so that they do not prejudice the interests of the aforementioned parties.

If these procedures are not sufficient to be able to assume with reasonable certainty that the interests of the aforementioned parties have not been harmed, the investors will be notified of the general nature or causes of conflicts of interest according to the procedure described on the following website: [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) (About Us > Code of conduct for conflicts of interest). Investors who wish to be informed personally of such conflicts of interest can contact the financial services providers. If necessary, the open-ended investment company's custodian will adjust its processes.

## Administration and accounting management

KBC Asset Management N.V., Havenlaan 2, B-1080 Brussel

## Accredited auditor of the the Bevek

Mazars Bedrijfsrevisoren CVBA, Marcel Thiry laan 77, Box 4, 1200 Brussel, represented by Dirk Stragier, company auditor and recognized auditor.  
en Nele Van Laethem, company auditor and recognized auditor

## Distributor

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg

## Promoter

KBC

The official text of the articles of association has been filed with the registry of the Commercial Court.

## List of sub-funds and share classes of KBC Eco Fund

The table below contains an overview of the sub-funds sold and their share classes. If no share class is mentioned for a sub-fund, that means that only capitalisation- and/or distribution units are available. The characteristics of the different share classes are given in the prospectus.

	<b>Name</b>
1	Alternative Energy
	Classic Shares
	Institutional B Shares
2	Climate Change
	Classic Shares
	Institutional B Shares
3	CSOB Water
4	Impact Investing
	Classic Shares
	Classic Shares HUF
5	Water
	Classic Shares
	Institutional B Shares
6	World
	Classic Shares
	Institutional Shares

## Sub-funds and share classes liquidated during the reporting period

Not applicable

In the event of discrepancies between the Dutch and the other language versions of the (Semi-)Annual report, the Dutch will prevail.



## 1.2. Management report

### 1.2.1. Information for the shareholders

#### 1.2.1.1. Securities Financing Transactions (SFTs)

The Bevek does not lend any financial instruments.

**The Bevek may not lend any financial instruments.**

#### 1.2.1.2. General strategy for hedging the exchange rate risk

In order to protect its assets against exchange rate fluctuations and within the limitations laid down in the articles of association, a sub-fund may perform transactions relating to the sale and/or the purchase of forward currency contracts, as well as the sale of call options and the purchase of put options on currencies. The transactions in question may relate solely to contracts traded on a regulated market that operates regularly, that is recognised and that is open to the public or, that are traded with a recognised, prime financial institution specialising in such transactions and dealing in the over-the-counter (OTC) market in options. With the same objective, a sub-fund may also sell currencies forward or exchange them in private transactions with prime financial institutions specialising in such transactions.

#### 1.2.1.3. Social, ethical and environmental aspects

Investments may not be made in financial instruments issued by manufacturers of controversial weapons whose use over the past five decades, according to international consensus, has led to disproportionate human suffering among the civilian population. This involves the manufacturers of anti-personnel mines, cluster bombs and munitions and weapons containing depleted uranium.

In addition, as of 31 March 2014 no new investments may be made in financial instruments issued by companies that do not have an anti-corruption policy and that have been given a negative score in a thorough screening for corruption in the last two years. A company has no anti-corruption policy if it cannot be demonstrated that it has an acceptable policy concerning the fight against corruption. An acceptable policy should be made public and must at least state that bribery will not be tolerated and that the law will be followed in this respect. The screening will be based on a generally accepted and independent 'Social, ethical and environmental factors' database.

In this way, not only is a purely financial reality represented, but also the social reality of the sector or region.

#### 1.2.1.4. Synthetic risk and reward indicator

In accordance with Commission Regulation (EU) No. 583/2010, a synthetic risk and reward indicator has been calculated. This indicator provides a quantitative measure of a sub-fund's potential return and the risk involved, calculated in the currency in which a sub-fund is denominated. It is given as a figure between 1 and 7. The higher the figure, the greater the potential return, but also the more difficult it is to predict this return. Losses are possible too. The lowest figure does not mean that the investment is entirely free of risk. However, it does indicate that, compared with the higher figures, this product will generally provide a lower, but more predictable return.

The synthetic risk and reward indicator is assessed regularly and can therefore go up or down based on data from the past. Data from the past is not always a reliable indicator of future risk and return.

The most recent indicator can be found under the 'Risk and reward profile' heading in the 'Key Investor Information' document.

#### 1.2.1.5. Ongoing charges

The key investor information sets out the ongoing charges, as calculated in accordance with the provisions of Commission Regulation (EC) No. 583/2010 of 1 July 2010.

The ongoing charges are the charges taken from the UCITS over a financial year. They are shown in a single figure that represents all annual charges and other payments taken from the assets over the defined period and for a sub-fund and that is based on the figures for the preceding year. This figure is expressed as a percentage of the average net assets per sub-fund or, where relevant, of the share class.

The following are not included in the charges shown: entry and exit charges, performance fees, transaction costs paid when buying or selling assets, interest paid, payments made with a view to providing collateral in the context of derivative financial instruments, or commissions relating to Commission Sharing Agreements or similar fees received by the Management Company or any person associated with it.

#### 1.2.1.6. Existence of fee sharing agreements and rebates

The management company may share its fee with the distributor, and institutional and/or professional parties.

In the information for each sub-fund – under '2.4.6. Expenses' – you can see the percentage of the fee that has actually been shared for each sub-fund.

If the management company invests the assets of the undertaking for collective investment in units of undertakings for collective investment that are not managed by an entity of KBC Groep NV, and receives a fee for doing so, it will pay this fee to the undertaking for collective investment.

Fee sharing heeft geen invloed op de hoogte van de beheercommissie die a sub-fund to the management company. This management fee is subject to the limitations laid down in the articles of association. The limitations

may only be amended after approval by the General Meeting.

The management company has concluded a distribution agreement with the distributor in order to facilitate the wider distribution of the sub-fund's shares by using multiple distribution channels.

It is in the interests of the holders of shares of a sub-fund and of the distributor for the largest possible number of shares to be sold and for the assets of a sub-fund to be maximised in this way. In this respect, there is therefore no question of any conflict of interest.

#### **1.2.1.7. Existence of Commission Sharing Agreements**

The Management Company, or where applicable, the appointed manager has entered into a Commission Sharing Agreement with one or more brokers for transactions in shares on behalf of one or more sub-funds. This agreement specifically concerns the execution of orders and the delivery of research reports.

#### **What the Commission Sharing Agreement entails:**

The Management Company, or where appropriate, the appointed manager can ask the broker to pay invoices on their behalf for a number of goods and services provided. The broker will then pay those invoices using the savings that have been built up to a certain percentage above the gross commission that it receives from the sub-funds for carrying out transactions.

#### **N.B.:**

Only goods and services that assist the Management Company, or where applicable, the appointed manager in managing the sub-funds in the interest of this a sub-fund can be covered by a Commission Sharing Agreement.

#### **Goods and services eligible for a Commission Sharing Agreement:**

- Research-related and advice-related services;
- Portfolio valuation and analysis;
- Market information and related services;
- Return analysis;
- Services related to market prices;
- Computer hardware linked to specialised computer software or research services;
- Dedicated telephone lines;
- Fees for seminars when the topic is relevant to investment services;
- Publications when the topic is relevant to investment services;
- All other goods and services that contribute directly or indirectly to achieving the investment objectives of the sub-funds.

The Management Company, or where appropriate, the appointed manager has laid down an internal policy as regards entering into Commission Sharing Agreements and avoiding possible conflicts of interest in this respect, and has put appropriate internal controls in place to ensure this policy is observed.

No CSA accrual during this period.

#### **1.2.1.8. Recurrent fees and charges**

<b>Recurrent fees and charges paid by the Bevek</b>	
Fees paid to directors insofar as the General Meeting has approved said fees.	250 EUR per meeting attended, linked to the director's actual attendance of/participation in the meetings of the Board of Directors. This fee is divided across all the sub-funds marketed.
<b>Recurrent fees and charges paid by the sub-fund</b>	
Fee paid to the statutory auditor of the Bevek	Fee of the statutory auditor: 4875 EUR/year (excluding VAT) and: 1598 EUR/year (excluding VAT) for structured sub-funds. These amounts can be indexed on an annual basis in accordance with the decision of the General Meeting.

#### **Non-recurrent fees and charges borne by the investor**

If, at a certain time, the Management Company detects exceptionally high net entries in or exits from a sub-fund, it may decide to impose an additional charge (anti-dilution levy) on the entering or exiting investors concerned, intended for the sub-fund and aimed at neutralising the negative impact on the net asset value caused by investors' entries or exits.

This anti-dilution levy will only be charged in very exceptional situations where, due to exceptional market

conditions, the transaction charges resulting from the entries and exits of investors are so high that they would have too great a negative impact on the net asset value (and therefore on existing investors in that sub-fund). At that time, the amount of this anti-dilution levy will be determined by the Management Company in function of the transaction charges.

This anti-dilution levy can be applied in the following sub-funds: Alternative Energy, Climate Change, CSOB Water, Impact Investing, Water, World.

## 1.2.2. General market overview

1 September 2020 – 28 February 2021

### General overview

#### The economic context

The global spread of the Covid-19 virus and the lockdowns organised across the world to manage further infections, and hence the pressure on the healthcare system, triggered an unprecedented contraction in the world economy in the first half of 2020. Governments embarked on an equally unprecedented expansion of public spending and guarantees in a bid to guide the economy through the lockdown period with as little damage as possible.

During the reporting period the global economy has been clawing its way out of the trough into which it had been plunged by the shock of the coronavirus pandemic. The recovery began at the end of the second quarter and continued in the third quarter. Infection rates began to move clearly in the wrong direction again in the final quarter, resulting in both partial and full lockdowns. These put the brakes back on the economic recovery, especially on the service side of the economy. Mirroring the uncertainty regarding the further course of the pandemic, the strength and path of the recovery also remain highly unclear.

#### Monetary policy

Since March 2020, the Covid crisis has caused a dramatic reversal in monetary policy. The seriousness of the situation became clear after the Federal Reserve cut its base rate not once but twice outside its normal schedule of meetings. The Fed opted to provide almost unlimited liquidity, including an open-ended bond-purchasing programme. Central banks worldwide followed the Fed's example and lowered their key rates.

The European Central Bank (ECB) had already cut its deposit rate in September 2019 from -0.4% to -0.5% and relaunched its bond purchase programme. Since then, the ECB has taken a great many additional steps, with the launch of the 750 billion-euro Pandemic Emergency Purchase Programme (PEPP) aimed at supporting the euro area economy and calming the unrest on the financial markets. The ECB is thus not only pumping a great deal of liquidity into the market, but also providing extensive flexibility in its implementation. The PEPP budget was raised again in June to 1.35 trillion and the duration of the programmes was extended in December.

#### Currency markets

The outbreak of the Covid crisis in the spring caused sharp fluctuations in exchange rates worldwide. On balance, the value of the euro against the US dollar did not move a great deal. This changed from June onwards, when news of Europe's substantial support fund placed a rocket booster under the euro. The sharp depreciation of the US dollar due to less appealing interest rates was also a significant factor. The euro strengthened against most currencies over the reporting period, with the exception of the Swiss franc and sterling, despite the renewed uncertainty surrounding Brexit. The Covid crisis led to a steep fall in the value of most emerging market currencies.

## Stock markets

Clear regional differences were apparent over the reporting period. The US recovered well on traditional markets in 2020, extending its lead (+9% in euro terms) to just under the global average of 11.4%. The euro area lagged far behind, though since September it has surged by 13% in the space of six months. The UK lost a lot of ground amid fears of a hard Brexit, weaker economic conditions and a crippling second wave of Covid-19. However, the eleventh-hour Brexit deal provided some stability and stronger sterling also pushed the UK up by 13%. In Asia, the Hong Kong stock market recovered (+15%) from the weakness caused by political as well as economic and financial uncertainty. Japan excelled in the pro-cyclical scenario with a 15% increase.

Shares from emerging markets (countries or regions that are expected to experience rapid economic growth to make up their lag with the West) recorded gains of approximately 20.5% in the past six months. Stock markets in Asia recovered quite quickly after having been hit hard by fears about the new coronavirus strain. China once more gained around 13% over the reporting period, while India was up no less than 23%. Latin America lost a lot of ground at the start of the Covid-19 crisis due to the poor performance turned in by Brazil, which was only able to recover some of its heavy losses (+8%). Russia (+10%) recovered due to higher oil prices and the Turkish stock market (+22%) managed to rebound after a major crash caused by a financial crisis and the fall of its currency.

For the sectors, the differences over the reporting period are quite pronounced. Cyclical sectors struggled in the early days of the pandemic, but recovered well thereafter. Consumer Discretionary stocks were hit hard at the start of the crisis (the automotive, luxury goods and tourism industries all took a battering), but rebounded strongly and moved back up 10% during the reporting period. The retail sector (including the online segment) held up particularly well initially, but the automotive (+34%) and consumer durables (+22%) industries also made a clear recovery. The other cyclical sectors were also hit hard at the beginning of the crisis, but recovered sharply from the second quarter onwards. Materials kept the momentum going with a further increase of around 19%, and Industrials were also up 15%. Energy nosedived in 2020 and barely recouped its losses. Soaring oil prices at the beginning of 2021 boosted the sector, resulting in a 24% increase during the reporting period. Financials underperformed for some time due to fears of recession and the very low interest rates, but were pushed 24% higher by a strong rally in November and higher interest rates in early 2021.

The technology sector was able to recover quickly from the coronavirus crisis and then continued with the same momentum. Technology was up 11% at the start of the reporting period, mainly thanks to the more cyclical components Hardware and, particularly, Semiconductors (+34%). In the IT-related sector, Communication Services (+14%), Telecommunication Services (defensive) remained fairly stable while Media and Entertainment (more IT focused) gained around 18%.

Given their lower susceptibility to a recession, the defensive sectors performed relatively better in the early stages of the coronavirus crisis, but then ended up lagging somewhat behind the recovery in the summer months and November. Higher interest rates at the start of 2021 are also making life difficult for them. Health Care rose by around 2% over six months, clearly underperforming the broad market, though medical technology stocks in the Health Care Equipment and Services industry did better than the Health Care sector as a whole (+6%). Consumer Staples did very well at the beginning of the coronavirus crisis, but have still dropped around 2.5% since the end of August. Utilities recorded a similar but slightly better performance (+0.9%), driven mainly by green energy companies. Real Estate recovered somewhat (up 5%), but a sharp price rebound was off the cards, mainly due to falling demand for commercial property.

## Bond markets

There was a rising trend in US bond yields between September 2020 and January 2021, but German 10-year bond yields continued to swing between  $-0.65\%$  and  $-0.45\%$ . February saw a sharp rebound in both countries, with US 10-year bond yields rising to  $1.4\%$  and equivalent German yields up to  $-0.26\%$ . Higher commodity prices are leading to more uncertainty about inflation, but growth prospects are brightening as vaccinations increase. Investors recently began to fear that the US central bank (Fed) will be forced to act sooner, and that anticipation caused US bond yields to rise by around  $0.35\%$  in the space of a month. Yields remain very low worldwide. That's certainly the case in the euro area, where the extremely accommodating monetary policy that continues to be pursued by the European Central Bank (ECB) and the weak inflation outlook are easing pressure on yields. Riskier bond themes (which have been benefiting from mounting investor confidence in a future reopening of economies) have performed well in recent months.

The ECB has indicated that inflation will increase slowly, but remain (well) below its target level in the years to come. Therefore, the deposit rate of  $-0.5\%$  will not be raised any time soon and KBC economists are working on the assumption that the first increase won't be before 2024. Moreover, the ECB is providing a stimulus by purchasing bonds in the market, meaning that the monetary tap will remain open for some considerable time to come. The ECB raised its bond-purchasing budget from 1350 to 1850 billion euros in December 2020. The decision was also taken to extend the programme by nine months (until March 2022). Bond yields could therefore remain low for a long time to come.

The ECB's flexible monetary policy and the European support plan (Next Generation EU) have also underpinned demand for riskier bonds during the reporting period. Peripheral countries are again proving popular and risk premiums have narrowed relative to German yields. For example, the 10-year spread for Italian bonds has narrowed from about  $1.49\%$  to  $1.02\%$ . Demand for corporate bonds also remains quite robust, due in part to the ECB's purchasing policy. This credit premium has fallen from  $1.14\%$  to  $0.89\%$ .

The overall picture for European bonds has been mixed over the six-month period. Returns on euro-denominated government bonds stand at approximately  $0\%$  for bonds with a term to maturity of between one and five years, and  $-0.1\%$  for a diversified basket of maturities. A reduction in the risk premium enabled corporate bonds to make a fine gain of  $1.27\%$ . The US dollar lost around  $1\%$  against the euro.

## Outlook

### The economic context

After being held in the grip of the pandemic for more than a year, the global economy is recovering. Things are moving in the right direction with the pandemic and the vaccination campaigns are progressing steadily. But the economic recovery remains fragile, with variation between regions. This underlines the latent downside risks and the uncertainty about the continued recovery post-pandemic.

The euro area economy started the year on a weak note, with lockdowns being extended and disappointing vaccination campaigns. This is weighing heavily on activity in the service sector. In manufacturing industry, by contrast, the recovery is gathering pace thanks to robust global demand. We think that real GDP growth in the euro area will turn out to be around zero in the first quarter, in anticipation of a genuine recovery in the second three months, which will strengthen in the second half of the year. We have raised our annual growth forecast for 2021 from 3.8% to 4.1%, and are projecting a similar figure for 2022.

The US economy has got off to a strong start in 2021, with recovering consumer spending and a boost for business confidence. The labour market improved further in February, though it still faces a number of challenges. We think the US economy is set for an even stronger recovery given the rapid progress with vaccinations and the approval of the 1.9 trillion-dollar fiscal package. We have accordingly raised our forecast for real GDP growth for 2021 and 2022 to 6.0% and 3.7%, respectively.

### Monetary policy

We are maintaining our scenario of an ultra-accommodative policy by the central banks. This is despite the growing expectations in the market at the present level of monetary support will be reduced somewhat earlier than previously thought. We are now expecting to see an earlier tightening of policy in the US, in particular. The start of the upward interest rate cycle is already being priced in for early 2023, while policymakers at the Fed are not anticipating the first rise in interest rates before 2024 (based on their meeting in December 2020). The markets are likely to want to test the Fed's commitment with regard to the new, flexible inflation target further over the coming months. Despite this, we think the Fed will maintain its current low key rate until the end of 2023, as there is still a long way to go to achieve the twin goals of price stability and full employment.

We think key rates will remain low for a long time yet in the euro area, too. ECB officials have expressed their concern in recent commentaries about the rising yields on government paper, principally because this could harm the ECB mantra of maintaining a favourable financing climate. The concerns are also linked to the slower recovery of the euro area economy, leaving it more exposed to rising interest rates. We think the ECB will hold its policy rate at the current level until at least the end of 2022, and will not cease the buying up of financial assets any time soon. At its meeting on 11 March, the ECB in fact decided to increase its purchases in the second quarter under the Pandemic Emergency Purchase Programme. The Bank announced that it was doing this 'with a view to preventing a tightening of financing conditions that is inconsistent with countering the downward impact of the pandemic on the projected path of inflation'.

### Currency markets

Currency markets

The rise in long-term interest rates provided temporary support for the dollar on the currency markets at the end of February. The rate subsequently fell back below 1.20 USD per EUR. We think the dollar is currently benefiting from the rise in real interest rates. In the medium term, however, the risks of the financing needs to address the rising twin deficit (shortfalls in both the government budget and the balance on current account) could be the bad news for the dollar. The scope for a further strengthening of the dollar accordingly looks to be limited. And we are therefore maintaining our scenario of a structural appreciation of the euro against the dollar to 1.25 USD per EUR towards the end of 2021. This will gradually redress the fundamental undervaluation of the euro.

### Financial markets

Although the valuation of most stock markets (especially in the US) is now fairly high, we are opting to invest in shares just above the benchmark. The risks appear rather limited in the short term because news concerning the economy, corporate results, government support and quite possibly Covid will remain supportive. We will only consider increasing our shareholdings if there is a market correction.

Given the extremely low level of interest rates (even negative in some cases), we are still invested below the benchmark level for bonds.

## Stock markets

Regionally, our preference is for Asian emerging markets, which are primarily exposed to China. This region was the first to be hit by coronavirus, but managed to contain it relatively quickly by implementing effective measures, putting China ahead of the rest of the world economically. The Chinese economy is expanding rapidly again after a short-lived slowdown and the leading indicators for manufacturing, exports and consumption are stronger than in the rest of the world. There are still numerous lockdowns in the US and in the euro area in particular. They're less severe than previously, but will put a brake on economic recovery again, especially on the service side of the economy. We are therefore continuing to hold a balanced investment portfolio in regional terms. We remain overweighted in the US and the emerging markets of Asia, and prefer small caps in the euro area.

The new lockdowns are weighing on sentiment, which is causing economic uncertainty to persist a little longer. Nevertheless, the news on the vaccine front that emerged in mid-November is regarded as a game changer. It promises a credible path towards a reopening of the economy. Although this is not expected until mid-2021, the market is factoring in a quicker improvement in the economic climate. It is therefore important to ensure sufficient cyclical exposure in the portfolio. We favour industrial stocks that stand to benefit from an economic revival. Within the transport sub-sector too, a certain amount of ground still has to be made up. The vaccine offers a glimmer of hope for airlines, airports and their suppliers. We are also focusing on Consumer Staples. This sector not only includes e-commerce companies, but it also has a considerable exposure to shares that ought to benefit from a reopening of the economy (catering, tourism, etc.). The Materials sector has likewise been overweighted. It provides exposure to the multiple fiscal stimulus packages around the world, while also boasting strong balance sheets and high free cash flows. More financial stocks have also been included due to the improving economic outlook and somewhat higher interest rates. In this pro-cyclical environment, banks should be able to slightly reduce their provisions for non-performing loans, while it should be possible to systematically increase lending volumes. Profit was taken on growth stocks (e-Commerce, IT and Communication Services), but we continue to overweight them slightly.

The downside of this pro-cyclical positioning is that typical defensive sectors like Health Care, Utilities and Consumer Staples are underweight. These often include high-quality businesses with predictable profits, but underperform in a rising market driven by strong economic recovery. Consequently, their earnings growth will be lower in the year ahead than that of the cyclical sectors.

As regards investment themes, the focus is on medical technology. This segment of the Health Care sector is characterised by robust cash flows and stronger growth, and outperforms the market over the long term. It contains many innovative companies with high margins. We also have a preference for water companies. Drinking water is in very short supply due to obsolete and inadequate water infrastructure, climate change and problems with water quality and waste-water processing. This offers robust long-term revenue growth opportunities for water companies. The traditional premium for water companies is also lower than the average over the last eight years. Lastly, we also continue to back Global Trends – a portfolio made up of businesses associated with themes that boast a structural tailwind, such as digital transformation, demographic trends, medical technology and urbanisation. Examples include the digital world, automation, the cloud, e-commerce, alternative energy, gene therapy and animal welfare.

## Bond markets

The high level of coronavirus infections and related restrictions imposed by governments are slowing down economic growth. However, investors are looking forward to a reopening of the economies as from the second half of 2021, as the vaccine contains the pandemic. Stronger GDP growth in the future could put upward pressure on inflation and interest rates, especially in the US, which in turn could exert pressure on bond prices.

However, we expect rates in the euro area to remain low for some considerable time to come. The ECB further expanded its bond-purchasing programme by 500 billion euros in December, taking it to 1 850 billion euros, and extended it to March 2022. It is not planning to raise interest rates before 2024, as the inflation outlook is far below the ECB's targets, a structural problem that pre-dates the Covid crisis. Although bond yields will fluctuate in line with investors' appetite for risk and higher inflation forecasts, a significant upward trend does not seem likely in this context.

In view of the extremely low level of interest rates, even negative in some cases, we are invested below the benchmark level for bonds. However, the interest rate risk (loss of value when rates rise) is limited. Long-term bonds are therefore included for the additional compensation offered and to provide a degree of protection if there is turbulence on the financial markets. Companies can turn to the support measures provided by governments and the ECB. Due to the relatively attractive yield and the ECB's bond-purchasing programme, corporate bonds occupy a prominent place in the portfolio. The uncertainties surrounding emerging markets remain, but the compensation adequately factors in the associated risks, enabling a limited position to be taken in this theme.



### 1.3. Aggregate balance sheet (in EUR)

Balance sheet layout		28/02/2021	29/02/2020
	<b>TOTAL NET ASSETS</b>	1,687,800,689.43	1,384,780,256.92
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds		
	Collateral received in the form of bonds	214,408.93	
C.	Shares and similar instruments		
	a) Shares	1,670,960,321.92	1,380,358,090.68
D.	Other securities	40,716.72	0.01
F.	Derivative financial instruments		
	j) Foreign exchange		
	Futures and forward contracts (+/-)	21,504.44	-729,437.13
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	2,620,016.22	15,063,143.38
B.	Payables		
	a) Accounts payable (-)	-2,168,707.14	-8,442,520.77
	c) Borrowings (-)	-868,406.79	-4,760,231.22
	d) Collateral (-)	-214,408.93	
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	18,153,222.64	2,507,577.68
D.			800,000.03
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	1,112,315.18	1,770,507.55
C.	Accrued expense (-)	-2,070,293.76	-1,786,873.29
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	1,687,800,689.43	1,384,780,256.92
<b>A.</b>	<b>Capital</b>	1,442,581,903.25	1,379,586,170.12
<b>B.</b>	<b>Income equalization</b>	387,014.90	364,413.94
<b>D.</b>	<b>Result of the period</b>	244,831,771.28	4,829,672.86
<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments	214,408.93	
I.A.b.	Cash at bank and in hand/deposits		800,000.03
III.	Notional amounts of futures and forward contracts (+)		
III.A.	Purchased futures and forward contracts	57,666,171.79	39,660,286.11
III.B.	Written futures and forward contracts	-7,247,332.81	-4,173,225.25

## 1.4. Aggregate profit and loss account (in EUR)

Income Statement	28/02/2021	29/02/2020
<b>I. Net gains(losses) on investments</b>		
C. Shares and similar instruments		
a)Shares	255,971,276.07	958,317.25
D. Other securities	5,496.95	-5.68
G. Receivables, deposits, cash at bank and in hand and payables	-0.01	-0.02
H. Foreign exchange positions and transactions		
a)Derivative financial instruments		
Futures and forward contracts	-411,266.42	-291,972.84
b)Other foreign exchange positions and transactions	-7,587,247.90	6,652,699.34
<b>Det.section I gains and losses on investments</b>		
Realised gains on investments	72,727,490.26	56,844,543.49
Unrealised gains on investments	179,197,874.18	-2,836,314.98
Realised losses on investments	-17,336,393.44	-13,301,764.34
Unrealised losses on investments	13,389,287.69	-33,387,426.12
<b>II. Investment income and expenses</b>		
A. Dividends	9,535,100.42	8,578,429.04
B. Interests		
b)Cash at bank and in hand and deposits	223.83	21,824.39
C. Interest on borrowings (-)	-21,636.77	-19,455.71
<b>III. Other income</b>		
A. Income received to cover the acquisition and realizaion of assets, to discourage withdrawals and for delivery charges	80,483.89	112,469.34
<b>IV. Operating expenses</b>		
A. Investment transaction and delivery costs (-)	-345,822.44	-1,201,476.95
B. Financial expenses (-)	-1,163.98	-191.94
C. Custodian's fee (-)	-291,981.06	-275,442.08
D. Manager's fee (-)		
a)Financial management	-10,684,921.45	-8,151,153.71
b)Administration and accounting management	-744,667.79	-703,180.68
E. Administrative expenses (-)	-5,007.46	-5,004.60
F. Formation and organisation expenses (-)	-23,619.38	-12,405.55
G. Remuneration, social security charges and pension	-14,709.02	-11,262.94
H. Services and sundry goods (-)	-28,585.06	-61,675.51
J. Taxes	-620,349.47	-568,027.44
K. Other expenses (-)	20,168.33	-192,810.86
<b>Income and expenditure for the period</b>		
Subtotal II + III + IV	-3,146,487.40	-2,489,365.14
<b>V. Profit (loss) on ordinary activities before tax</b>	244,831,771.28	4,829,672.86
<b>VII. Result of the period</b>	244,831,771.28	4,829,672.86

## 1.5. Summary of recognition and valuation rules

### 1.5.1. Summary of the rules

Summary of the valuation rules pursuant to the Royal Decree of 10 November 2006 on the accounting, annual accounts and periodic reports of certain open-ended undertakings for collective investment.

The assets of the various sub-funds are valued as follows:

- When purchased or sold, securities, money market instruments, units in undertakings for collective investment and financial derivatives are recorded in the accounts at their acquisition price or sale price, respectively. Any additional expenses, such as trading and delivery costs, are charged directly to the profit and loss account.
- After initial recognition, securities, money market instruments and financial derivatives are measured at fair value on the basis of the following rules:
  - Securities that are traded on an active market without the involvement of third-party financial institutions are measured at fair value using the closing price;
  - Assets that have an active market which functions through third -party financial institutions that guarantee continuous bid and ask prices are measured using the current bid price set on that market. However, since most international benchmarks use mid-prices, and the data providers cannot supply bid prices (e.g., JP Morgan, iBoxx, MSCI, etc.), the midprices are used to measure debt instruments, as provided for in the Notes to the aforementioned Royal Decree. The method to correct these midprices and generate the bid price is not used, as it is not reliable enough and could result in major fluctuations.
  - Securities whose last known price is not representative and securities that are not admitted to official listing or admitted to another organised market are valued as follows:
    - 1 When measuring these securities at fair value, use is made of the current fair value of similar assets for which there is an active market, provided this fair value is adjusted to take account of the differences between the assets concerned.
    - 2 If no fair value for similar assets exists, the fair value is calculated on the basis of other valuation techniques which make maximum use of market data, which are consistent with generally accepted economic methods and which are verified and tested on a regular basis.
    - 3 If no organised or unofficial market exists for the assets being valued, account is also taken of the uncertain character of these assets, based on the risk that the counterparties involved might not meet their obligations.
  - Shares for which there is no organised or unofficial market, and whose fair value cannot be calculated reliably as set out above, are measured at cost. Impairment is applied to these shares if there are objective instructions to this end.
  - Units in undertakings for collective investment (for which there is no organised market) are measured at fair value using their last net asset value.
- Liquid assets, including assets on demand at credit institutions, obligations on current account vis-à-vis credit institutions, amounts payable and receivable in the short term that are not represented by negotiable securities or money market instruments (other than vis-à-vis credit institutions), tax assets and liabilities, are measured at nominal value. Other amounts receivable in the longer term that are not represented by negotiable securities are measured at fair value. Impairment is applied to assets, amounts to be received and receivables if there is uncertainty that they will be paid in full or in part at maturity, or if the realisation value of this asset is less than its acquisition value. Additional impairment is recorded on the assets, amounts to be received and receivables referred to in the previous paragraph to ensure that any change in their value, or risks inherent in the asset in question, are taken into account.
- The income generated by securities lending is recognised as other income (Income statement II.B.a.: Investment income and expenses – Interest – Securities and money market instruments) and is included on an accruals basis in the income statement over the term of the transaction.
- Securities issued in a currency other than that of the relevant sub-fund are converted into the currency of the sub-fund at the last known mid-market exchange rate.

#### Differences

A minor difference may appear from time to time between the net asset value as published in the press and the net asset value shown in this report. These are minimal differences in the net asset value calculated that are identified after publication.

If these differences reach or exceed a certain tolerance limit, the difference will be compensated. For those buying or selling shares in the bevek and for the bevek itself, this tolerance limit will be a certain percentage of the net asset value and the net assets, respectively.

This tolerance limit is:

- money market funds: 0.25%
- bond funds, balanced funds and funds offering a capital guarantee: 0.50%
- equity funds: 1%
- other funds (real estate funds, etc.): 0.50%

## 1.5.2. Exchange rates

1 EUR =	28/02/2021		28/02/2020	
		1.567811	AUD	1.703683
	6.764568	BRL	4.955821	BRL
	1.536670	CAD	1.474504	CAD
	1.098853	CHF	1.063244	CHF
	877.783746	CLP	901.091489	CLP
	26.175536	CZK	25.481513	CZK
	7.436042	DKK	7.472920	DKK
	na	EUR	1.000000	EUR
	0.868178	GBP	0.859978	GBP
	9.415871	HKD	8.560275	HKD
	362.359962	HUF	337.645021	HUF
	4.020955	ILS	3.835128	ILS
	89.196093	INR	79.272390	INR
	129.318252	JPY	118.484309	JPY
	1,363.704300	KRW	1,334.067530	KRW
	25.381164	MXN	21.745465	MXN
	4.912855	MYR	4.629966	MYR
	10.453245	NOK	10.404298	NOK
	1.669371	NZD	1.770979	NZD
	58.893576	PHP	55.993488	PHP
	10.196041	SEK	10.649582	SEK
	1.613989	SGD	1.533106	SGD
	36.969313	THB	34.686304	THB
	9.003968	TRY	6.864488	TRY
	33.807364	TWD	33.260516	TWD
	1.213800	USD	1.098450	USD
	18.384518	ZAR	17.280266	ZAR

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# 2. Information on KBC Eco Fund Alternative Energy

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### **Classic Shares Distribution**

Launch date:	31 October 2000
Initial subscription price:	500 EUR
Currency:	EUR

#### **Classic Shares Capitalisation**

Launch date:	31 October 2000
Initial subscription price:	500 EUR
Currency:	EUR

#### **Institutional B Shares Capitalisation**

Launch date:	25 November 2011
Initial subscription price:	160.81 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. To this end, the assets are invested, either directly or indirectly via correlated financial instruments, primarily in shares.

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

The sub-fund shall invest no more than 10% of its assets in units of other undertakings for collective investment.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**

### **Strategy selected**

At any time, at least 75% of the assets are invested in the shares of companies that that operate on a sustainable basis in the alternative energy sector. These companies have to realize a substantial proportion of their turnover in this sector.

The companies have to satisfy a number of basic criteria regarding the environment, human rights, the trade and manufacture of arms, and nuclear energy. The basic criteria are set out by KBC Asset Management in co-operation with the Independent Environmental Advisory Committee. They may also change the method used to perform the sustainability screening, based on new trends in society.

The shares are screened by KBC Asset Management's Sustainable and Socially Responsible Investment Department and the independent Environmental Advisory Committee.

The fund is actively managed without referring to any benchmark.

### **Volatility of the net asset value**

**The volatility of the net asset value may be high due to the composition of the portfolio.**

### **Securities Financing Transactions (SFTs)**

The sub-fund may not lend any financial instruments.

### **General strategy for hedging the exchange risk**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

### **Social, ethical and environmental aspects**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'.

## **2.1.4. Financial portfolio management**

There is no delegation of the management of the asset allocation.

## **2.1.5. Distributors**

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## **2.1.6. Index and benchmark**

Not applicable.

## **2.1.7. Policy pursued during the financial year**

In line with the defined strategy, the fund invests in a selection of shares issued by companies with exposure to the renewable energy industry.

## **2.1.8. Future policy**

The fund continues to invest in stocks primarily related to the renewable energy sector.



## 2.1.9. Synthetic risk and reward indicator (SRRI)

Classic Shares: 6 on a scale of 1 (lowest risk) to 7 (highest risk)

Institutional B Shares: 6 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>28/02/2021</b> (in the currency of the sub-fund)	<b>29/02/2020</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	110,581,410.08	42,252,662.48
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
	a) Shares	109,840,508.72	42,005,164.74
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	153,107.76	7,417.29
B.	Payables		
	a) Accounts payable (-)	-433,560.57	-55,418.96
	c) Borrowings (-)	-228,516.53	
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	1,353,189.60	336,303.10
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	27,990.62	9,113.11
C.	Accrued expense (-)	-131,309.52	-49,916.80
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	110,581,410.08	42,252,662.48
<b>A.</b>	<b>Capital</b>	79,998,810.24	36,807,008.57
<b>B.</b>	<b>Income equalization</b>	63,270.54	1,641.32
<b>D.</b>	<b>Result of the period</b>	30,519,329.30	5,444,012.59

## 2.3. Profit and loss account

Income Statement		28/02/2021 (in the currency of the fund)	29/02/2020 (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	30,942,114.76	5,575,121.47
H.	Foreign exchange positions and transactions		
	a) Derivative financial instruments		
	Futures and forward contracts		-0.01
	b) Other foreign exchange positions and transactions	-90,326.67	26,826.06
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	8,058,937.69	3,280,790.39
	Unrealised gains on investments	21,906,263.84	2,489,318.26
	Realised losses on investments	-174,041.78	-704,222.38
	Unrealised losses on investments	1,060,628.34	536,061.25
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	355,767.77	155,935.27
B.	Interests		
	b) Cash at bank and in hand and deposits	2.26	1,121.93
C.	Interest on borrowings (-)	-1,236.94	-418.11
<b>III.</b>	<b>Other income</b>		
A.	Income received to cover the acquisition and realization of assets, to discourage withdrawals and for delivery charges	12,558.75	1,516.41
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-42,638.35	-15,910.71
B.	Financial expenses (-)	-94.17	-32.00
C.	Custodian's fee (-)	-15,678.69	-8,019.17
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-495,269.12	-226,807.72
	Institutional B Shares	-25,245.09	-15,947.58
	b) Administration and accounting management	-41,432.90	-20,436.32
E.	Administrative expenses (-)	-1,002.27	-998.67
F.	Formation and organisation expenses (-)	-1,492.50	-1,452.51
G.	Remuneration, social security charges and pension	-727.87	-323.78
H.	Services and sundry goods (-)	-6,310.61	-5,020.47
J.	Taxes		
	Classic Shares	-51,247.79	-16,198.25
	Institutional B Shares	-523.89	-411.44
K.	Other expenses (-)	-17,887.38	-4,531.81
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-332,458.79	-157,934.93
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	30,519,329.30	5,444,012.59
<b>VII.</b>	<b>Result of the period</b>	30,519,329.30	5,444,012.59

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Eco Fund Alternative Energy

Name	Quantity on 28/02/2021	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Austria</u>							
ANDRITZ AG -	40,119.00	EUR	39.720	1,593,526.68		1.45	1.44
<u>Belgium</u>							
BEKAERT -	57,661.00	EUR	30.500	1,758,660.50		1.60	1.59
ELIA SYSTEM OPERATOR -	28,112.00	EUR	89.600	2,518,835.20		2.29	2.28
UMICORE -	43,719.00	EUR	48.660	2,127,366.54		1.94	1.92
<u>Brazil</u>							
SAO MARTINHO SA -	350,508.00	BRL	31.220	1,617,673.09		1.47	1.46
<u>Canada</u>							
BALLARD POWER SYSTEMS -	42,753.00	USD	27.820	979,888.33		0.89	0.89
BALLARD POWER SYSTEMS -	13,642.00	CAD	35.600	316,043.75		0.29	0.29
HYDRO ONE LTD -	164,900.00	CAD	27.020	2,899,513.68		2.64	2.62
INNERGEX RENEWABLE ENERGY INC -	96,771.00	CAD	24.080	1,516,424.78		1.38	1.37
POLARIS INFRASTRUCTURE INC -	125,223.00	CAD	20.970	1,708,841.16		1.56	1.55
5N PLUS INC -	170,787.00	CAD	4.720	524,585.12		0.48	0.47
<u>China</u>							
DONGFANG ELECTRIC CORP LTD -	1,467,200.00	HKD	6.880	1,072,055.42		0.98	0.97
GCL POLY ENERGY HOLDINGS LTD -	1,775,207.00	HKD	2.850	537,320.42		0.49	0.49
<u>Denmark</u>							
NOVOZYMES A/S B	21,572.00	DKK	380.800	1,104,702.92		1.01	1.00
VESTAS WINDS SYSTEMS -	8,212.00	DKK	1,154.500	1,274,973.12		1.16	1.15
<u>France</u>							
LEGRAND (PAR)	22,389.00	EUR	71.920	1,610,216.88		1.47	1.46
NEXANS SA (PAR)	21,226.00	EUR	64.350	1,365,893.10		1.24	1.24
<u>Germany</u>							
AIXTRON AG -	57,146.00	EUR	18.850	1,077,202.10		0.98	0.97
ENCAVIS AG -	83,177.00	EUR	17.540	1,458,924.58		1.33	1.32
NORDEX AG -	69,314.00	EUR	22.200	1,538,770.80		1.40	1.39
PNE AG -	15,324.00	EUR	7.530	115,389.72		0.11	0.10
SMA SOLAR TECHNOLOGY AG -	20,739.00	EUR	53.250	1,104,351.75		1.00	1.00
WACKER CHEMIE AG -	10,277.00	EUR	107.550	1,105,291.35		1.01	1.00
<u>Greece</u>							
TERNA ENERGY SA -	140,745.00	EUR	12.100	1,703,014.50		1.55	1.54
<u>Hong Kong</u>							
CHINA EVERBRIGHT INTL -	3,973,703.00	HKD	4.440	1,873,776.79		1.71	1.69
WASION HOLDINGS LTD -	1,542,000.00	HKD	2.550	417,603.41		0.38	0.38
<u>India</u>							
PRAJ INDUSTRIES LTD -	1,444,008.00	INR	164.100	2,656,637.81		2.42	2.40
<u>Italy</u>							
FALK RENEWABLES SPA -	295,113.00	EUR	5.640	1,664,437.32		1.52	1.51
TERNA RETE ELETTRICA NAZIONALE -	510,449.00	EUR	5.768	2,944,269.83		2.68	2.66
<u>Japan</u>							
NIPPON SHEET GLASS CO LTD -	399,800.00	JPY	539.000	1,666,371.12		1.52	1.51
WEST HOLDINGS CORP -	75,257.00	JPY	2,986.000	1,737,708.32		1.58	1.57
<u>Netherlands</u>							
ADVANCED METALLURGICAL GROUP -	46,409.00	EUR	30.250	1,403,872.25		1.28	1.27
ALFEN BEHEER BV -	19,146.00	EUR	70.300	1,345,963.80		1.23	1.22
<u>New Zealand</u>							
MERIDIAN ENERGY LTD -	388,551.00	NZD	5.700	1,326,691.35		1.21	1.20
TRUSTPOWER LTD BAY ENERGY LTD	88,299.00	NZD	8.310	439,545.48		0.40	0.40
<u>Norway</u>							
REC SILICON ASA -	298,467.00	NOK	17.190	490,818.63		0.45	0.44
SCATEC SOLAR ASA -	49,095.00	NOK	251.000	1,178,853.48		1.07	1.07

<u>South Korea</u>							
OCI CO LTD -	18,276.00	KRW	125,000.000	1,675,216.54		1.53	1.52
<u>Spain</u>							
ABENGOA S.A. B SHARES	40,847,142.00	EUR	0.001	40,847.14		0.04	0.04
ACCIONA SA -	18,966.00	EUR	133.400	2,530,064.40		2.30	2.29
AUDAX RENOVABLES SA -	733,585.00	EUR	1.966	1,442,228.11		1.31	1.30
EDP RENOVAVEIS SA -	73,044.00	EUR	18.100	1,322,096.40		1.20	1.20
RED ELECTRICA DE ESPANA -	171,166.00	EUR	13.865	2,373,216.59		2.16	2.15
SIEMENS GAMESA RENEWABLE ENERGY SA -	45,466.00	EUR	30.800	1,400,352.80		1.27	1.27
SOLARIA ENERGIA Y MEDIO AMBIENTE SA -	66,869.00	EUR	18.600	1,243,763.40		1.13	1.13
<u>Switzerland</u>							
ABB LTD -	92,324.00	CHF	26.120	2,194,563.40		2.00	1.99
LANDIS+GYR GROUP AG -	25,837.00	CHF	63.100	1,483,651.13		1.35	1.34
MEYER BURGER TECHNOLOGY AG MEYER BURGER TECHNOLOGY AG	2,329,634.00	CHF	0.444	940,458.38		0.86	0.85
OC OERLIKON CORP AG (NOM)20CHF	261,888.00	CHF	9.820	2,340,385.69		2.13	2.12
<u>Taiwan</u>							
E-TON SOLAR TECH CO LTD -	180,334.00	TWD	0.010	53.34			
GLOBALWAFERS CO LTD -	89,248.00	TWD	740.000	1,953,524.65		1.78	1.77
MOTECH INDUSTRIES INC -	1,087,762.00	TWD	31.900	1,026,391.98		0.93	0.93
SINO-AMERICAN SILICON PRODUCTS -	294,000.00	TWD	167.000	1,452,287.12		1.32	1.31
<u>Thailand</u>							
ENERGY ABSOLUTE PCL -	1,093,200.00	THB	62.500	1,848,154.42		1.68	1.67
<u>U.K.</u>							
CERES POWER HOLDINGS PLC -	83,563.00	GBP	12.480	1,201,212.14		1.09	1.09
JOHNSON MATTHEY PLC -	42,409.00	GBP	30.550	1,492,314.47		1.36	1.35
SPIRAX-SARCO ENGINEERING PLC -	12,910.00	GBP	107.100	1,592,600.38		1.45	1.44
<u>U.S.A.</u>							
ADVANCED ENERGY INDUSTRIES -	13,093.00	USD	104.450	1,126,679.72		1.03	1.02
ALBEMARLE CORP. -	8,580.00	USD	157.210	1,111,271.87		1.01	1.00
AMERESCO INC -	30,279.00	USD	57.120	1,424,894.12		1.30	1.29
AMERICAN SUPERCONDUCTOR CORP -	82,071.00	USD	23.790	1,608,559.14		1.46	1.46
APPLIED MATERIALS -	19,657.00	USD	118.190	1,914,039.24		1.74	1.73
CANADIAN SOLAR INC -	34,343.00	USD	46.930	1,327,827.48		1.21	1.20
CREE RESEARCH INC -	9,986.00	USD	113.460	933,441.72		0.85	0.84
ENPHASE ENERGY INC -	10,810.00	USD	176.060	1,567,975.45		1.43	1.42
ESCO TECHNOLOGIES INC -	16,321.00	USD	105.670	1,420,860.17		1.29	1.29
FIRST SOLAR INC -	11,332.00	USD	81.020	756,400.26		0.69	0.68
FUELCELL ENERGY LTD -	81,222.00	USD	16.940	1,133,548.10		1.03	1.02
ITRON INC -	18,286.00	USD	117.240	1,766,230.55		1.61	1.60
JINKOSOLAR HOLDING CO LTD -	14,248.00	USD	51.340	602,646.50		0.55	0.55
MYR GROUP INC/DELAWARE -	32,674.00	USD	58.950	1,586,861.34		1.45	1.44
ORMAT TECHNOLOGIES INC -	12,120.00	USD	85.670	855,429.56		0.78	0.77
OWENS CORNING -	23,021.00	USD	81.020	1,536,629.94		1.40	1.39
PLUG POWER INC -	24,709.00	USD	48.380	984,858.64		0.90	0.89
SUNPOWER CORP -A-	41,768.00	USD	34.770	1,196,468.41		1.09	1.08
TESLA INC -	2,398.00	USD	675.500	1,334,527.10		1.22	1.21
TPI COMPOSITES INC -	22,358.00	USD	47.660	877,889.50		0.80	0.79
VEECO INSTRUMENTS INC -	76,278.00	USD	21.500	1,351,109.74		1.23	1.22
VMWARE INC CLASS A -	18,381.00	USD	138.210	2,092,962.61		1.91	1.89
Total shares				109,840,508.72		100.00	99.33
TOTAL SECURITIES PORTFOLIO				109,840,508.72		100.00	99.33
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	0.29	AUD	1.000	0.18			
KBC GROUP CAD	-716.00	CAD	1.000	-465.94			
KBC GROUP CHF	-3,077.83	CHF	1.000	-2,800.95			-0.00
KBC GROUP DKK	-2,713.51	DKK	1.000	-364.91			
KBC GROUP EURO	1,300,543.82	EUR	1.000	1,300,543.82			1.18
KBC GROUP GBP	7,279.20	GBP	1.000	8,384.45			0.01
KBC GROUP HKD	-1,459,332.60	HKD	1.000	-154,986.46			-0.14
KBC GROUP JPY	3,040,088.00	JPY	1.000	23,508.58			0.02
KBC GROUP NOK	-730,663.76	NOK	1.000	-69,898.27			-0.06
KBC GROUP NZD	542.35	NZD	1.000	324.88			
KBC GROUP SEK	343.23	SEK	1.000	33.66			
KBC GROUP USD	24,754.27	USD	1.000	20,394.03			0.02
Total demand accounts				1,124,673.07			1.02
TOTAL CASH AT BANK AND IN HAND				1,124,673.07			1.02
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	153,107.76	EUR	1.000	153,107.76			0.14

Total receivables				153,107.76		0.14
<b>Payables</b>						
<u>Belgium</u>						
KBC GROUP EUR PAYABLE	-433,560.57	EUR	1.000	-433,560.57		-0.39
Payables				-433,560.57		-0.39
TOTAL RECEIVABLES AND PAYABLES				-280,452.81		-0.25
OTHER						
Interest receivable		EUR		27,990.62		0.03
Expenses payable		EUR		-131,309.52		-0.12
TOTAL OTHER				-103,318.90		-0.09
TOTAL NET ASSETS				110,581,410.08		100.00

### Geographic breakdown (as a % of securities portfolio)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
Australia	0.64	0.58	0.00	0.00
Austria	2.67	1.45	1.32	1.44
Belgium	3.67	5.22	3.53	6.55
Brazil	1.66	2.50	1.66	1.46
Canada	8.74	8.32	5.97	7.18
Switzerland	3.47	3.95	4.82	6.28
China	0.91	1.24	2.23	1.46
Germany	7.69	7.83	6.98	5.78
Denmark	3.07	2.99	3.22	2.15
Spain	9.35	9.75	10.88	9.35
France	3.22	2.70	2.67	2.68
U.K.	6.16	2.99	3.89	3.87
Greece	0.90	0.93	1.31	1.54
Hong Kong	3.17	1.51	2.30	2.07
India	0.76	1.16	1.60	2.40
Ireland	1.06	0.00	0.00	0.00
Italy	2.93	5.24	3.14	4.16
Japan	4.52	4.51	4.24	3.08
South Korea	1.22	0.71	1.47	1.51
Netherlands	2.49	1.35	3.02	2.49
Norway	0.39	2.67	2.17	1.50
New Zealand	0.23	1.30	1.95	1.60
Portugal	1.99	0.00	0.00	0.00
Singapore	0.00	0.00	0.23	0.00
Thailand	0.00	1.32	1.06	1.67
Taiwan	2.53	3.22	4.95	4.02
U.S.A.	26.56	26.48	25.39	25.76
British Virgin Islands	0.00	0.08	0.00	0.00
TOTAL	100.00	100.00	100.00	100.00

### Sector breakdown (as a % of securities portfolio)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
Cyclicals	55.11	50.69	57.52	55.49
Consum(cycl)	5.53	6.66	7.76	5.18
Cons.goods	1.66	2.50	1.66	1.46
Financials	1.21	3.03	1.83	2.09
Technology	10.14	13.02	13.60	16.75
Utilities	26.35	24.10	17.63	19.03
TOTAL	100.00	100.00	100.00	100.00

### Currency breakdown (as a % of net assets)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
AUSTRALIAN DOLLAR	0.64	0.59	0.00	0.00
BRASILIAN REAL	1.66	2.50	1.66	1.46
CANADIAN DOLLAR	7.52	6.69	4.92	6.29
SWISS FRANC	3.50	3.96	4.82	6.28
DANISH KRONE	3.14	3.01	3.22	2.15
EURO	35.73	34.34	32.78	34.14
POUND STERLING	6.16	2.99	3.90	3.88
HONG KONG DOLLAR	4.09	2.75	4.56	3.39
INDIE RUPEE	0.76	1.16	1.60	2.40
JAPANESE YEN	4.55	4.55	4.24	3.10
KOREAN WON	1.22	0.71	1.47	1.51
NORWEGIAN KRONE	0.40	2.68	2.17	1.44
NEW ZEALAND DOLLAR	0.27	1.34	1.95	1.60
THAI BATH	0.00	1.32	1.06	1.67
NEW TAIWAN DOLLAR	2.53	3.22	4.95	4.02
US DOLLAR	27.83	28.19	26.70	26.67
TOTAL	100.00	100.00	100.00	100.00

### 2.4.2. Changes in the composition of the assets of KBC Eco Fund Alternative Energy (in the currency of the sub-fund)

	1 <sup>st</sup> half of year
<b>Purchases</b>	33,254,585.85
<b>Sales</b>	10,932,566.96
<b>Total 1</b>	44,187,152.81
<b>Subscriptions</b>	34,798,041.82
<b>Redemptions</b>	11,241,161.97
<b>Total 2</b>	46,039,203.79
<b>Monthly average of total assets</b>	83,969,921.63
<b>Turnover rate</b>	-2.21%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
KBC Bank NV, Havenlaan 2, B-1080 Brussels

### 2.4.3. Amount of commitments in respect of financial derivatives positions

Nil

### 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

## Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	7,100.98	2,361.00	9,550.88	2,297.50	75,658.86	22,471.98	98,130.84
2020 - 08*	18,394.20	9,704.49	7,881.07	2,266.66	86,171.99	29,909.81	116,081.80
2021 - 02*	31,527.32	35,781.35	11,606.75	3,023.28	106,092.57	62,667.88	168,760.45

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	1,947,383.61	526,000.90	2,593,077.37	497,077.04
2020 - 08*	6,026,452.62	2,615,498.52	2,600,662.81	583,346.16
2021 - 02*	16,772,929.28	15,220,112.30	6,372,656.84	1,354,177.26

Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 08*	26,816,887.83	286.23	229.66
2020 - 08*	43,548,557.20	397.09	311.96
2021 - 02*	91,382,271.70	590.26	458.93

\*The financial year does not coincide with the calendar year.

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	2,699.06		5,888.00		35,427.13		35,427.13
2020 - 08*	8,851.58		12,069.28		32,209.43		32,209.43
2021 - 02*	5,629.47		6,235.28		31,603.62		31,603.62

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	688,427.30		1,580,712.29	
2020 - 08*	3,319,362.61		3,929,612.17	
2021 - 02*	2,890,786.12		3,560,596.95	

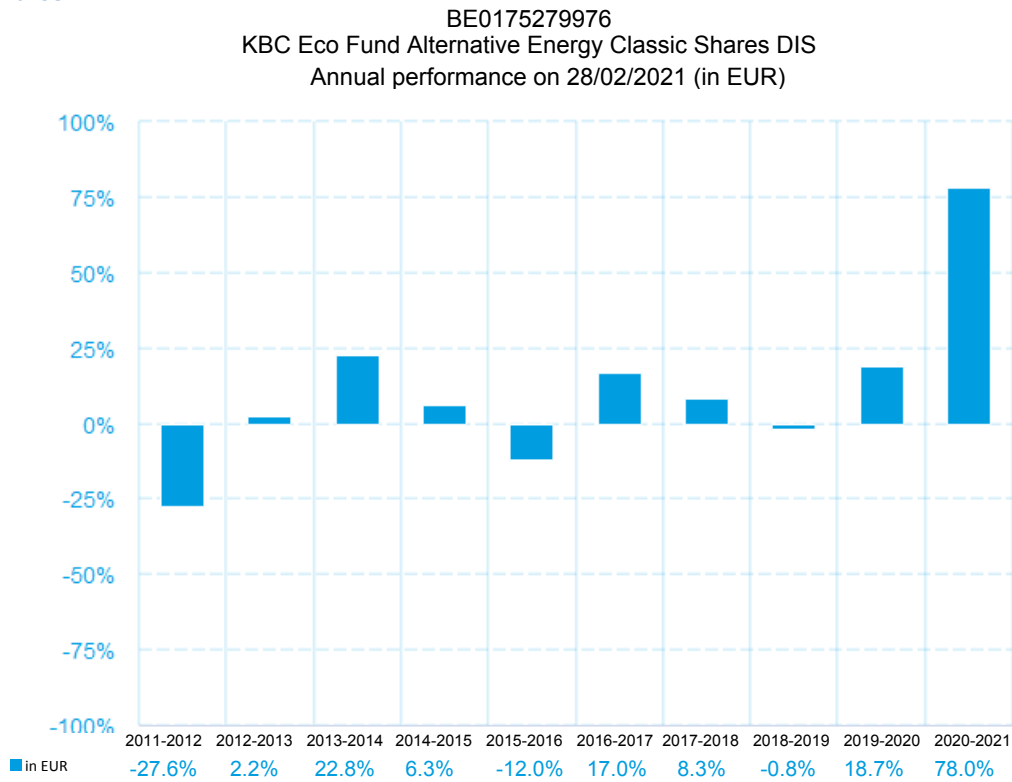
Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 08*	10,233,049.48	288.85	
2020 - 08*	13,076,291.80	405.98	
2021 - 02*	19,199,138.38	607.50	

\*The financial year does not coincide with the calendar year.

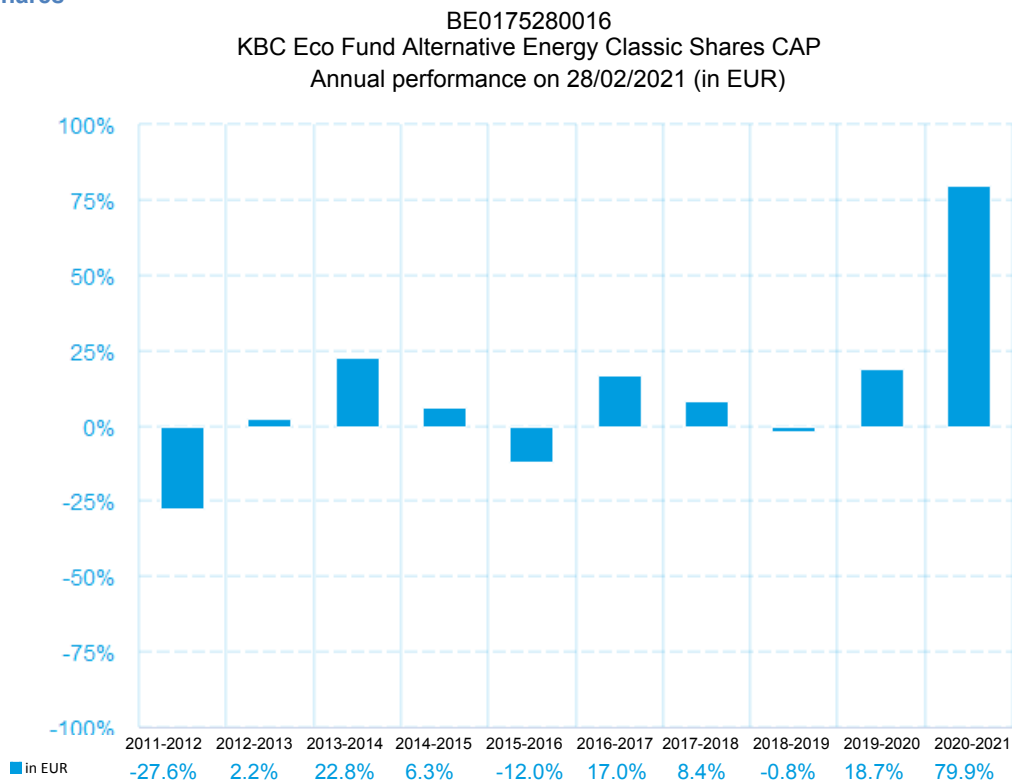


## 2.4.5. Performance figures

### Classic Shares



### Classic Shares



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE0175279976	EUR	78.01%		27.95%		21.57%		8.47%		31/10/2000	0.76%
CAP	BE0175280016	EUR	79.90%		28.42%		21.84%		8.59%		31/10/2000	0.82%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

### Classic Shares

- The bar chart shows the performance for full financial years(period of 12 months prior to the half-yearly closing).
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage. In the case of units that pay dividends, the dividend is incorporated geometrically in the return.
- Calculation method for date D, where NAV stands for net asset value:

#### Capitalisation units (CAP)

Return on date D over a period of X years :

$$[\text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[\text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

#### Distribution units (DIV)

Return on date D over a period of X years :

$$[C * \text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[C * \text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

where C is a factor that is determined for all N dividends between the calculation date D and the reference date.

For dividend i on date Di with value Wi:

$$C_i = [\text{Wi} / \text{NIW}(D_i)] + 1$$

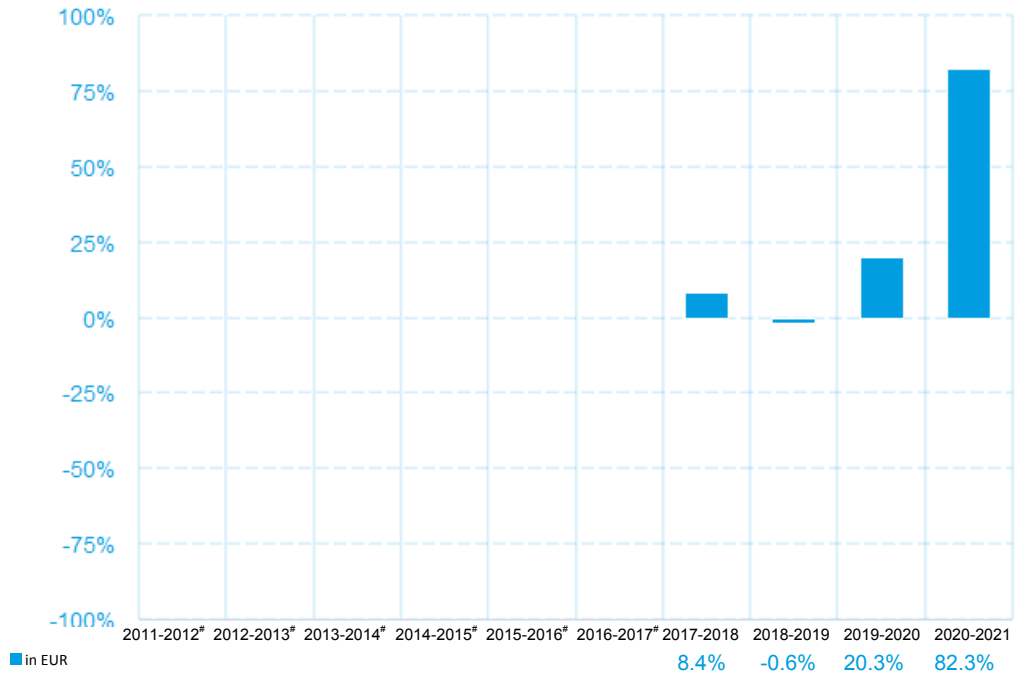
i = 1 ... N

from which C = C0 \* .... \* CN.

- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation and distribution shares

Institutional B Shares

BE6228924690  
KBC Eco Fund Alternative Energy Institutional B Shares CAP  
Annual performance on 28/02/2021 (in EUR)



# There is insufficient data for this year to give investors a useful indication of past performance.

Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6228924690	EUR	82.28%		29.64%		%		%		25/11/2011	

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

### **Institutional B Shares**

- The bar chart shows the performance for full financial years(period of 12 months prior to the half-yearly closing).
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  

$$[\text{NIW}(D) / \text{NIW}(Y)]^{1 / X} - 1$$
where Y = D-X  
Return on date D since the start date S of the unit:  

$$[\text{NIW}(D) / \text{NIW}(S)]^{1 / F} - 1$$
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### *Ongoing Charges and Transaction costs:*

#### *Classic Shares Distribution :*

Ongoing Charges : 1.892%  
Transaction costs : 0.090%

#### *Classic Shares Capitalisation :*

Ongoing Charges : 1.815%  
Transaction costs : 0.090%

#### *Institutional B Shares Capitalisation :*

Ongoing Charges : 0.498%  
Transaction costs : 0.090%

Percentage calculated at reporting date: 28 February 2021 (period of 12 months prior to the half-yearly closing).

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### *Existence of Commission Sharing Agreements*

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.7. Commission Sharing Agreements'.

No CSA accrual during this period.

### *Existence of fee sharing agreements and rebates*

The management company has shared 50,48% of its fee with the distributor, and institutional and/or professional parties.

If the management company invests the assets of the undertaking for collective investment in units of undertakings for collective investment that are not managed by an entity of KBC Groep NV, and receives a fee for doing so, it will pay this fee to the undertaking for collective investment.

Fee-sharing does not affect the amount of the management fee paid by **a sub-fund** to the management company. This management fee is subject to the limitations laid down in **the articles of association**. The limitations may only be amended after approval by the General Meeting.

## 2.4.7. Notes to the financial statements and other data

### Classic Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund	
Annual tax	see the 'Information concerning the Bevek - H. Tax treatment'	

### Institutional B Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund	
Annual tax	see the 'Information concerning the Bevek - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

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# 2. Information on KBC Eco Fund Climate Change

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### **Classic Shares Distribution**

Launch date:	2 February 2007
Initial subscription price:	500 EUR
Currency:	EUR

#### **Classic Shares Capitalisation**

Launch date:	2 February 2007
Initial subscription price:	500 EUR
Currency:	EUR

#### **Institutional B Shares Capitalisation**

Launch date:	25 November 2011
Initial subscription price:	296.94 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. To this end, the assets are invested, either directly or indirectly via correlated financial instruments, primarily in shares.

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

The sub-fund shall invest no more than 10% of its assets in units of other undertakings for collective investment.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**

### **Strategy selected**

At any time, at least 75% of the assets are invested, directly or indirectly, in companies that operate on a sustainable basis in combating climate change and/or focus on reducing greenhouse gas emissions. These companies have to realize a substantial proportion of their turnover in this sector.

The companies have to satisfy a number of basic criteria regarding the environment, human rights, the trade and manufacture of arms, and nuclear energy. The basic criteria are set out by KBC Asset Management in co-operation with the Independent Environmental Advisory Committee. They may also change the method used to perform the sustainability screening, based on new trends in society.

Screening is carried out by KBC Asset Management's Sustainable and Socially Responsible Investment Department and the independent Environmental Advisory Committee.

The fund is actively managed without referring to any benchmark.

### **Volatility of the net asset value**

**The volatility of the net asset value may be high due to the composition of the portfolio.**

### **Securities Financing Transactions (SFTs)**

The sub-fund may not lend any financial instruments.

### **General strategy for hedging the exchange risk**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

### **Social, ethical and environmental aspects**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'.

## **2.1.4. Financial portfolio management**

There is no delegation of the management of the asset allocation.

## **2.1.5. Distributors**

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## **2.1.6. Index and benchmark**

Not applicable.

## **2.1.7. Policy pursued during the financial year**

In line with the defined strategy, the fund invests in a selection of shares issued by companies with exposure to the climate change prevention industry.

## **2.1.8. Future policy**

The fund continues to invest in stocks that are primarily related to the prevention of climate change.

## 2.1.9. Synthetic risk and reward indicator (SRRI)

Classic Shares: 6 on a scale of 1 (lowest risk) to 7 (highest risk)

Institutional B Shares: 6 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>28/02/2021</b> (in the currency of the sub-fund)	<b>29/02/2020</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	61,404,421.50	27,735,175.49
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
<b>C.</b>	Shares and similar instruments		
	a) Shares	61,329,947.49	27,638,907.85
<b>IV.</b>	<b>Receivables and payables within one year</b>		
<b>A.</b>	Receivables		
	a) Accounts receivable	1,237,873.93	42.30
<b>B.</b>	Payables		
	a) Accounts payable (-)	-1,037,841.53	-116,005.75
	c) Borrowings (-)	-461,016.90	-0.46
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
<b>A.</b>	Demand balances at banks	388,707.03	232,054.23
<b>VI.</b>	<b>Accruals and deferrals</b>		
<b>B.</b>	Accrued income	19,442.01	19,418.24
<b>C.</b>	Accrued expense (-)	-72,690.53	-39,240.92
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	61,404,421.50	27,735,175.49
<b>A.</b>	<b>Capital</b>	55,880,237.03	26,888,817.34
<b>B.</b>	<b>Income equalization</b>	99,035.10	13,904.02
<b>D.</b>	<b>Result of the period</b>	5,425,149.37	832,454.13

## 2.3. Profit and loss account

Income Statement	28/02/2021 (in the currency of the fund)	29/02/2020 (in the currency of the fund)
<b>I. Net gains(losses) on investments</b>		
C. Shares and similar instruments		
a) Shares	5,783,583.10	820,130.80
D. Other securities	5,496.97	
H. Foreign exchange positions and transactions		
b) Other foreign exchange positions and transactions	-156,895.74	110,459.09
<b>Det.section I gains and losses on investments</b>		
Realised gains on investments	2,650,768.56	2,294,103.85
Unrealised gains on investments	2,631,270.20	-711,733.32
Realised losses on investments	-1,577,992.06	-1,268,361.15
Unrealised losses on investments	1,928,137.63	616,580.51
<b>II. Investment income and expenses</b>		
A. Dividends	160,534.60	158,136.55
B. Interests		
b) Cash at bank and in hand and deposits	0.71	822.85
C. Interest on borrowings (-)	-569.62	-501.36
<b>III. Other income</b>		
A. Income received to cover the acquisition and realization of assets, to discourage withdrawals and for delivery charges	3,604.73	152.14
<b>IV. Operating expenses</b>		
A. Investment transaction and delivery costs (-)	-50,173.23	-19,575.81
B. Financial expenses (-)	-66.39	-32.00
C. Custodian's fee (-)	-6,741.30	-5,283.72
D. Manager's fee (-)		
a) Financial management		
Classic Shares	-247,621.35	-192,585.10
Institutional B Shares	-3,443.31	-1,943.82
b) Administration and accounting management	-17,655.83	-13,486.88
E. Administrative expenses (-)	-1,000.29	-1,000.12
F. Formation and organisation expenses (-)	-744.88	-1,402.74
G. Remuneration, social security charges and pension	-325.84	-215.21
H. Services and sundry goods (-)	-6,126.73	-4,854.21
J. Taxes		
Classic Shares	-22,290.26	-12,115.03
Institutional B Shares	-17.35	-5.59
K. Other expenses (-)	-14,398.62	-4,245.71
<b>Income and expenditure for the period</b>		
Subtotal II + III + IV	-207,034.95	-98,135.75
<b>V. Profit (loss) on ordinary activities before tax</b>	5,425,149.37	832,454.13
<b>VII. Result of the period</b>	5,425,149.37	832,454.13

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Eco Fund Climate Change

Name	Quantity on 28/02/2021	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Austria</u>							
ANDRITZ AG -	15,163.00	EUR	39.720	602,274.36		0.98	0.98
<u>Belgium</u>							
UMICORE -	19,233.00	EUR	48.660	935,877.78		1.53	1.52
<u>Canada</u>							
CANADIAN NATIONAL RAILWAY CO -	10,269.00	CAD	138.910	928,283.92		1.51	1.51
CANADIAN PACIFIC RAILWAY LTD -	3,049.00	CAD	453.520	899,856.03		1.47	1.47
HYDRO ONE LTD -	78,896.00	CAD	27.020	1,387,265.20		2.26	2.26
5N PLUS INC -	80,313.00	CAD	4.720	246,687.42		0.40	0.40
<u>China</u>							
BYD CO LTD -	27,977.00	HKD	197.200	585,932.43		0.96	0.95
<u>Denmark</u>							
NOVOZYMES A/S B	14,441.00	DKK	380.800	739,524.15		1.21	1.20
ROCKWOOL INTERNATIONAL A/S -	1,469.00	DKK	2,234.000	441,329.66		0.72	0.72
VESTAS WINDS SYSTEMS -	4,002.00	DKK	1,154.500	621,339.80		1.01	1.01
<u>Finland</u>							
LASSILA & TIKANOJA OYJ -	58,837.00	EUR	13.560	797,829.72		1.30	1.30
<u>France</u>							
ALSTOM -	17,003.00	EUR	41.340	702,904.02		1.15	1.15
CIE DE ST-GOBAIN -	21,422.00	EUR	44.420	951,565.24		1.55	1.55
LEGRAND (PAR)	7,209.00	EUR	71.920	518,471.28		0.85	0.84
VALEO -	19,247.00	EUR	29.240	562,782.28		0.92	0.92
<u>Germany</u>							
CONTINENTAL AG -	5,833.00	EUR	118.900	693,543.70		1.13	1.13
ELRINGKLINGER AG -	55,420.00	EUR	13.860	768,121.20		1.25	1.25
HELLA GMBH + CO.KGAA -	6,710.00	EUR	49.020	328,924.20		0.54	0.54
SGL CARBON AG -	108,862.00	EUR	6.880	748,970.56		1.22	1.22
SMA SOLAR TECHNOLOGY AG -	8,221.00	EUR	53.250	437,768.25		0.71	0.71
TRAFFIC SYSTEM SE -	12,054.00	EUR	34.900	420,684.60		0.69	0.69
VOSSLOH AG (FRA)	14,163.00	EUR	42.450	601,219.35		0.98	0.98
<u>Hong Kong</u>							
CHINA EVERBRIGHT INTL -	1,961,776.00	HKD	4.440	925,064.19		1.51	1.51
MTR CORPORATION -	337,977.00	HKD	46.550	1,670,884.05		2.73	2.72
ZHUZHOU CSR TIMES ELECTRIC CO -	168,454.00	HKD	33.750	603,802.05		0.99	0.98
<u>India</u>							
JAIN IRRIGATION SYSTEMS LTD -	607,711.00	INR	19.000	129,450.84		0.21	0.21
<u>Ireland</u>							
KINGSPAN GROUP PLC -	1,236.00	EUR	60.050	74,221.80		0.12	0.12
<u>Italy</u>							
TERNA RETE ELETTRICA NAZIONALE -	184,190.00	EUR	5.768	1,062,407.92		1.73	1.73
<u>Japan</u>							
CENTRAL JAPAN RAILWAY -	7,900.00	JPY	17,410.000	1,063,569.90		1.73	1.73
EAST JAPAN RAILWAY -	17,700.00	JPY	7,857.000	1,075,400.40		1.75	1.75
NGK INSULATORS -	69,900.00	JPY	1,880.000	1,016,190.66		1.66	1.66
NIPPON SHEET GLASS CO LTD -	177,800.00	JPY	539.000	741,072.50		1.21	1.21
WEST JAPAN RAILWAY -	17,100.00	JPY	6,514.000	861,358.69		1.40	1.40
<u>Malaysia</u>							
TALIWORKS CORP BHD -	1,404,600.00	MYR	0.825	235,869.95		0.39	0.38
<u>Netherlands</u>							
ARCADIS N.V. (AMS)	29,595.00	EUR	28.240	835,762.80		1.36	1.36
<u>Singapore</u>							
SOUND GLOBAL LTD -	75,000.00	HKD					
<u>South Korea</u>							

SAMSUNG SDI CO LTD -	1,730.00	KRW	674,000.000	855,038.74	1.39	1.39
WOONGJIN COWAY CO LTD -	16,534.00	KRW	64,700.000	784,444.11	1.28	1.28
<u>Spain</u>						
EDP RENOVAVEIS SA -	39,600.00	EUR	18.100	716,760.00	1.17	1.17
RED ELECTRICA DE ESPANA -	64,063.00	EUR	13.865	888,233.50	1.45	1.45
SIEMENS GAMESA RENEWABLE ENERGY SA -	20,809.00	EUR	30.800	640,917.20	1.05	1.04
<u>Sweden</u>						
ALFA LAVAL -	20,149.00	SEK	261.300	516,370.37	0.84	0.84
SWECO AB -	21,036.00	SEK	121.400	250,466.85	0.41	0.41
<u>Switzerland</u>						
ABB LTD -	36,584.00	CHF	26.120	869,610.36	1.42	1.42
LANDIS+GYR GROUP AG -	11,014.00	CHF	63.100	632,462.50	1.03	1.03
OC OERLIKON CORP AG (NOM)20CHF	106,118.00	CHF	9.820	948,333.06	1.55	1.54
<u>Taiwan</u>						
CLEANAWAY CO LTD -	220,219.00	TWD	162.000	1,055,257.59	1.72	1.72
<u>Thailand</u>						
EASTERN WATER RESOURCES DEVELO -	2,144,200.00	THB	9.300	539,394.92	0.88	0.88
<u>U.K.</u>						
CERES POWER HOLDINGS PLC -	53,415.00	GBP	12.480	767,836.80	1.25	1.25
FIRSTGROUP PLC -	500,390.00	GBP	0.900	518,731.04	0.85	0.85
JOHNSON MATTHEY PLC -	17,840.00	GBP	30.550	627,765.10	1.02	1.02
PENNON GROUP PLC -	106,526.00	GBP	8.740	1,072,403.33	1.75	1.75
RENEWI PLC -	1,283,219.00	GBP	0.435	642,955.83	1.05	1.05
SIG PLC -	520,805.00	GBP	0.335	200,720.71	0.33	0.33
SPIRAX-SARCO ENGINEERING PLC -	5,122.00	GBP	107.100	631,858.96	1.03	1.03
<u>U.S.A.</u>						
ALBEMARLE CORP. -	2,917.00	USD	157.210	377,806.53	0.62	0.62
AMERICAN SUPERCONDUCTOR CORP -	27,971.00	USD	23.790	548,220.54	0.89	0.89
APPLIED MATERIALS -	7,128.00	USD	118.190	694,066.83	1.13	1.13
APTIV PLC -	6,257.00	USD	149.840	772,408.04	1.26	1.26
BADGER METER INC -	9,845.00	USD	108.590	880,761.70	1.44	1.43
BLOOM ENERGY CORP -	12,926.00	USD	28.530	303,821.70	0.50	0.50
BORGWARNER INC -	21,918.00	USD	45.000	812,580.33	1.33	1.32
CALIFORNIA WATER SERVICE GROUP -	21,801.00	USD	54.950	986,954.15	1.61	1.61
CANADIAN SOLAR INC -	12,330.00	USD	46.930	476,723.43	0.78	0.78
CLEAN HARBORS INC -	9,608.00	USD	85.150	674,016.48	1.10	1.10
COVANTA HOLD CORP -	55,433.00	USD	14.050	641,649.08	1.05	1.05
CREE RESEARCH INC -	4,608.00	USD	113.460	430,732.97	0.70	0.70
CSX -	7,981.00	USD	91.550	601,961.24	0.98	0.98
DANAHER CORPORATION -	4,697.00	USD	219.670	850,049.42	1.39	1.38
ECOLAB, INC. -	2,857.00	USD	209.360	492,784.25	0.80	0.80
ENPHASE ENERGY INC -	4,756.00	USD	176.060	689,851.18	1.13	1.12
ESCO TECHNOLOGIES INC -	3,843.00	USD	105.670	334,560.73	0.55	0.55
ESSENTIAL UTILITIES INC -	24,573.00	USD	42.060	851,491.50	1.39	1.39
FIRST SOLAR INC -	7,883.00	USD	81.020	526,182.78	0.86	0.86
GREAT LAKES DREDGE & DOCK CORP -	47,014.00	USD	15.190	588,352.83	0.96	0.96
LINDSAY MANUFACTURING CO -	6,981.00	USD	160.250	921,655.34	1.50	1.50
NORFOLK STHN CP -	2,847.00	USD	252.060	591,213.40	0.96	0.96
OWENS CORNING -	9,589.00	USD	81.020	640,056.67	1.04	1.04
PLUG POWER INC -	13,840.00	USD	48.380	551,638.82	0.90	0.90
REGAL-BELDIT CORP -	6,293.00	USD	136.670	708,571.68	1.16	1.15
REPUBLIC SERVICES INC. -	9,205.00	USD	89.090	675,624.86	1.10	1.10
TESLA INC -	821.00	USD	675.500	456,900.23	0.75	0.74
THERMO ELECTRONIC -	1,864.00	USD	450.080	691,175.75	1.13	1.13
UNION PACIFIC CORPORATION -	4,137.00	USD	205.960	701,974.39	1.15	1.14
VEECO INSTRUMENTS INC -	36,960.00	USD	21.500	654,671.28	1.07	1.07
VMWARE INC CLASS A -	8,558.00	USD	138.210	974,461.34	1.59	1.59
WASTE CONNECTIONS INC -	9,852.00	CAD	124.270	796,727.60	1.30	1.30
WASTE MANAGEMENT INC. -	8,328.00	USD	110.890	760,827.09	1.24	1.24
WATERS CORP -	2,596.00	USD	273.880	585,757.52	0.96	0.95
XYLEM INC/NY -	8,631.00	USD	99.560	707,943.94	1.15	1.15
Total shares				61,329,947.49	100.00	99.88
TOTAL SECURITIES PORTFOLIO				61,329,947.49	100.00	99.88
CASH AT BANK AND IN HAND						
<b>Demand accounts</b>						
<u>Belgium</u>						
KBC GROUP CAD	-270.45	CAD	1.000	-176.00		
KBC GROUP CHF	4,998.59	CHF	1.000	4,548.92		0.01
KBC GROUP DKK	-6,070.64	DKK	1.000	-816.38		-0.00
KBC GROUP EURO	379,988.26	EUR	1.000	379,988.26		0.62
KBC GROUP GBP	-56,141.62	GBP	1.000	-64,666.01		-0.11
KBC GROUP HKD	39,241.06	HKD	1.000	4,167.54		0.01
KBC GROUP JPY	-30,458,274.00	JPY	1.000	-235,529.58		-0.38
KBC GROUP NOK	20.95	NOK	1.000	2.00		
KBC GROUP NZD	0.24	NZD	1.000	0.14		

KBC GROUP SEK	-2,061.18	SEK	1.000	-202.15		
KBC GROUP SGD	0.27	SGD	1.000	0.17		
KBC GROUP USD	-193,754.99	USD	1.000	-159,626.78		-0.26
Total demand accounts				-72,309.87		-0.12
<b>TOTAL CASH AT BANK AND IN HAND</b>				-72,309.87		-0.12
<b>OTHER RECEIVABLES AND PAYABLES</b>						
<b>Receivables</b>						
<u>Belgium</u>						
KBC GROUP EUR RECEIVABLE	496,097.70	EUR	1.000	496,097.70		0.81
KBC GROUP GBP RECEIVABLE	53,866.00	GBP	1.000	62,044.86		0.10
KBC GROUP JPY RECEIVABLE	30,628,858.00	JPY	1.000	236,848.69		0.39
KBC GROUP USD RECEIVABLE	537,571.00	USD	1.000	442,882.68		0.72
Total receivables				1,237,873.93		2.02
<b>Payables</b>						
<u>Belgium</u>						
KBC GROUP EUR PAYABLE	-755,063.91	EUR	1.000	-755,063.91		-1.23
KBC GROUP USD PAYABLE	-343,235.47	USD	1.000	-282,777.62		-0.46
Payables				-1,037,841.53		-1.69
<b>TOTAL RECEIVABLES AND PAYABLES</b>				200,032.40		0.33
<b>OTHER</b>						
Interest receivable		EUR		19,442.01		0.03
Expenses payable		EUR		-72,690.53		-0.12
<b>TOTAL OTHER</b>				-53,248.52		-0.09
<b>TOTAL NET ASSETS</b>				61,404,421.50		100.00

### Geographic breakdown (as a % of securities portfolio)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
Austria	0.79	0.00	0.87	0.98
Belgium	3.30	2.45	1.07	1.74
Canada	7.62	10.25	6.27	6.93
Switzerland	2.47	3.27	3.41	3.98
China	0.97	3.97	5.03	0.95
Germany	5.62	5.76	6.50	6.50
Denmark	1.46	3.82	4.58	2.93
Spain	3.35	6.48	4.93	3.65
Finland	0.40	1.19	0.95	1.30
France	6.02	3.86	3.49	4.46
U.K.	7.17	6.03	6.71	7.28
Hong Kong	3.31	3.35	4.00	5.20
India	0.54	0.02	0.24	0.21
Ireland	1.16	1.34	1.31	0.12
Italy	2.62	2.79	1.63	1.73
Jersey/The Channel Islands	0.04	0.03	0.00	0.00
Japan	8.32	8.71	4.81	7.74
South Korea	1.55	2.11	2.40	2.67
Malaysia	0.00	0.34	0.32	0.38
Netherlands	2.24	0.00	1.31	1.36
Norway	1.52	0.00	0.00	0.00
Singapore	0.58	0.88	0.00	0.00
Sweden	1.46	1.31	2.43	1.25
Thailand	0.00	2.61	0.88	0.88
Taiwan	1.45	2.07	2.16	1.72
U.S.A.	36.04	27.36	34.70	36.04
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>



### Sector breakdown (as a % of securities portfolio)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
Cyclicals	41.09	42.22	46.80	41.73
Consum(cycl)	40.89	34.47	28.79	30.35
Cons.goods	1.22	0.00	0.00	0.00
Pharma	0.92	2.23	2.99	3.13
Financials	0.23	0.42	0.11	0.22
Technology	5.81	8.56	9.33	11.85
Utilities	9.84	12.10	11.98	12.72
TOTAL	100.00	100.00	100.00	100.00

### Currency breakdown (as a % of net assets)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
CANADIAN DOLLAR	7.62	10.25	6.27	6.93
SWISS FRANC	2.52	3.27	3.42	3.99
DANISH KRONE	1.49	3.83	4.58	2.93
EURO	25.04	23.48	22.07	21.82
POUND STERLING	7.29	6.07	6.70	7.27
HONG KONG DOLLAR	4.35	7.32	9.03	6.16
INDIE RUPEE	0.54	0.02	0.24	0.21
JAPANESE YEN	8.40	8.71	4.81	7.75
KOREAN WON	1.55	2.11	2.40	2.67
MALAYSIAN RINGGIT	0.00	0.34	0.32	0.38
NORWEGIAN KRONE	1.52	0.00	0.00	0.00
SWEDISH KRONA	1.51	1.31	2.43	1.25
SINGAPORE DOLLAR	0.63	0.88	0.00	0.00
THAI BATH	0.00	2.61	0.88	0.88
NEW TAIWAN DOLLAR	1.45	1.76	2.16	1.72
US DOLLAR	36.09	28.04	34.69	36.04
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Eco Fund Climate Change (in the currency of the sub-fund)

	1 <sup>st</sup> half of year
<b>Purchases</b>	33,028,792.77
<b>Sales</b>	9,652,849.01
<b>Total 1</b>	42,681,641.78
<b>Subscriptions</b>	33,165,379.66
<b>Redemptions</b>	9,655,691.46
<b>Total 2</b>	42,821,071.12
<b>Monthly average of total assets</b>	35,996,635.53
<b>Turnover rate</b>	-0.39%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
KBC Bank NV, Havenlaan 2, B-1080 Brussels

## 2.4.3. Amount of commitments in respect of financial derivatives positions

Nil

## 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

## Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	2,707.93	1,013.00	3,494.33	341.00	37,503.15	4,343.21	41,846.36
2020 - 08*	13,460.88	2,095.18	3,923.70	379.00	47,040.34	6,059.39	53,099.73
2021 - 02*	18,933.97	27,636.43	15,303.09	423.00	50,671.21	33,272.82	83,944.03

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	1,536,081.34	508,026.00	1,900,595.78	171,049.38
2020 - 08*	7,700,740.56	1,074,804.78	2,433,217.67	186,529.40
2021 - 02*	13,694,378.80	17,429,585.38	9,441,889.32	233,100.36

Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 08*	22,985,042.95	556.41	487.63
2020 - 08*	30,917,307.29	591.71	508.84
2021 - 02*	57,363,190.78	727.75	615.73

\*The financial year does not coincide with the calendar year.

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*			250.00		2,216.00		2,216.00
2020 - 08*	655.00		370.00		2,501.00		2,501.00
2021 - 02*	2,890.00		0.00		5,391.00		5,391.00

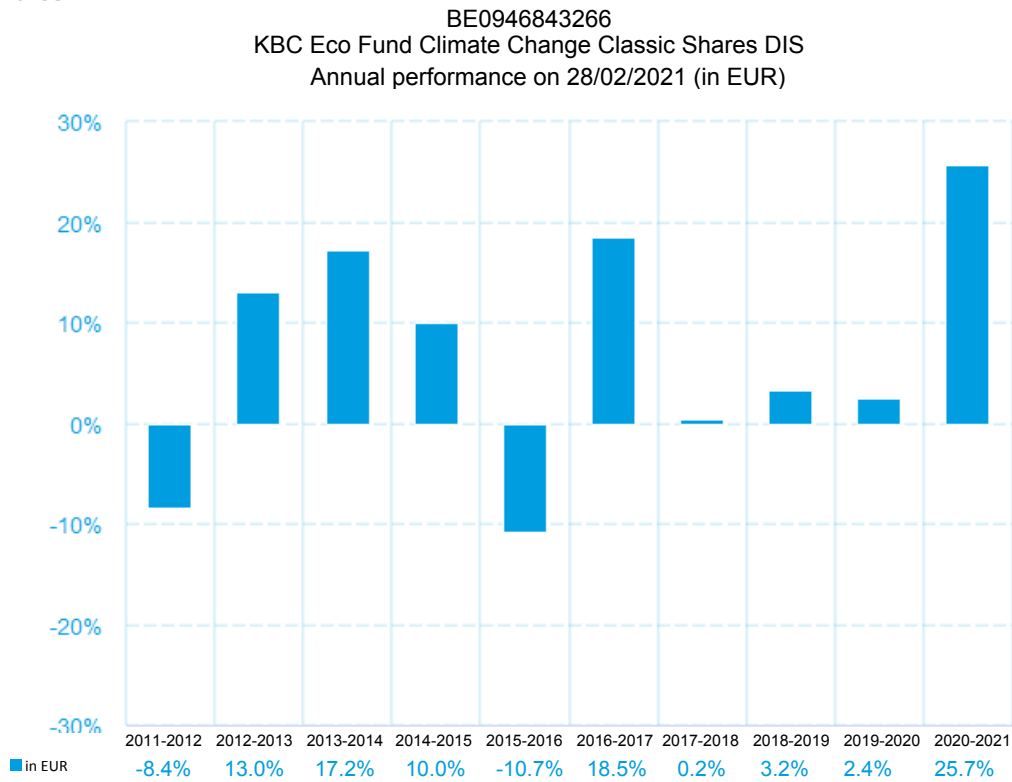
Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	0.00		144,997.50	
2020 - 08*	374,502.75		181,426.90	
2021 - 02*	2,159,748.80		0.00	

Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 08*	1,245,816.82	562.19	
2020 - 08*	1,514,681.47	605.63	
2021 - 02*	4,041,230.72	749.63	

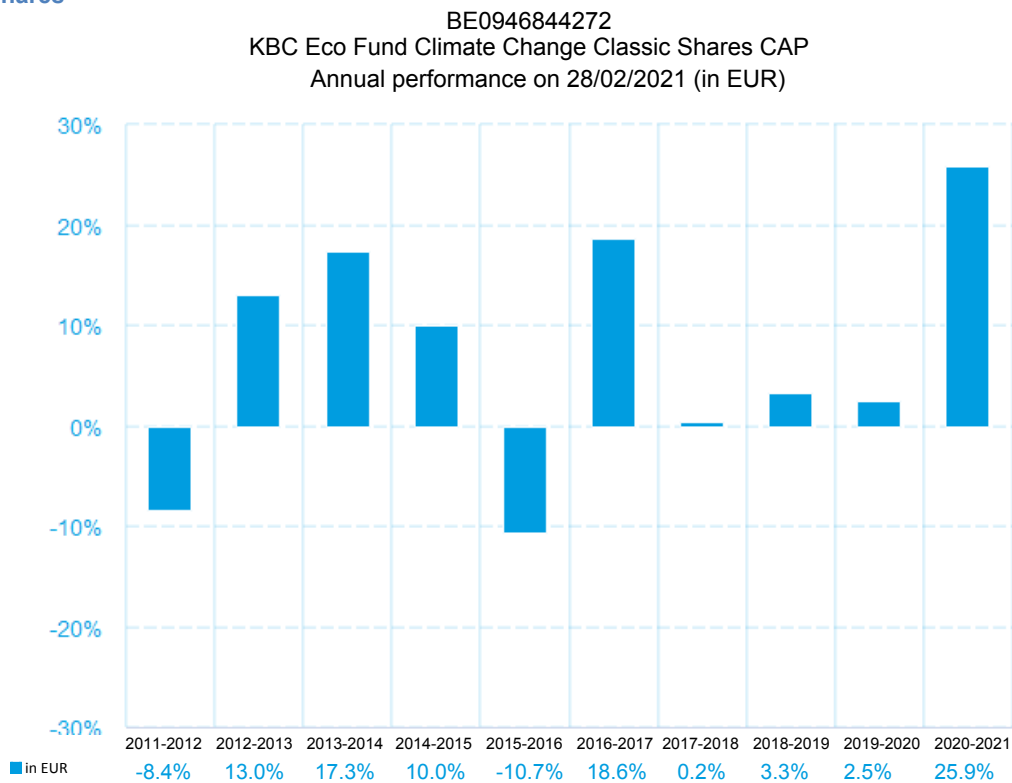
\*The financial year does not coincide with the calendar year.

## 2.4.5. Performance figures

### Classic Shares



### Classic Shares



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE0946843266	EUR	25.73%		9.94%		9.56%		6.51%		02/02/2007	2.67%
CAP	BE0946844272	EUR	25.88%		10.04%		9.63%		6.56%		02/02/2007	2.70%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

### Classic Shares

- The bar chart shows the performance for full financial years(period of 12 months prior to the half-yearly closing).
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage. In the case of units that pay dividends, the dividend is incorporated geometrically in the return.
- Calculation method for date D, where NAV stands for net asset value:

#### Capitalisation units (CAP)

Return on date D over a period of X years :

$$[\text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[\text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

#### Distribution units (DIV)

Return on date D over a period of X years :

$$[C * \text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[C * \text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

where C is a factor that is determined for all N dividends between the calculation date D and the reference date.

For dividend i on date Di with value Wi:

$$C_i = [\text{Wi} / \text{NIW}(D_i)] + 1$$

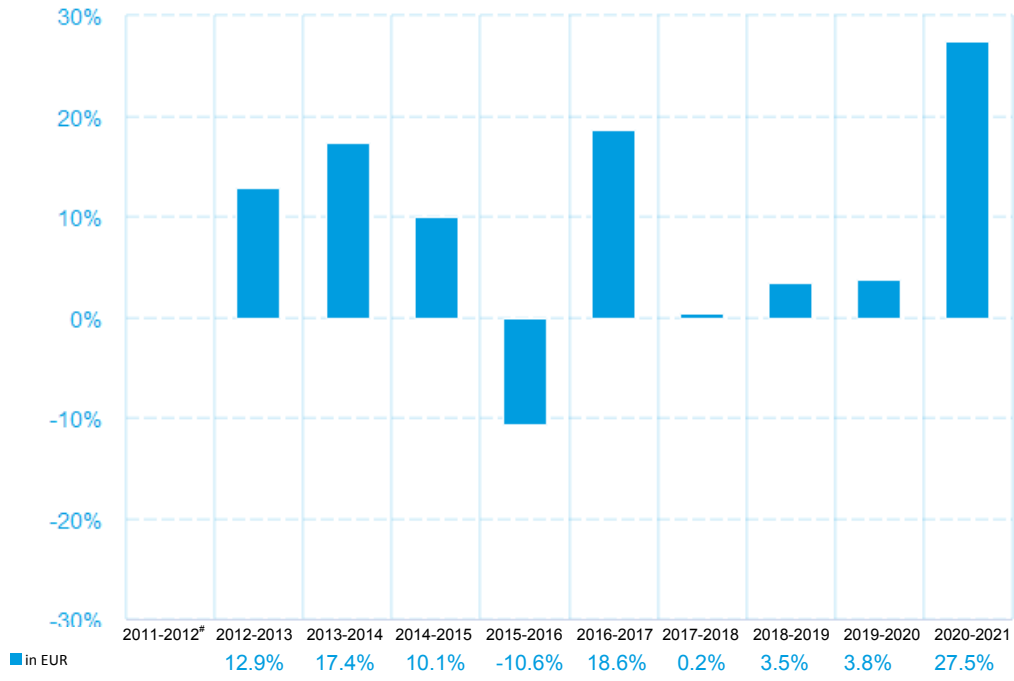
i = 1 ... N

from which C = C0 \* .... \* CN.

- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation and distribution shares

**Institutional B Shares**

BE6228923684  
KBC Eco Fund Climate Change Institutional B Shares CAP  
Annual performance on 28/02/2021 (in EUR)



# There is insufficient data for this year to give investors a useful indication of past performance.

Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6228923684	EUR	27.49%		11.06%		10.25%		%		25/11/2011	10.51%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

### **Institutional B Shares**

- The bar chart shows the performance for full financial years(period of 12 months prior to the half-yearly closing).
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  

$$[\text{NIW}(D) / \text{NIW}(Y)]^{1 / X} - 1$$
where Y = D-X  
Return on date D since the start date S of the unit:  

$$[\text{NIW}(D) / \text{NIW}(S)]^{1 / F} - 1$$
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### *Ongoing Charges and Transaction costs:*

#### *Classic Shares Distribution :*

Ongoing Charges : 1.924%

Transaction costs : 0.177%

#### *Classic Shares Capitalisation :*

Ongoing Charges : 1.813%

Transaction costs : 0.177%

#### *Institutional B Shares Capitalisation :*

Ongoing Charges : 0.533%

Transaction costs : 0.177%

Percentage calculated at reporting date: 28 February 2021 (period of 12 months prior to the half-yearly closing).

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### *Existence of Commission Sharing Agreements*

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.7. Commission Sharing Agreements'.

No CSA accrual during this period.

### *Existence of fee sharing agreements and rebates*

The management company has shared 52,96% of its fee with the distributor, and institutional and/or professional parties.

If the management company invests the assets of the undertaking for collective investment in units of undertakings for collective investment that are not managed by an entity of KBC Groep NV, and receives a fee for doing so, it will pay this fee to the undertaking for collective investment.

Fee-sharing does not affect the amount of the management fee paid by **a sub-fund** to the management company. This management fee is subject to the limitations laid down in **the articles of association**. The limitations may only be amended after approval by the General Meeting.

## 2.4.7. Notes to the financial statements and other data

### Classic Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund	
Annual tax	see the 'Information concerning the Bevek - H. Tax treatment'	

### Institutional B Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund	
Annual tax	see the 'Information concerning the Bevek - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.



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    - 2.1.6. Index and benchmark
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# 2. Information on KBC Eco Fund CSOB Water

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### **Distribution**

Launch date:	31 July 2007
Initial subscription price:	1 000 CZK
Currency:	CZK

#### **Capitalisation**

Launch date:	31 July 2007
Initial subscription price:	1 000 CZK
Currency:	CZK

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. To this end, the assets are invested, either directly or indirectly via correlated financial instruments, primarily in shares.

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

The sub-fund shall invest no more than 10% of its assets in units of other undertakings for collective investment.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease**

**capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**

### **Strategy selected**

The sub-fund invests at least 75% of its assets in companies that operate on a sustainable basis and that generate a substantial proportion of their turnover in the water sector.

The companies have to satisfy a number of basic criteria regarding the environment, human rights, the trade and manufacture of arms, and nuclear energy. The basic criteria are set out by KBC Asset Management in co-operation with the Independent Environmental Advisory Committee. They may also change the method used to perform the sustainability screening, based on new trends in society.

Screening is carried out by KBC Asset Management's Sustainable and Socially Responsible Investment Department and the Environmental Advisory Committee.

The fund is actively managed without referring to any benchmark.

### **Volatility of the net asset value**

**The volatility of the net asset value may be high due to the composition of the portfolio.**

### **Securities Financing Transactions (SFTs)**

The sub-fund may not lend any financial instruments.

### **General strategy for hedging the exchange risk**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

### **Social, ethical and environmental aspects**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'.

## **2.1.4. Financial portfolio management**

There is no delegation of the management of the asset allocation.

## **2.1.5. Distributors**

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## **2.1.6. Index and benchmark**

Not applicable.

## **2.1.7. Policy pursued during the financial year**

In line with the defined strategy, the fund invests in a selection of shares issued by companies with exposure to the water industry.

## **2.1.8. Future policy**

In line with the defined strategy, the fund invests in a selection of shares issued by companies with exposure to the water industry.

## **2.1.9. Synthetic risk and reward indicator (SRRI)**

5 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>28/02/2021</b> (in the currency of the sub-fund)	<b>29/02/2020</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	2,005,814,999.02	1,208,396,391.97
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds		
	Collateral received in the form of bonds	5,612,268.58	
C.	Shares and similar instruments		
	a) Shares	1,992,399,026.43	1,215,852,063.17
F.	Derivative financial instruments		
	j) Foreign exchange		
	Futures and forward contracts (+/-)	562,890.34	-18,587,161.76
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	5,784,410.05	1,535,878.97
B.	Payables		
	a) Accounts payable (-)	-4,152,179.25	-2,275,220.85
	c) Borrowings (-)	-3,527,652.74	-22,585,865.44
	d) Collateral (-)	-5,612,268.58	
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	14,491,657.77	13,196,121.31
D.			20,385,211.18
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	1,546,784.07	1,661,740.46
C.	Accrued expense (-)	-1,289,937.65	-786,375.07
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	2,005,814,999.02	1,208,396,391.97
<b>A.</b>	<b>Capital</b>	1,710,396,269.02	1,228,794,448.83
<b>B.</b>	<b>Income equalization</b>	915,355.10	266,886.13
<b>D.</b>	<b>Result of the period</b>	294,503,374.90	-20,664,942.99
<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments	5,612,268.58	
I.A.b.	Cash at bank and in hand/deposits		20,385,211.18
III.	Notional amounts of futures and forward contracts (+)		
III.A.	Purchased futures and forward contracts	1,509,442,955.61	1,010,604,096.00
III.B.	Written futures and forward contracts	-189,702,820.98	-106,340,093.44

## 2.3. Profit and loss account

Income Statement		28/02/2021 (in the currency of the fund)	29/02/2020 (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	292,646,586.97	-4,623,928.88
G.	Receivables, deposits, cash at bank and in hand and payables		0.02
H.	Foreign exchange positions and transactions		
	a) Derivative financial instruments		
	Futures and forward contracts	-10,765,119.11	-7,533,017.69
	b) Other foreign exchange positions and transactions	14,476,562.16	-1,738,501.55
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	109,710,299.28	70,800,922.09
	Unrealised gains on investments	588,385,763.05	203,888,041.86
	Realised losses on investments	-64,060,418.40	-38,090,162.72
	Unrealised losses on investments	-337,677,613.91	-250,494,249.33
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	17,815,466.19	7,420,144.53
B.	Interests		
	b) Cash at bank and in hand and deposits	1,349.52	55,273.55
C.	Interest on borrowings (-)	-52,911.76	-64,279.24
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-356,493.99	-344,031.20
B.	Financial expenses (-)	-2,283.47	-813.79
C.	Custodian's fee (-)	-350,737.06	-251,881.26
D.	Manager's fee (-)		
	a) Financial management	-17,724,915.86	-12,672,873.59
	b) Administration and accounting management	-886,247.06	-633,644.93
F.	Formation and organisation expenses (-)	-33,366.80	-8,347.37
G.	Remuneration, social security charges and pension	-17,382.65	-10,275.62
H.	Services and sundry goods (-)	-156,466.30	-114,773.84
J.	Taxes	-12,577.99	-5,826.86
K.	Other expenses (-)	-78,087.89	-138,165.27
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-1,854,655.12	-6,769,494.90
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	294,503,374.90	-20,664,942.99
<b>VII.</b>	<b>Result of the period</b>	294,503,374.90	-20,664,942.99

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Eco Fund CSOB Water

Name	Quantity on 28/02/2021	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Australia</u>							
G.U.D. HOLDINGS LTD -	121,528.00	AUD	11.970	24,286,902.53		1.22	1.21
<u>Austria</u>							
ANDRITZ AG -	25,930.00	EUR	39.720	26,959,221.92		1.35	1.34
WIENERBERGER AG (WIEN)	42,067.00	EUR	27.680	30,479,176.18		1.53	1.52
<u>Bermuda</u>							
CONSOLIDATED WATER CO LTD -	62,848.00	USD	12.950	17,551,316.28		0.88	0.88
<u>Brazil</u>							
CIA DE SANEAMENTO DE MINAS GER -	312,168.00	BRL	14.430	17,430,515.42		0.88	0.87
CIA SANEAMENTO BASICO -	86,572.00	BRL	36.800	12,327,663.91		0.62	0.62
<u>Cayman Islands</u>							
CT ENVIRONMENTAL GROUP LTD -	9,512,000.00	HKD	0.010	264,427.68		0.01	0.01
<u>Chile</u>							
AGUAS ANDINAS SA -	4,145,914.00	CLP	207.500	25,653,489.27		1.29	1.28
<u>China</u>							
TIANJIN CAPITAL ENVIRONMENTAL -	1,492,000.00	HKD	3.290	13,645,824.80		0.69	0.68
<u>Finland</u>							
KEMIRA (HEL)	89,837.00	EUR	13.370	31,439,978.84		1.58	1.57
UPONOR OYJ -	56,135.00	EUR	17.360	25,508,154.86		1.28	1.27
<u>France</u>							
EUROFINS SCIENTIFIC -	12,540.00	EUR	73.640	24,171,684.30		1.21	1.21
<u>Hong Kong</u>							
BEIJING ENTERPRISES WATER GROUP LTD -	4,728,827.00	HKD	3.070	40,357,743.10		2.03	2.01
CHINA EVERBRIGHT INTL -	2,441,899.00	HKD	4.440	30,140,172.75		1.51	1.50
CHINA LIANSU GROUP HOLDINGS LT -	535,389.00	HKD	14.340	21,342,911.59		1.07	1.06
CHINA WATER AFFAIRS GROUP LTD -	2,016,000.00	HKD	6.110	34,242,605.93		1.72	1.71
WASION HOLDINGS LTD -	1,512,000.00	HKD	2.550	10,718,327.96		0.54	0.53
<u>India</u>							
JAIN IRRIGATION SYSTEMS LTD -	2,904,291.00	INR	19.000	16,193,602.96		0.81	0.81
NCC LTD/INDIA -	1,494,679.00	INR	89.050	39,059,943.76		1.96	1.95
THERMAX LTD -	121,453.00	INR	1,359.350	48,449,499.54		2.46	2.42
<u>Ireland</u>							
PENTAIR PLC -	17,632.00	USD	55.930	21,266,443.11		1.07	1.06
<u>Japan</u>							
KUBOTA CORP -	95,600.00	JPY	2,407.500	46,586,485.80		2.34	2.32
KURITA WATER INDUSTR. -	51,300.00	JPY	4,310.000	44,753,849.64		2.25	2.23
NOMURA MICRO SCIENCE CO LTD -	62,200.00	JPY	3,125.000	39,343,787.84		1.97	1.96
ORGANO CORPORATION -	20,600.00	JPY	6,000.000	25,018,094.80		1.25	1.25
TORISHIMA PUMP MANUFACTURING CO -	62,800.00	JPY	823.000	10,461,530.90		0.53	0.52
TSUKISHIMA KIKAI CO LTD -	73,900.00	JPY	1,235.000	18,473,413.83		0.93	0.92
TSURUMI MANUFACTURING CO LTD -	28,900.00	JPY	1,728.000	10,108,281.88		0.51	0.50
<u>Netherlands</u>							
AALBERTS NV (AMS)	21,337.00	EUR	38.640	21,580,727.06		1.08	1.08
ARCADIS N.V. (AMS)	43,610.00	EUR	28.240	32,236,388.13		1.62	1.61
<u>Philippines</u>							
MANILA WATER CO -	3,651,500.00	PHP	15.600	25,317,660.20		1.27	1.26
<u>Singapore</u>							
SOUND GLOBAL LTD -	374,000.00	HKD					
<u>South Korea</u>							
WOONGJIN COWAY CO LTD -	14,412.00	KRW	64,700.000	17,897,975.65		0.90	0.89
<u>Sweden</u>							
ALFA LAVAL -	29,912.00	SEK	261.300	20,065,448.07		1.01	1.00

INDUTRADE AB -	46,074.00	SEK	192.800	22,804,835.71		1.14	1.14
SWECO AB -	46,473.00	SEK	121.400	14,483,829.23		0.73	0.72
<u>Switzerland</u>							
FERGUSON PLC -	8,757.00	GBP	84.320	22,262,434.09		1.12	1.11
GEBERIT AG -	2,231.00	CHF	536.200	28,495,896.29		1.43	1.42
GEORG.FISCHER (NAAM)	1,272.00	CHF	1,169.000	35,420,734.61		1.78	1.77
LANDIS+GYR GROUP AG -	14,856.00	CHF	63.100	22,329,921.25		1.12	1.11
<u>Thailand</u>							
EASTERN WATER RESOURCES DEVELO -	1,267,100.00	THB	9.300	8,343,495.62		0.42	0.42
TTW PCL -	4,117,600.00	THB	11.900	34,693,276.66		1.74	1.73
<u>U.K.</u>							
AMIAD FILTRATION SYSTEMS LTD -	60,000.00	GBP	2.550	4,612,943.44		0.23	0.23
HALMA PLC -	29,624.00	GBP	22.670	20,247,990.03		1.02	1.01
PENNON GROUP PLC -	94,244.00	GBP	8.740	24,834,295.38		1.25	1.24
POLYPIPE GROUP PLC -	150,687.00	GBP	5.510	25,033,068.32		1.26	1.25
ROTORK PLC -	215,349.00	GBP	3.568	23,166,178.82		1.16	1.16
RPS GROUP -	728,730.00	GBP	0.820	18,016,366.18		0.90	0.90
SEVERN TRENT -	46,340.00	GBP	21.900	30,597,563.41		1.54	1.53
UNITED UTILITIES WATER PLC -	96,249.00	GBP	8.592	24,933,152.51		1.25	1.24
<u>U.S.A.</u>							
ADVANCED DRAINAGE SYSTEMS INC -	13,146.00	USD	110.020	31,189,881.93		1.57	1.56
AMERICAN STATES WATER CO -	18,422.00	USD	73.050	29,020,538.07		1.46	1.45
AMERICAN WATER WORKS INC. -	9,979.00	USD	141.880	30,532,099.19		1.53	1.52
AO SMITH CORP -	22,254.00	USD	59.370	28,492,043.24		1.43	1.42
ARTESIAN RESOURCES CORP -A-	21,433.00	USD	37.000	17,101,458.48		0.86	0.85
BADGER METER INC -	12,687.00	USD	108.590	29,709,629.45		1.49	1.48
CADIZ INC -	111,479.00	USD	10.870	26,131,904.99		1.31	1.30
CALIFORNIA WATER SERVICE GROUP -	27,845.00	USD	54.950	32,996,158.51		1.66	1.65
DANAHER CORPORATION -	6,607.00	USD	219.670	31,298,499.63		1.57	1.56
ECOLAB, INC. -	4,071.00	USD	209.360	18,379,905.50		0.92	0.92
ESSENTIAL UTILITIES INC -	28,069.00	USD	42.060	25,459,195.21		1.28	1.27
GORMAN-RUPP CO/THE -	27,546.00	USD	31.990	19,002,959.62		0.95	0.95
IDEXX LABORATORIES INC. -	3,148.00	USD	520.170	35,312,501.79		1.77	1.76
INSITUFORM TECHN. CORP. -	37,339.00	USD	25.850	20,814,773.64		1.04	1.04
ITRON INC -	11,057.00	USD	117.240	27,955,134.21		1.40	1.39
LINDSAY MANUFACTURING CO -	7,462.00	USD	160.250	25,787,054.91		1.29	1.29
MIDDLESEX WATER CO -	17,378.00	USD	68.670	25,734,474.39		1.29	1.28
MUELLER WATER PRODUCTS INC -A-	79,311.00	USD	12.890	22,046,253.93		1.11	1.10
NORTHWEST PIPE COMPANY -	28,123.00	USD	34.030	20,638,211.47		1.04	1.03
PERKINELMER, INC. -	10,024.00	USD	126.090	27,256,504.86		1.37	1.36
PICO HOLDINGS INC -	56,631.00	USD	9.140	11,162,176.58		0.56	0.56
PURE CYCLE CORP -	79,698.00	USD	11.760	20,211,716.92		1.01	1.01
REXNORD HOLDINGS INC -	22,671.00	USD	44.950	21,976,009.55		1.10	1.10
SJW GROUP -	19,457.00	USD	62.680	26,299,853.47		1.32	1.31
SPX CORPORATION -	16,343.00	USD	55.590	19,591,916.31		0.98	0.98
THE TORO COMPANY -	13,720.00	USD	100.770	29,814,932.62		1.50	1.49
THERMO ELECTRONIC -	3,360.00	USD	450.080	32,612,001.56		1.64	1.63
VALMONT INDUSTRIES -	6,448.00	USD	236.530	32,889,685.66		1.65	1.64
WATERS CORP -	3,537.00	USD	273.880	20,890,259.81		1.05	1.04
WATTS WATER TECHNOLOGIES INC A	10,964.00	USD	114.090	26,975,224.59		1.35	1.35
XYLEM INC/NY -	10,516.00	USD	99.560	22,577,919.88		1.13	1.13
YORK WATER CO -	21,095.00	USD	41.610	18,928,914.42		0.95	0.94
Total shares				1,992,399,026.43		99.97	99.33
Forward contracts		CZK		562,890.34			0.03
TOTAL SECURITIES PORTFOLIO				1,992,961,916.77		100.00	99.36
COLLATERAL RECEIVED							
<u>Belgium</u>							
COLLATERAL ONTVANGEN	214,408.92	EUR	1.000	5,612,268.58			0.28
TOTAL RECEIVED COLLATERAL				5,612,268.58			0.28
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	-6,075.64	AUD	1.000	-101,436.36			-0.01
KBC GROUP BRAZILIAANSE CRUZEIRO	-0.03	BRL	1.000	-0.12			
KBC GROUP CAD	-0.17	CAD	1.000	-2.90			
KBC GROUP CHF	-3,528.61	CHF	1.000	-84,054.24			-0.00
KBC GROUP CZK	12,966,786.70	CZK	1.000	12,966,786.70			0.65
KBC GROUP EURO	-125,400.95	EUR	1.000	-3,282,437.18			-0.16
KBC GROUP GBP	-1,980.83	GBP	1.000	-59,721.94			-0.00
KBC GROUP HKD	279,800.89	HKD	1.000	777,829.05			0.04
KBC GROUP JPY	406,795.00	JPY	1.000	82,340.10			0.00
KBC GROUP MXN	32,983.20	MXN	1.000	34,015.50			0.00
KBC GROUP SEK	48,013.77	SEK	1.000	123,262.17			0.01
KBC GROUP SGD	251.32	SGD	1.000	4,075.88			
KBC GROUP USD	23,341.04	USD	1.000	503,348.37			0.03
Total demand accounts				10,964,005.03			0.55



TOTAL CASH AT BANK AND IN HAND				10,964,005.03		0.55
OTHER RECEIVABLES AND PAYABLES						
<b>Receivables</b>						
<u>Belgium</u>						
KBC GROUP CZK RECEIVABLE	5,784,410.05	CZK	1.000	5,784,410.05		0.29
Total receivables				5,784,410.05		0.29
<b>Payables</b>						
<u>Belgium</u>						
COLLATERAL ONTVANGEN TEGENPOST	-214,408.92	EUR	1.000	-5,612,268.58		-0.28
KBC GROUP CZK PAYABLE	-870,526.02	CZK	1.000	-870,526.02		-0.04
KBC GROUP EUR PAYABLE	-125,371.00	EUR	1.000	-3,281,653.23		-0.16
Payables				-9,764,447.83		-0.49
TOTAL RECEIVABLES AND PAYABLES				-3,980,037.78		-0.20
<b>OTHER</b>						
Interest receivable		CZK		1,546,784.07		0.08
Expenses payable		CZK		-1,289,937.65		-0.07
TOTAL OTHER				256,846.42		0.01
TOTAL NET ASSETS				2,005,814,999.02		100.00

### Geographic breakdown (as a % of securities portfolio)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
Australia	0.98	1.29	1.44	1.24
Austria	0.00	2.50	2.87	2.86
Belgium	-1.83	-0.65	0.65	0.64
Bermuda	1.04	1.26	1.00	0.87
Brazil	2.71	2.85	1.51	1.48
Switzerland	4.95	6.45	6.91	6.46
Chile	2.45	1.30	1.13	1.28
China	1.13	0.22	0.71	0.68
Cayman Islands	0.84	0.80	0.02	0.01
Spain	1.08	0.00	0.00	0.00
Finland	2.63	2.81	3.17	2.84
France	2.43	1.05	1.50	1.20
U.K.	9.93	10.67	7.97	8.55
Hong Kong	4.90	6.89	9.58	6.82
India	3.28	2.69	3.66	5.17
Japan	7.12	7.75	9.23	9.72
South Korea	1.26	1.20	1.18	0.89
Netherlands	2.67	2.63	2.53	2.69
Philippines	3.12	1.97	1.51	1.26
Singapore	1.81	0.00	0.00	0.00
Sweden	2.24	3.79	3.49	2.86
Thailand	1.57	2.87	2.78	2.14
U.S.A.	43.69	39.66	37.16	40.34
TOTAL	100.00	100.00	100.00	100.00

### Sector breakdown (as a % of securities portfolio)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
Cyclicals	47.67	49.27	53.78	52.38
Consum(cycl)	5.45	4.46	3.56	4.49
Pharma	0.00	3.50	5.00	5.63
Financials	1.08	1.33	1.35	1.20
Technology	3.63	5.59	5.35	5.10
Telecomm.	1.30	0.00	1.02	1.56
Utilities	40.87	35.85	29.94	29.64
TOTAL	100.00	100.00	100.00	100.00

### Currency breakdown (as a % of net assets)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
AUSTRALIAN DOLLAR	1.08	1.29	1.43	1.23
BRASILIAN REAL	2.71	2.85	1.51	1.48
SWISS FRANC	2.66	-0.44	0.17	-0.30
	2.45	1.30	1.13	1.28
CZECH KORUNA	76.93	92.57	86.50	85.75
EURO	0.30	-1.05	0.46	-0.71
POUND STERLING	0.39	-0.91	0.20	0.02
HONG KONG DOLLAR	6.85	7.91	10.31	7.55
INDIE RUPEE	3.28	2.69	3.66	5.17
JAPANESE YEN	0.12	-1.07	0.80	0.27
KOREAN WON	1.26	1.20	1.18	0.89
PESO	3.12	1.97	1.51	1.26
SWEDISH KRONA	2.29	-0.53	0.02	0.04
SINGAPORE DOLLAR	1.86	0.00	0.00	0.00
THAI BATH	1.57	2.87	2.78	2.14
US DOLLAR	-6.87	-10.65	-11.66	-6.07
TOTAL	100.00	100.00	100.00	100.00

### 2.4.2. Changes in the composition of the assets of KBC Eco Fund CSOB Water (in the currency of the sub-fund)

	1 <sup>st</sup> half of year
<b>Purchases</b>	207,252,129.44
<b>Sales</b>	53,932,329.29
<b>Total 1</b>	261,184,458.74
<b>Subscriptions</b>	304,917,430.38
<b>Redemptions</b>	165,567,583.73
<b>Total 2</b>	470,485,014.11
<b>Monthly average of total assets</b>	1,803,664,898.20
<b>Turnover rate</b>	-11.60%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period.

A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions.

A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio.

Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:

CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur

KBC Bank NV, Havenlaan 2, B-1080 Brussels

### 2.4.3. Amount of commitments in respect of financial derivatives positions

Name	Currency	Value in currency	In the currency of the sub-fund	Lot-size	Transaction date
COLLATER ONTVANGEN	EUR	214,408.92	5,612,268.58	N/A	26.02.2021
KBC AK-VK 210419-210119 24.31170	CZK-CHF	CZK 94,038,444.18	94,038,444.18	N/A	19.01.2021
KBC AK-VK 210419-210119 26.18296	CZK-EUR	CZK 200,307,458.30	200,307,458.30	N/A	19.01.2021
KBC AK-VK 210419-210119 29.33469	CZK-GBP	CZK 188,350,276.66	188,350,276.66	N/A	19.01.2021
KBC AK-VK 210419-210119 2.57897	CZK-SEK	CZK 57,145,318.10	57,145,318.10	N/A	19.01.2021
KBC AK-VK 210419-210119 21.53776	CZK-USD	CZK 969,601,458.37	969,601,458.37	N/A	19.01.2021
KBC VK-AK 210419-210119 4.817954	JPY-CZK	JPY -937,212,400.00	-189,702,820.98	N/A	19.01.2021

### 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	224,303.09		128,967.19		863,840.60		863,840.60
2020 - 08*	453,274.56	0.00	144,291.29	0.00	1,172,823.87	0.00	1,172,823.87
2021 - 02*	206,212.37	0.00	111,876.06	0.00	1,267,160.17	0.00	1,267,160.17

Period	Amounts received and paid by the UCITS (in the currency of the sub-fund)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	292,464,977.90	0.00	167,968,958.17	0.00
2020 - 08*	591,052,158.81	0.00	194,785,931.82	0.00
2021 - 02*	306,944,879.01	0.00	166,679,677.26	0.00

Period	Net asset value End of period (in the currency of the sub-fund)		
	Of the sub-fund	Of one share	
		Capitalization	Distribution
2019 - 08*	1,151,694,961.55	1,333.23	
2020 - 08*	1,571,046,422.37	1,339.54	0.00
2021 - 02*	2,005,814,999.02	1,582.92	0.00

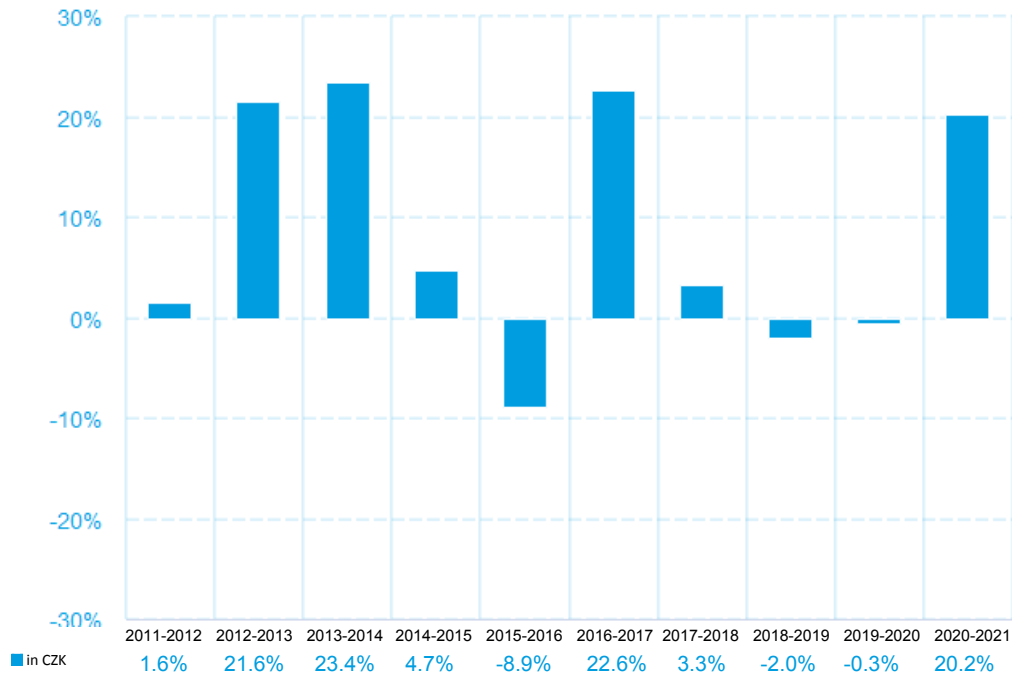
\*The financial year does not coincide with the calendar year.

## 2.4.5. Performance figures

BE0947249448  
KBC Eco Fund CSOB Water DIS  
Annual performance on 28/02/2021 (in CZK)

The cumulative returns are shown where they relate to a period of at least one year.

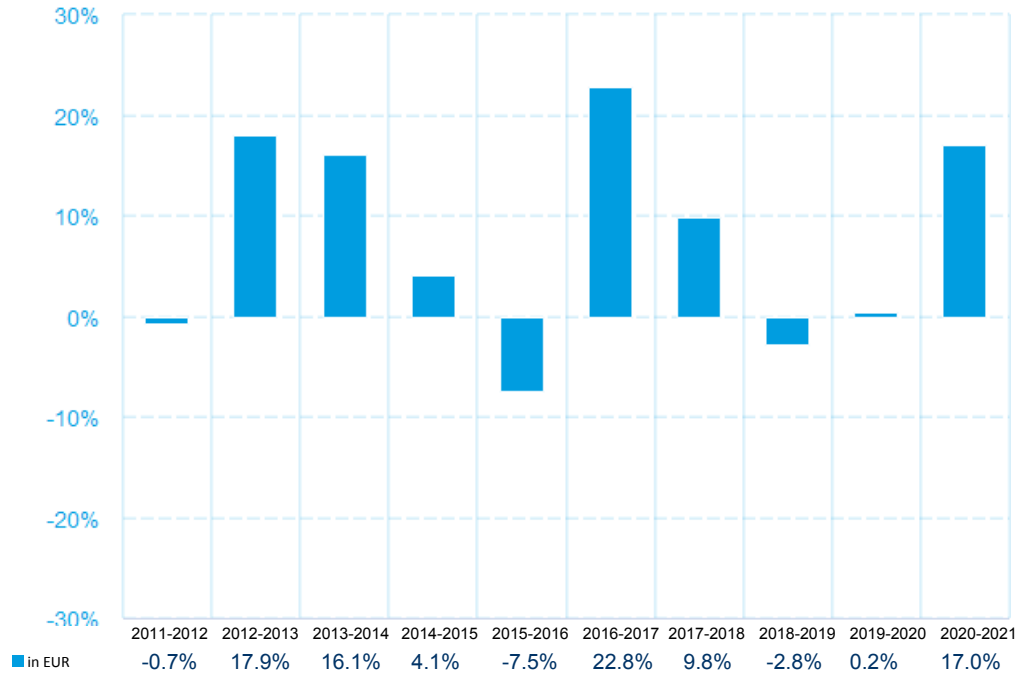
BE0947250453  
KBC Eco Fund CSOB Water CAP  
Annual performance on 28/02/2021 (in CZK)



BE0947249448  
KBC Eco Fund CSOB Water DIS  
Annual performance on 28/02/2021 (in EUR)

The cumulative returns are shown where they relate to a period of at least one year.

BE0947250453  
KBC Eco Fund CSOB Water CAP  
Annual performance on 28/02/2021 (in EUR)



Cap Div	ISIN Code	Currency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE0947249448	CZK	26.76%		%		%		%		31/07/2007	-15.27%
DIS	BE0947249448	EUR	37.32%								31/07/2007	-12.67%
CAP	BE0947250453	CZK	20.20%		5.51%		8.26%		8.01%		31/07/2007	3.44%
CAP	BE0947250453	EUR	17.02%		4.47%		8.98%		7.25%		31/07/2007	3.97%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

- The bar chart shows the performance for full financial years (period of 12 months prior to the half-yearly closing).
- The figures do not take account of any restructuring..
- Calculated in CZK and in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage. In the case of units that pay dividends, the dividend is incorporated geometrically in the return.
- Calculation method for date D, where NAV stands for net asset value:

Capitalisation units (CAP)

Return on date D over a period of X years :

$$[\text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[\text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

Distribution units (DIV)

Return on date D over a period of X years :

$$[C * \text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[C * \text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

where C is a factor that is determined for all N dividends between the calculation date D and the reference date.

For dividend i on date Di with value Wi:

$$C_i = [W_i / \text{NIW}(D_i)] + 1$$

i = 1 ... N

from which C = C0 \* .... \* CN.

- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation and distribution shares

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Distribution :

Ongoing Charges : 0.000%  
Transaction costs : 0.088%

#### Capitalisation :

Ongoing Charges : 2.175%  
Transaction costs : 0.088%

Percentage calculated at reporting date: 28 February 2021 (period of 12 months prior to the half-yearly closing).

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### Existence of Commission Sharing Agreements

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.7. Commission Sharing Agreements'.

No CSA accrual during this period.

### Existence of fee sharing agreements and rebates

The management company has shared 70,00% of its fee with the distributor, and institutional and/or professional parties.

If the management company invests the assets of the undertaking for collective investment in units of undertakings for collective investment that are not managed by an entity of KBC Groep NV, and receives a fee for doing so, it will pay this fee to the undertaking for collective investment.

Fee-sharing does not affect the amount of the management fee paid by a **sub-fund** to the management company. This management fee is subject to the limitations laid down in **the articles of association**. The limitations may only be amended after approval by the General Meeting.

## 2.4.7. Notes to the financial statements and other data

Fee for managing the investment portfolio	Max 2.00%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund	
Annual tax	see the 'Information concerning the Bevek - H. Tax treatment'	

### **Exercising voting rights**

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

### **Detail of the received (+) / given (-) collateral for financial derivatives**

<b>Name</b>	<b>Currency</b>	<b>Nominal value</b>	<b>Currency fund</b>	<b>Value in currency fund</b>
POLEN 10 04,00 230321	EUR	206000	CZK	5,612,268.47
			<b>Total</b>	<b>5,612,268.47</b>

For the valuation of the collateral received, indicative prices have been used in this detail list by the Collateral Management Division of KBC Bank .

### **Details of collateral cash given for financial derivatives**

<b>Name</b>	<b>Currency</b>	<b>Value in currency of the portfolio</b>
Given cash collateral		0.00



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# 2. Information on KBC Eco Fund Impact Investing

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### **Classic Shares Distribution**

Launch date:	29 December 2000
Initial subscription price:	500 EUR
Currency:	EUR

#### **Classic Shares Capitalisation**

Launch date:	29 December 2000
Initial subscription price:	500 EUR
Currency:	EUR

#### **Classic Shares HUF Capitalisation**

Launch date:	23 September 2019
Initial subscription price:	1 000 HUF
Currency:	HUF

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. To this end, the assets are invested, either directly or indirectly via correlated financial instruments, primarily in shares.

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

The sub-fund shall invest no more than 10% of its assets in units of other undertakings for collective investment.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**

### **Strategy selected**

At least 75% of the assets are invested in the shares of companies worldwide that contribute to sustainable development as described by the Brundtland Commission already in 1987: "development that meets the needs of the present without compromising the ability of future generations to meet their own needs". As such sustainable development ties together the concern for the carrying capacity of natural systems with the social and economic challenges faced by humanity. It is built on the interaction of three pillars:

- social development
- economic development
- environmental protection

The investment philosophy is based on the concept of impact investing. These are investments made into shares of companies with the intention to generate social and environmental impact alongside a financial return via their offering of products and/or services.

The companies are screened and selected by KBC Asset Management's Investment Research Department, in cooperation with an independent external board. Companies that via their offering of products and/or services have a positive impact on a sustainability/impact theme are potential candidates for inclusion. The impact a company has on the theme via its core business will be measured and evaluated on a regular basis. The selected companies must comply with all SRI exclusion criteria applicable to general SRI funds offered by KBC Asset Management.

KBC Asset Management is co-operating with an independent external board of experts to assure the credibility of the sustainability screening and to oversee the quality of the methods used and the research carried out by KBC Asset Management

The fund is actively managed without referring to any benchmark.

The aforementioned screening process provides a structured methodology for achieving the sub-fund's sustainable investment objective.

### **Volatility of the net asset value**

**The volatility of the net asset value may be high due to the composition of the portfolio.**

### **Securities Financing Transactions (SFTs)**

The sub-fund may not lend any financial instruments.

### **General strategy for hedging the exchange risk**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

### **Social, ethical and environmental aspects**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects

## **2.1.4. Financial portfolio management**

There is no delegation of the management of the asset allocation.

## **2.1.5. Distributors**

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## 2.1.6. Index and benchmark

Not applicable.

## 2.1.7. Policy pursued during the financial year

In line with the defined strategy, the fund invests in a selection of shares issued by companies and organizations with the intention to generate a measurable, beneficial social or environmental impact alongside a financial return.

## 2.1.8. Future policy

In accordance with the defined strategy, the fund continues to invest in a selection of shares issued by companies and organisations with the intention of generating a measurable beneficial impact on society and the environment, in addition to a financial return.

## 2.1.9. Synthetic risk and reward indicator (SRRI)

Classic Shares: 6 on a scale of 1 (lowest risk) to 7 (highest risk)

Classic Shares HUF: 6 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>28/02/2021</b> (in the currency of the sub-fund)	<b>29/02/2020</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	217,846,990.35	146,276,844.84
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
	a) Shares	215,734,385.70	145,920,675.38
D.	Other securities	40,713.91	0.01
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	261,096.77	178,605.35
B.	Payables		
	a) Accounts payable (-)	-151,515.96	-103,488.03
	c) Borrowings (-)	-1,268.79	-3,670.43
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	2,259,658.65	408,485.96
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	18,839.90	110,007.18
C.	Accrued expense (-)	-314,919.83	-233,770.58
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	217,846,990.35	146,276,844.84
<b>A.</b>	<b>Capital</b>	192,852,174.44	145,316,695.24
<b>B.</b>	<b>Income equalization</b>	62,200.34	41,955.44
<b>D.</b>	<b>Result of the period</b>	24,932,615.57	918,194.16

## 2.3. Profit and loss account

Income Statement		28/02/2021 (in the currency of the fund)	29/02/2020 (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	26,550,089.72	943,706.21
D.	Other securities		-5.68
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	-477,423.48	652,851.05
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	12,880,815.06	2,964,302.11
	Unrealised gains on investments	9,263,158.82	3,717,392.29
	Realised losses on investments	-347,121.31	-669,875.28
	Unrealised losses on investments	4,275,813.67	-4,415,267.54
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	554,334.24	652,033.43
B.	Interests		
	b) Cash at bank and in hand and deposits	84.35	413.86
C.	Interest on borrowings (-)	-2,611.60	-2,280.88
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-50,955.21	-48,387.95
B.	Financial expenses (-)	-155.29	-32.00
C.	Custodian's fee (-)	-35,751.29	-27,320.56
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-1,364,768.59	-1,071,279.55
	Classic Shares K&H HUF	-19,357.77	-3,492.13
	b) Administration and accounting management	-92,418.51	-71,677.30
E.	Administrative expenses (-)	-1,006.07	-995.94
F.	Formation and organisation expenses (-)	-3,075.44	-2,108.98
G.	Remuneration, social security charges and pension	-1,763.59	-1,147.65
H.	Services and sundry goods (-)	-7,316.45	-7,677.01
J.	Taxes		
	Classic Shares	-108,895.59	-72,728.77
	Classic Shares K&H HUF	-20.99	-717.80
K.	Other expenses (-)	-6,372.87	-20,958.19
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-1,140,050.67	-678,357.42
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	24,932,615.57	918,194.16
<b>VII.</b>	<b>Result of the period</b>	24,932,615.57	918,194.16

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Eco Fund Impact Investing

Name	Quantity on 28/02/2021	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Austria</u>							
LENZING AG (WIEN)	52,545.00	EUR	118.800	6,242,346.00		2.89	2.87
<u>Belgium</u>							
BIOCARTIS NV -	474,037.00	EUR	4.410	2,090,503.17		0.97	0.96
CARE PROPERTIES INVEST -	64,336.00	EUR	25.450	1,637,351.20		0.76	0.75
MATERIALISE NV -	125,840.00	USD	45.510	4,718,222.44		2.19	2.17
UMICORE -	115,158.00	EUR	48.660	5,603,588.28		2.60	2.57
WAREHOUSE DISTR. DE PAUW -	205,859.00	EUR	28.340	5,834,044.06		2.70	2.68
<u>Brazil</u>							
COGNA EDUCACAO -	3,422,848.00	BRL	3.740	1,892,427.03		0.88	0.87
<u>Denmark</u>							
BAVARIAN NORDIC A/S -	201,137.00	DKK	221.000	5,977,813.94		2.77	2.74
NOVO NORDISK A/S B	117,670.00	DKK	437.950	6,930,242.56		3.21	3.18
VESTAS WINDS SYSTEMS -	28,522.00	DKK	1,154.500	4,428,249.32		2.05	2.03
<u>Finland</u>							
RAISIO GROUP (HEL) 'V'	642,551.00	EUR	3.670	2,358,162.17		1.09	1.08
<u>Germany</u>							
AUMANN AG -	114,641.00	EUR	14.060	1,611,852.46		0.75	0.74
BRAIN BIOTECHNOLOGY RESEARCH & -	58,144.00	EUR	9.660	561,671.04		0.26	0.26
EVOTEC SE -	149,654.00	EUR	32.070	4,799,403.78		2.22	2.20
WACKER CHEMIE AG -	51,044.00	EUR	107.550	5,489,782.20		2.54	2.52
<u>India</u>							
JAIN IRRIGATION SYSTEMS LTD -	7,538,194.00	INR	19.000	1,605,739.46		0.74	0.74
SHRIRAM CITY UNION FINANCE LTD -	135,572.00	INR	1,568.050	2,383,329.44		1.11	1.09
<u>Ireland</u>							
KINGSPAN GROUP PLC -	16,938.00	EUR	60.250	1,020,514.50		0.47	0.47
KINGSPAN GROUP PLC -	40,389.00	EUR	60.050	2,425,359.45		1.12	1.11
<u>Japan</u>							
FANUC CORP -	33,700.00	JPY	26,340.000	6,864,135.47		3.18	3.15
KEYENCE CORP -	14,200.00	JPY	50,560.000	5,551,822.65		2.57	2.55
<u>Luxembourg</u>							
MILLICOM INTL. CELLULAR -	131,670.00	SEK	316.900	4,092,394.43		1.90	1.88
<u>Netherlands</u>							
ALFEN BEHEER BV -	67,371.00	EUR	70.300	4,736,181.30		2.19	2.17
CORBION NV (AMS)NRC	137,215.00	EUR	47.100	6,462,826.50		3.00	2.97
KONINKLIJKE D.S.M. NV (AMS)	38,021.00	EUR	136.550	5,191,767.55		2.41	2.38
SIGNIFY NV -	156,465.00	EUR	36.050	5,640,563.25		2.61	2.59
<u>New Zealand</u>							
A2 MILK CO LTD -	672,686.00	AUD	8.990	3,857,252.89		1.79	1.77
<u>Norway</u>							
TOMRA SYSTEMS -	98,275.00	NOK	370.800	3,486,034.04		1.62	1.60
<u>Philippines</u>							
MANILA WATER CO -	8,951,300.00	PHP	15.600	2,371,061.32		1.10	1.09
<u>Spain</u>							
CONSTRUCCIONES Y AUXILIAR DE F -	80,606.00	EUR	36.700	2,958,240.20		1.37	1.36
<u>Sweden</u>							
AUTOLIV INC AB	75,183.00	SEK	742.800	5,477,217.11		2.54	2.51
DORO AB -	261,626.00	SEK	58.200	1,493,386.76		0.69	0.69
<u>Switzerland</u>							
LANDIS+GYR GROUP AG -	74,314.00	CHF	63.100	4,267,370.43		1.98	1.96
<u>U.K.</u>							
CARETECH HOLDINGS PLC -	581,643.00	GBP	5.100	3,416,786.04		1.58	1.57



CIVITAS SOCIAL HOUSING PLC -	4,200,415.00	GBP	1.074	5,196,220.65		2.41	2.38
DS SMITH PLC -	1,038,967.00	GBP	3.974	4,755,768.64		2.20	2.18
POLYPIPE GROUP PLC -	665,689.00	GBP	5.510	4,224,877.12		1.96	1.94
UNITE GROUP PLC -	430,897.00	GBP	9.710	4,819,298.24		2.23	2.21
3IGROUP -	481,006.00	GBP	11.070	6,133,229.52		2.84	2.82
<u>U.S.A</u>							
BEYOND MEAT INC -	24,960.00	USD	145.480	2,991,580.82		1.39	1.37
BIOMARIN PHARMACEUTICAL INC -	78,943.00	USD	77.430	5,035,884.40		2.33	2.31
BLUEBIRD BIO INC -	98,987.00	USD	31.100	2,536,246.25		1.18	1.16
BRIGHT HORIZONS FAMILY SOLUTIO -	41,618.00	USD	159.660	5,474,320.22		2.54	2.51
CHEGG INC -	61,114.00	USD	96.530	4,860,219.49		2.25	2.23
EQUINIX INC -	9,374.00	USD	648.340	5,007,035.06		2.32	2.30
GILEAD SCIENCES -	127,423.00	USD	61.400	6,445,684.79		2.99	2.96
ITRON INC -	58,587.00	USD	117.240	5,658,872.86		2.62	2.60
LKQ CORP -	164,112.00	USD	39.390	5,325,730.50		2.47	2.44
ORMAT TECHNOLOGIES INC -	70,109.00	USD	85.670	4,948,292.99		2.29	2.27
SUNPOWER CORP -A-	139,482.00	USD	34.770	3,995,542.21		1.85	1.83
VMWARE INC CLASS A -	42,576.00	USD	138.210	4,847,939.50		2.25	2.23
Total shares				215,734,385.70		99.98	99.03
<b>Rights</b>							
<u>Belgium</u>							
CARE PROPERTIES INVEST -	61,881.00	EUR	0.408	25,247.45		0.01	0.01
CARE PROPERTIES INVEST CP 12	56,862.00	EUR	0.272	15,466.46		0.01	0.01
Total rights				40,713.91		0.02	0.02
TOTAL SECURITIES PORTFOLIO				215,775,099.61		100.00	99.05
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	-1,989.22	AUD	1.000	-1,268.79			-0.00
KBC GROUP CHF	946.44	CHF	1.000	861.30			
KBC GROUP DKK	14,153.30	DKK	1.000	1,903.34			0.00
KBC GROUP EURO	1,576,227.56	EUR	1.000	1,576,227.56			0.72
KBC GROUP GBP	45,915.29	GBP	1.000	52,886.94			0.02
KBC GROUP HKD	2.34	HKD	1.000	0.25			
KBC GROUP HUF	216,631,737.63	HUF	1.000	597,835.74			0.27
KBC GROUP JPY	81,890.00	JPY	1.000	633.24			
KBC GROUP NOK	40,596.30	NOK	1.000	3,883.61			0.00
KBC GROUP SEK	41,088.50	SEK	1.000	4,029.85			0.00
KBC GROUP USD	25,971.46	USD	1.000	21,396.82			0.01
Total demand accounts				2,258,389.86			1.04
TOTAL CASH AT BANK AND IN HAND				2,258,389.86			1.04
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	252,824.93	EUR	1.000	252,824.93			0.12
KBC GROUP HUF RECEIVABLE	2,997,384.18	HUF	1.000	8,271.84			0.00
Total receivables				261,096.77			0.12
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-120,528.60	EUR	1.000	-120,528.60			-0.06
KBC GROUP PHP TE BETALEN	-1,824,956.47	PHP	1.000	-30,987.36			-0.01
Payables				-151,515.96			-0.07
TOTAL RECEIVABLES AND PAYABLES				109,580.81			0.05
OTHER							
Interest receivable		EUR		18,839.90			0.01
Expenses payable		EUR		-314,919.83			-0.14
TOTAL OTHER				-296,079.93			-0.14
TOTAL NET ASSETS				217,846,990.35			100.00

### Geographic breakdown (as a % of securities portfolio)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
Austria	1.73	1.52	0.99	2.86
Belgium	10.74	9.64	11.85	10.20
Brazil	1.68	1.43	0.58	0.87
Switzerland	2.53	1.92	1.54	1.96
Germany	4.09	4.82	6.48	5.71
Denmark	7.13	8.03	10.44	7.95
Spain	1.93	2.03	1.42	1.36
Finland	1.43	1.27	1.18	1.08

U.K.	11.90	15.61	12.73	13.09
India	2.57	1.96	1.44	1.83
Ireland	1.95	2.74	3.35	1.58
Japan	4.20	4.81	4.74	5.69
Luxembourg	2.16	2.67	1.76	1.88
Netherlands	11.37	10.44	13.37	10.10
Norway	0.00	0.00	0.00	1.60
New Zealand	2.62	2.78	2.95	1.77
Philippines	1.62	1.22	1.32	1.09
Singapore	0.00	0.00	0.46	0.00
Sweden	0.59	2.16	3.11	3.19
U.S.A.	29.76	24.95	20.29	26.19
TOTAL	100.00	100.00	100.00	100.00

**Sector breakdown (as a % of securities portfolio)**

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
Cyclicals	25.66	26.46	26.93	27.06
Consum(cycl)	11.85	13.07	13.35	14.21
Cons.goods	11.77	10.16	8.87	9.62
Pharma	13.63	15.66	15.23	16.12
Financials	5.23	3.99	4.67	4.97
Technology	13.98	10.20	12.97	12.13
Telecomm.	2.16	2.67	1.76	1.88
Utilities	4.02	3.45	2.70	3.68
Real est.	11.70	14.34	13.52	10.33
TOTAL	100.00	100.00	100.00	100.00

**Currency breakdown (as a % of net assets)**

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
AUSTRALIAN DOLLAR	2.62	2.78	2.95	1.77
BRASILIAN REAL	1.68	1.43	0.58	0.87
SWISS FRANC	2.53	1.92	1.54	1.96
DANISH KRONE	7.15	8.03	10.44	7.95
EURO	31.51	30.71	35.54	30.44
POUND STERLING	11.94	15.65	12.73	13.11
HUNGARIAN FORINT	0.00	0.08	-0.01	0.27
INDIE RUPEE	2.57	1.96	1.44	1.83
JAPANESE YEN	4.24	4.81	4.74	5.69
NORWEGIAN KRONE	0.00	0.00	0.00	1.60
PESO	1.62	1.22	1.32	1.08
SWEDISH KRONA	2.84	4.83	4.87	5.07
US DOLLAR	31.30	26.58	23.86	28.36
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Eco Fund Impact Investing (in the currency of the sub-fund)

	1 <sup>st</sup> half of year
<b>Purchases</b>	52,393,781.78
<b>Sales</b>	21,621,803.54
<b>Total 1</b>	74,015,585.33
<b>Subscriptions</b>	42,070,448.45
<b>Redemptions</b>	9,229,384.63
<b>Total 2</b>	51,299,833.08
<b>Monthly average of total assets</b>	187,833,406.78
<b>Turnover rate</b>	12.09%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels

## 2.4.3. Amount of commitments in respect of financial derivatives positions

Nil

## 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

### Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	45,980.55	22,779.00	17,563.21	13,136.98	136,766.23	91,302.59	228,068.82
2020 - 08*	34,504.16	20,918.47	16,289.90	10,916.38	154,980.49	101,304.68	256,285.17
2021 - 02*	31,710.58	20,751.48	7,022.99	6,518.19	179,668.08	115,537.96	295,206.04

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	28,657,844.10	10,810,104.09	10,928,643.25	6,181,301.25
2020 - 08*	22,569,198.35	10,289,129.72	10,463,625.67	5,245,650.03
2021 - 02*	25,255,038.57	12,157,272.28	5,461,689.52	3,753,134.99

Period	Net asset value		
	End of period (in the currency of the class)		
	Of the class	Of one share	
Capitalization		Distribution	
2019 - 08*	133,134,662.98	647.74	487.90
2020 - 08*	158,897,070.51	690.42	512.26
2021 - 02*	211,454,808.48	798.67	588.20

\*The financial year does not coincide with the calendar year.

### Classic Shares K&H HUF

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2020 - 08*	536,366.00		36,478.00		499,888.00		499,888.00
2021 - 02*	1,283,408.00		7,997.00		1,775,299.00		1,775,299.00

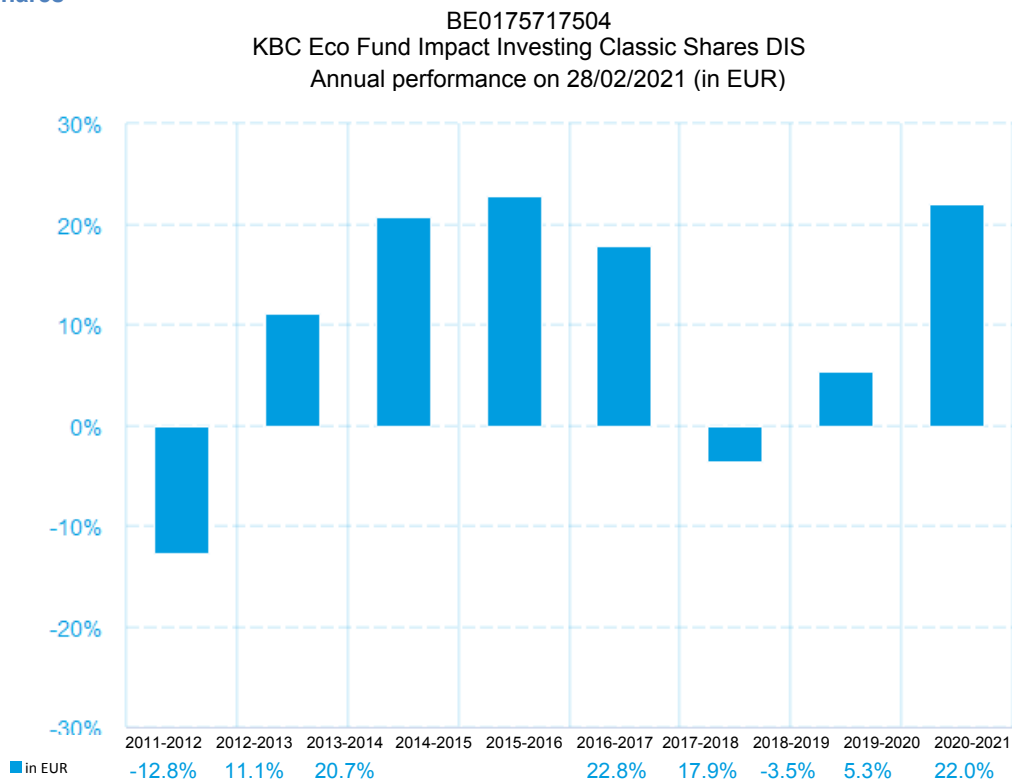
Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2020 - 08*	538,118,564.12		32,549,311.60	
2021 - 02*	1,695,793,902.38		8,986,773.45	

Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2020 - 08*	551,831,861.34	1,103.77	
2021 - 02*	2,316,270,782.25	1,304.50	

\*The financial year does not coincide with the calendar year.

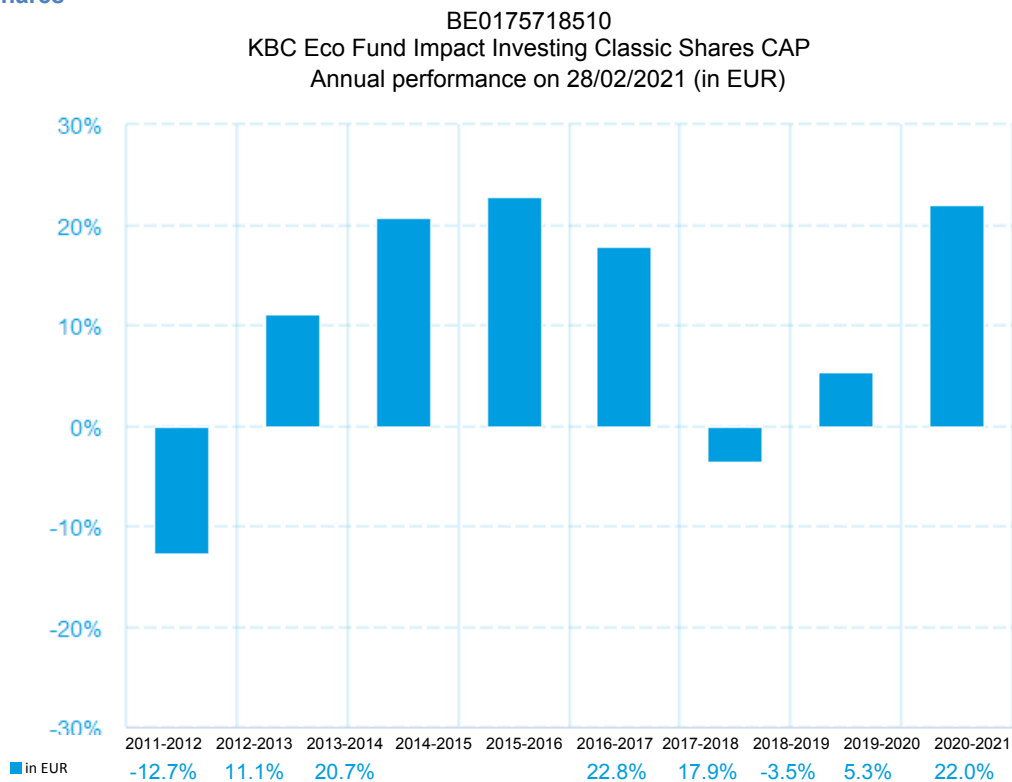
## 2.4.5. Performance figures

### Classic Shares



\* These performances were achieved under circumstances that no longer apply

### Classic Shares



\* These performances were achieved under circumstances that no longer apply

### Classic Shares

- The bar chart shows the performance for full financial years (period of 12 months prior to the half-yearly)

closing).

- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage. In the case of units that pay dividends, the dividend is incorporated geometrically in the return.
- Calculation method for date D, where NAV stands for net asset value:

Capitalisation units (CAP)

Return on date D over a period of X years :

$$[\text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[\text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

Distribution units (DIV)

Return on date D over a period of X years :

$$[C * \text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[C * \text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

where C is a factor that is determined for all N dividends between the calculation date D and the reference date.

For dividend i on date Di with value Wi:

$$C_i = [W_i / \text{NIW}(D_i)] + 1$$

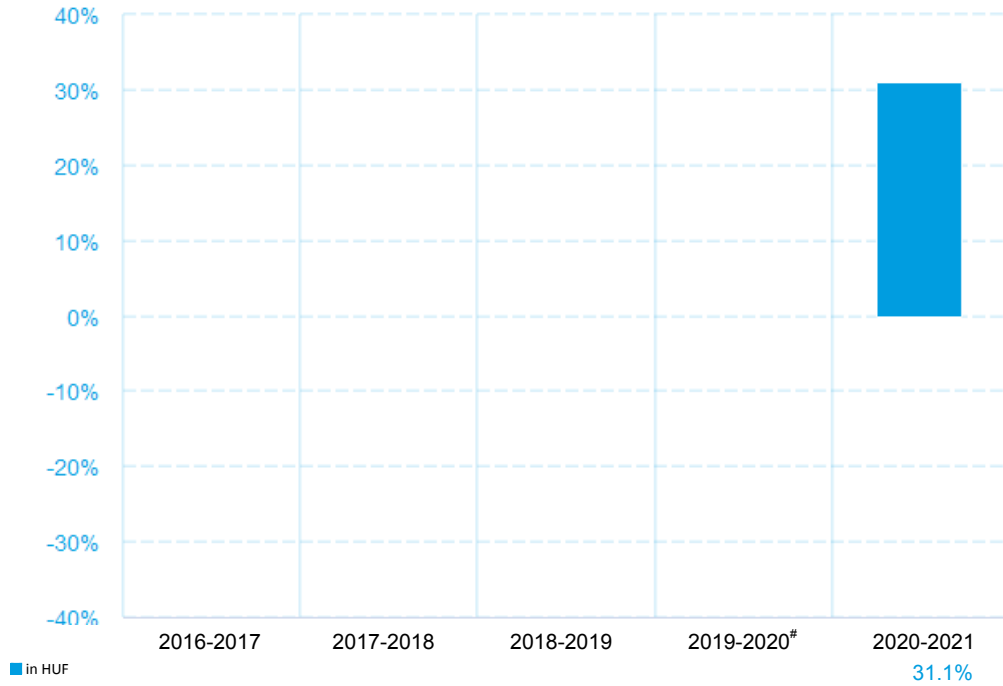
i = 1 ... N

from which C = C<sub>0</sub> \* ... \* C<sub>N</sub>.

- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation and distribution shares

**Classic Shares HUF**

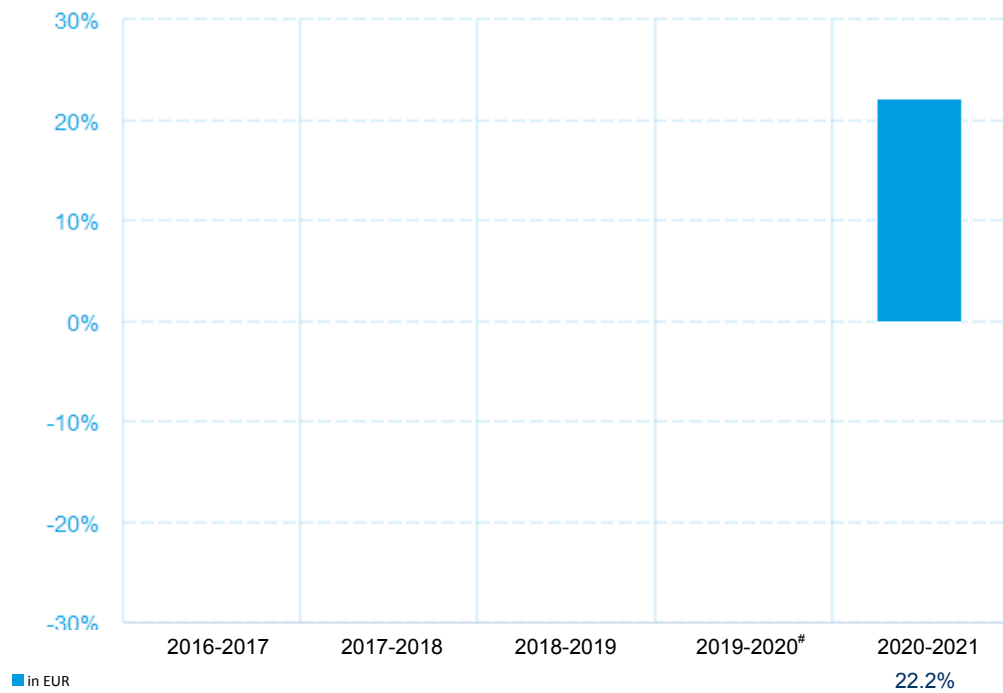
BE6315653806  
KBC Eco Fund Impact Investing Classic Shares HUF CAP  
Annual performance on 28/02/2021 (in HUF)



# There is insufficient data for this year to give investors a useful indication of past performance.

**Classic Shares HUF**

BE6315653806  
KBC Eco Fund Impact Investing Classic Shares HUF CAP  
Annual performance on 28/02/2021 (in EUR)



# There is insufficient data for this year to give investors a useful indication of past performance.

## Classic Shares HUF

- The bar chart shows the performance for full financial years (period of 12 months prior to the half-yearly closing).
- The figures do not take account of any restructuring..
- Calculated in HUF and in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:

### Capitalisation units (CAP)

Return on date D over a period of X years :

$$[\text{NIW}(D) / \text{NIW}(Y)]^{1 / X} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[\text{NIW}(D) / \text{NIW}(S)]^{1 / F} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.



## 2.4.6. Costs

### *Ongoing Charges and Transaction costs:*

#### *Classic Shares Distribution :*

Ongoing Charges : 1.770%  
Transaction costs : 0.043%

#### *Classic Shares Capitalisation :*

Ongoing Charges : 1.771%  
Transaction costs : 0.043%

#### *Classic Shares HUF Capitalisation :*

Ongoing Charges : 1.564%  
Transaction costs : 0.043%

Percentage calculated at reporting date: 28 February 2021 (period of 12 months prior to the half-yearly closing).

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### *Existence of Commission Sharing Agreements*

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.7. Commission Sharing Agreements'.

No CSA accrual during this period.

### *Existence of fee sharing agreements and rebates*

The management company has shared 53,39% of its fee with the distributor, and institutional and/or professional parties.

If the management company invests the assets of the undertaking for collective investment in units of undertakings for collective investment that are not managed by an entity of KBC Groep NV, and receives a fee for doing so, it will pay this fee to the undertaking for collective investment.

Fee-sharing does not affect the amount of the management fee paid by **a sub-fund** to the management company. This management fee is subject to the limitations laid down in **the articles of association**. The limitations may only be amended after approval by the General Meeting.

## 2.4.7. Notes to the financial statements and other data

### Classic Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund	
Annual tax	see the 'Information concerning the Bevek - H. Tax treatment'	

### Classic Shares HUF

Fee for managing the investment portfolio	Max 1.35%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund	
Annual tax	see the 'Information concerning the Bevek - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

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    - 2.4.2. Changes in the composition of the assets KBC Eco Fund Water (in the currency of the sub-fund)
    - 2.4.3. Amount of commitments in respect of financial derivatives positions
    - 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value
    - 2.4.5. Performance figures
    - 2.4.6. Costs
    - 2.4.7. Notes to the financial statements and other data



## 2. Information on KBC Eco Fund Water

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

##### **Classic Shares Distribution**

Launch date:	1 December 2000
Initial subscription price:	500 EUR
Currency:	EUR

##### **Classic Shares Capitalisation**

Launch date:	1 December 2000
Initial subscription price:	500 EUR
Currency:	EUR

##### **Institutional B Shares Capitalisation**

Launch date:	25 November 2011
Initial subscription price:	549.15 EUR
Currency:	EUR

#### 2.1.2. Stock exchange listing

Not applicable.

#### 2.1.3. Goal and key principles of the investment policy

##### Object of the sub-fund

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. To this end, the assets are invested, either directly or indirectly via correlated financial instruments, primarily in shares.

##### Sub-fund's investment policy

###### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

The sub-fund shall invest no more than 10% of its assets in units of other undertakings for collective investment.

###### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

###### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of

the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**

### **Strategy selected**

At any time, at least 75% of the assets are invested, in the shares of companies that operate on a sustainable basis in the water sector. These companies have to realize a substantial proportion of their turnover in this sector.

The companies have to satisfy a number of basic criteria regarding the environment, human rights, the trade and manufacture of arms, and nuclear energy. The basic criteria are set out by KBC Asset Management in co-operation with the Independent Environmental Advisory Committee. They may also change the method used to perform the sustainability screening, based on new trends in society.

The shares are screened by KBC Asset Management's Sustainable and Socially Responsible Investment Department and the External Advisory Board for Sustainability Analysis.

The fund is actively managed without referring to any benchmark.

### **Securities Financing Transactions (SFTs)**

The sub-fund may not lend any financial instruments.

### **General strategy for hedging the exchange risk**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

### **Social, ethical and environmental aspects**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'.

## **2.1.4. Financial portfolio management**

There is no delegation of the management of the asset allocation.

## **2.1.5. Distributors**

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## **2.1.6. Index and benchmark**

Not applicable.

## **2.1.7. Policy pursued during the financial year**

In line with the defined strategy, the fund invests in a selection of shares issued by companies with exposure to the water industry.

## **2.1.8. Future policy**

In line with the defined strategy, the fund invests in a selection of shares issued by companies with exposure to the water industry.

## **2.1.9. Synthetic risk and reward indicator (SRRI)**

Classic Shares: 6 on a scale of 1 (lowest risk) to 7 (highest risk)

Institutional B Shares: 6 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>28/02/2021</b> (in the currency of the sub-fund)	<b>29/02/2020</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	944,402,990.39	901,235,385.56
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
	a) Shares	931,337,809.95	902,453,797.98
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	710,229.79	4,414,674.96
B.	Payables		
	a) Accounts payable (-)	-364,869.50	-2,129,237.55
	c) Borrowings (-)	-35,679.77	-3,794,962.39
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	13,249,956.80	272,397.58
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	766,379.86	1,235,019.46
C.	Accrued expense (-)	-1,260,836.74	-1,216,304.48
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	944,402,990.39	901,235,385.56
<b>A.</b>	<b>Capital</b>	796,023,529.18	907,430,103.80
<b>B.</b>	<b>Income equalization</b>	24,897.07	544,124.30
<b>D.</b>	<b>Result of the period</b>	148,354,564.14	-6,738,842.54

## 2.3. Profit and loss account

Income Statement		28/02/2021 (in the currency of the fund)	29/02/2020 (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	153,983,372.93	-9,439,309.14
G.	Receivables, deposits, cash at bank and in hand and payables		-0.02
H.	Foreign exchange positions and transactions		
	a) Derivative financial instruments		
	Futures and forward contracts		0.02
	b) Other foreign exchange positions and transactions	-4,763,868.45	4,901,765.30
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	29,373,619.58	24,425,716.36
	Unrealised gains on investments	108,403,130.88	2,519,840.18
	Realised losses on investments	-4,070,915.76	-4,087,818.62
	Unrealised losses on investments	15,513,669.78	-27,395,281.76
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	6,183,659.08	5,179,507.98
B.	Interests		
	b) Cash at bank and in hand and deposits	14.17	14,283.10
C.	Interest on borrowings (-)	-12,973.38	-10,743.57
<b>III.</b>	<b>Other income</b>		
A.	Income received to cover the acquisition and realization of assets, to discourage withdrawals and for delivery charges	30,922.80	67,669.26
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-83,368.53	-963,425.94
B.	Financial expenses (-)	-568.04	-32.00
C.	Custodian's fee (-)	-171,980.08	-172,365.65
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-5,869,150.14	-4,947,554.21
	Institutional B Shares	-134,367.97	-331,614.37
	b) Administration and accounting management	-436,066.49	-440,375.65
E.	Administrative expenses (-)	-997.72	-1,010.09
F.	Formation and organisation expenses (-)	-13,059.45	-4,856.47
G.	Remuneration, social security charges and pension	-8,821.20	-6,974.51
H.	Services and sundry goods (-)	-13,367.12	-14,821.44
J.	Taxes		
	Classic Shares	-384,781.29	-413,602.99
	Institutional B Shares	-5,374.03	-13,386.21
K.	Other expenses (-)	55,339.05	-141,995.94
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-864,940.34	-2,201,298.68
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	148,354,564.14	-6,738,842.54
<b>VII.</b>	<b>Result of the period</b>	148,354,564.14	-6,738,842.54



## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Eco Fund Water

Name	Quantity on 28/02/2021	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Australia</u>							
G.U.D. HOLDINGS LTD -	438,142.00	AUD	11.970	3,345,145.94		0.36	0.35
<u>Austria</u>							
ANDRITZ AG -	325,534.00	EUR	39.720	12,930,210.48		1.39	1.37
WIENERBERGER AG (WIEN)	400,912.00	EUR	27.680	11,097,244.16		1.19	1.18
<u>Bermuda</u>							
CONSOLIDATED WATER CO LTD -	112,940.00	USD	12.950	1,204,953.86		0.13	0.13
<u>Brazil</u>							
CIA DE SANEAMENTO DE MINAS GER -	2,649,363.00	BRL	14.430	5,651,551.97		0.61	0.60
CIA SANEAMENTO BASICO -	2,988,645.00	BRL	36.800	16,258,559.98		1.75	1.72
<u>Cayman Islands</u>							
CT ENVIRONMENTAL GROUP LTD -	27,048,000.00	HKD	0.010	28,725.97		0.00	0.00
<u>Chile</u>							
AGUAS ANDINAS SA -	11,160,484.00	CLP	207.500	2,638,235.72		0.28	0.28
<u>China</u>							
TIANJIN CAPITAL ENVIRONMENTAL -	3,317,636.00	HKD	3.290	1,159,215.32		0.12	0.12
<u>Finland</u>							
KEMIRA (HEL)	332,873.00	EUR	13.370	4,450,512.01		0.48	0.47
UPONOR OYJ -	168,418.00	EUR	17.360	2,923,736.48		0.31	0.31
<u>France</u>							
EUROFINS SCIENTIFIC -	252,420.00	EUR	73.640	18,588,208.80		2.00	1.97
<u>Hong Kong</u>							
BEIJING ENTERPRISES WATER GROUP LTD -	21,627,529.00	HKD	3.070	7,051,552.75		0.76	0.75
CHINA EVERBRIGHT INTL -	15,694,285.00	HKD	4.440	7,400,549.80		0.80	0.78
CHINA LIANSU GROUP HOLDINGS LT -	6,764,219.00	HKD	14.340	10,301,638.16		1.11	1.09
CHINA WATER AFFAIRS GROUP LTD -	5,794,932.00	HKD	6.110	3,760,356.63		0.40	0.40
WASION HOLDINGS LTD -	1,643,674.00	HKD	2.550	445,138.69		0.05	0.05
<u>India</u>							
JAIN IRRIGATION SYSTEMS LTD -	10,739,872.00	INR	19.000	2,287,741.10		0.25	0.24
NCC LTD/INDIA -	17,871,211.00	INR	89.050	17,841,940.00		1.92	1.89
THERMAX LTD -	151,202.00	INR	1,359.350	2,304,321.10		0.25	0.24
<u>Ireland</u>							
PENTAIR PLC -	523,485.00	USD	55.930	24,121,367.65		2.59	2.55
<u>Japan</u>							
KUBOTA CORP -	2,004,700.00	JPY	2,407.500	37,321,222.45		4.01	3.95
KURITA WATER INDUSTR. -	677,600.00	JPY	4,310.000	22,583,478.78		2.42	2.39
NOMURA MICRO SCIENCE CO LTD -	132,800.00	JPY	3,125.000	3,209,137.10		0.35	0.34
ORGANO CORPORATION -	84,200.00	JPY	6,000.000	3,906,641.11		0.42	0.41
TORISHIMA PUMP MANUFACTURING CO -	66,000.00	JPY	823.000	420,033.52		0.05	0.04
TSUKISHIMA KIKAI CO LTD -	95,100.00	JPY	1,235.000	908,212.86		0.10	0.10
TSURUMI MANUFACTURING CO LTD -	36,200.00	JPY	1,728.000	483,718.26		0.05	0.05
<u>Netherlands</u>							
AALBERTS NV (AMS)	348,940.00	EUR	38.640	13,483,041.60		1.45	1.43
ARCADIS N.V. (AMS)	268,508.00	EUR	28.240	7,582,665.92		0.81	0.80
<u>Philippines</u>							
MANILA WATER CO -	5,300,500.00	PHP	15.600	1,404,020.70		0.15	0.15
<u>Singapore</u>							
SOUND GLOBAL LTD -	2,051,000.00	HKD					
<u>South Korea</u>							
WOONGJIN COWAY CO LTD -	240,059.00	KRW	64,700.000	11,389,431.93		1.22	1.21
<u>Sweden</u>							
ALFA LAVAL -	991,483.00	SEK	261.300	25,409,322.87		2.73	2.69

INDUTRADE AB -	617,631.00	SEK	192.800	11,678,969.53		1.25	1.24
SWECO AB -	459,051.00	SEK	121.400	5,465,728.24		0.59	0.58
<u>Switzerland</u>							
FERGUSON PLC -	210,005.00	GBP	84.320	20,396,297.38		2.19	2.16
GEBERIT AG -	57,960.00	CHF	536.200	28,282,352.64		3.04	3.00
GEORG.FISCHER (NAAM)	20,628.00	CHF	1,169.000	21,944,817.85		2.36	2.32
LANDIS+GYR GROUP AG -	160,126.00	CHF	63.100	9,194,996.34		0.99	0.97
<u>Thailand</u>							
EASTERN WATER RESOURCES DEVELO -	1,217,000.00	THB	9.300	306,148.50		0.03	0.03
TTW PCL -	8,610,300.00	THB	11.900	2,771,557.28		0.30	0.29
<u>U.K.</u>							
AMIAD FILTRATION SYSTEMS LTD -	165,539.00	GBP	2.550	486,218.65		0.05	0.05
HALMA PLC -	746,464.00	GBP	22.670	19,491,779.52		2.09	2.06
PENNON GROUP PLC -	1,751,709.00	GBP	8.740	17,634,554.66		1.89	1.87
POLYPIPE GROUP PLC -	644,291.00	GBP	5.510	4,089,072.08		0.44	0.43
ROTORK PLC -	2,685,042.00	GBP	3.568	11,034,865.18		1.19	1.17
RPS GROUP -	499,349.00	GBP	0.820	471,638.38		0.05	0.05
SEVERN TRENT -	862,943.00	GBP	21.900	21,767,939.79		2.34	2.31
UNITED UTILITIES WATER PLC -	2,173,150.00	GBP	8.592	21,506,764.28		2.31	2.28
<u>U.S.A.</u>							
ADVANCED DRAINAGE SYSTEMS INC -	221,581.00	USD	110.020	20,084,315.06		2.16	2.13
AMERICAN STATES WATER CO -	262,558.00	USD	73.050	15,801,500.99		1.70	1.67
AMERICAN WATER WORKS INC. -	204,347.00	USD	141.880	23,885,938.67		2.57	2.53
AO SMITH CORP -	271,584.00	USD	59.370	13,283,854.08		1.43	1.41
ARTESIAN RESOURCES CORP -A-	30,432.00	USD	37.000	927,652.00		0.10	0.10
BADGER METER INC -	185,087.00	USD	108.590	16,558,409.40		1.78	1.75
CADIZ INC -	276,573.00	USD	10.870	2,476,807.14		0.27	0.26
CALIFORNIA WATER SERVICE GROUP -	326,066.00	USD	54.950	14,761,350.06		1.59	1.56
DANAHER CORPORATION -	90,071.00	USD	219.670	16,300,788.08		1.75	1.73
ECOLAB, INC. -	114,546.00	USD	209.360	19,757,250.42		2.12	2.09
ESSENTIAL UTILITIES INC -	687,714.00	USD	42.060	23,830,326.94		2.56	2.52
GORMAN-RUPP CO/THE -	71,082.00	USD	31.990	1,873,383.74		0.20	0.20
IDEXX LABORATORIES INC. -	48,439.00	USD	520.170	20,758,374.22		2.23	2.20
INSITUFORM TECHN. CORP. -	186,865.00	USD	25.850	3,979,617.94		0.43	0.42
ITRON INC -	284,790.00	USD	117.240	27,507,645.08		2.95	2.91
LINDSAY MANUFACTURING CO -	113,650.00	USD	160.250	15,004,459.14		1.61	1.59
MIDDLESEX WATER CO -	83,916.00	USD	68.670	4,747,496.89		0.51	0.50
MUELLER WATER PRODUCTS INC -A-	1,011,614.00	USD	12.890	10,742,877.29		1.15	1.14
NORTHWEST PIPE COMPANY -	64,573.00	USD	34.030	1,810,363.48		0.19	0.19
PERKINELMER, INC. -	123,622.00	USD	126.090	12,841,899.80		1.38	1.36
PICO HOLDINGS INC -	122,661.00	USD	9.140	923,646.02		0.10	0.10
PURE CYCLE CORP -	96,522.00	USD	11.760	935,161.25		0.10	0.10
REXNORD HOLDINGS INC -	603,211.00	USD	44.950	22,338,387.25		2.40	2.37
SJW GROUP -	206,326.00	USD	62.680	10,654,567.21		1.14	1.13
SPX CORPORATION -	264,191.00	USD	55.590	12,099,503.78		1.30	1.28
THE TORO COMPANY -	378,686.00	USD	100.770	31,438,612.80		3.38	3.33
THERMO ELECTRONIC -	36,970.00	USD	450.080	13,708,566.16		1.47	1.45
VALMONT INDUSTRIES -	140,243.00	USD	236.530	27,328,782.99		2.93	2.89
WATERS CORP -	109,813.00	USD	273.880	24,778,039.58		2.66	2.62
WATTS WATER TECHNOLOGIES INC A	158,073.00	USD	114.090	14,857,924.35		1.60	1.57
XYLEM INC/NY -	285,931.00	USD	99.560	23,453,032.10		2.52	2.48
YORK WATER CO -	42,932.00	USD	41.610	1,471,742.07		0.16	0.16
Total shares				931,337,809.95		100.00	98.62
TOTAL SECURITIES PORTFOLIO				931,337,809.95		100.00	98.62
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	0.35	AUD	1.000	0.22			
KBC GROUP CAD	57.89	CAD	1.000	37.67			
KBC GROUP CHF	548.77	CHF	1.000	499.40			
KBC GROUP EURO	11,630,367.36	EUR	1.000	11,630,367.36			1.23
KBC GROUP GBP	720,141.39	GBP	1.000	829,485.65			0.09
KBC GROUP HKD	917,131.00	HKD	1.000	97,402.67			0.01
KBC GROUP JPY	-4,614,045.00	JPY	1.000	-35,679.77			-0.00
KBC GROUP MXN	10,286.68	MXN	1.000	405.29			
KBC GROUP SEK	6,473.58	SEK	1.000	634.91			
KBC GROUP SGD	1,578.29	SGD	1.000	977.88			
KBC GROUP USD	837,698.91	USD	1.000	690,145.75			0.07
Total demand accounts				13,214,277.03			1.40
TOTAL CASH AT BANK AND IN HAND				13,214,277.03			1.40
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	710,229.79	EUR	1.000	710,229.79			0.08
Total receivables				710,229.79			0.08

<b>Payables</b>						
<u>Belgium</u>						
KBC GROUP EUR PAYABLE	-364,869.50	EUR	1.000	-364,869.50		-0.04
Payables				-364,869.50		-0.04
TOTAL RECEIVABLES AND PAYABLES				345,360.29		0.04
OTHER						
Interest receivable		EUR		766,379.86		0.08
Expenses payable		EUR		-1,260,836.74		-0.13
TOTAL OTHER				-494,456.88		-0.05
TOTAL NET ASSETS				944,402,990.39		100.00

### Geographic breakdown (as a % of securities portfolio)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
Australia	0.25	0.31	0.38	0.36
Austria	0.00	1.54	1.90	2.54
Belgium	1.04	-0.14	1.21	1.44
Bermuda	0.09	0.10	0.14	0.13
Brazil	4.58	4.08	2.46	2.32
Switzerland	9.13	11.37	11.60	10.99
Chile	0.35	0.26	0.25	0.28
China	0.18	0.12	0.11	0.12
Cayman Islands	0.14	0.12	0.00	0.00
Spain	0.23	0.00	0.00	0.00
Finland	0.65	0.66	0.77	0.78
France	3.28	2.01	2.82	1.97
U.K.	11.68	11.24	11.50	10.21
Hong Kong	4.32	3.64	3.69	3.06
India	1.84	1.31	1.17	2.38
Japan	6.02	7.72	6.81	7.31
South Korea	1.65	1.28	1.59	1.20
Netherlands	2.33	2.00	1.89	2.23
Philippines	0.48	0.36	0.16	0.15
Singapore	0.19	0.00	0.00	0.00
Sweden	1.98	3.00	4.36	4.51
Thailand	0.16	0.20	0.41	0.33
U.S.A.	49.43	48.82	46.78	47.69
TOTAL	100.00	100.00	100.00	100.00

### Sector breakdown (as a % of securities portfolio)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
Cyclicals	50.09	50.42	51.33	52.51
Consum(cycl)	5.56	7.41	5.51	4.89
Pharma	0.00	7.16	9.47	8.23
Financials	1.59	0.21	1.32	1.54
Technology	4.40	8.00	5.55	5.25
Telecomm.	1.17	0.00	1.44	2.13
Utilities	37.19	26.80	25.38	25.45
TOTAL	100.00	100.00	100.00	100.00

### Currency breakdown (as a % of net assets)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
AUSTRALIAN DOLLAR	0.30	0.31	0.38	0.36
BRASILIAN REAL	4.58	4.08	2.46	2.32
CANADIAN DOLLAR	0.01	0.00	0.00	0.00
SWISS FRANC	4.94	5.99	6.31	6.28
	0.35	0.26	0.25	0.28
EURO	7.14	6.48	8.51	8.79
POUND STERLING	14.20	14.04	14.33	12.46
HONG KONG DOLLAR	4.68	3.88	3.80	3.19
INDIE RUPEE	1.84	1.31	1.17	2.38
JAPANESE YEN	6.05	7.30	6.84	7.31
KOREAN WON	1.65	1.28	1.59	1.20
MEXICAN PESO	0.02	0.00	0.00	0.00
PESO	0.48	0.34	0.16	0.15
SWEDISH KRONA	2.05	3.00	4.36	4.51
SINGAPORE DOLLAR	0.20	0.00	0.00	0.00
THAI BATH	0.16	0.20	0.41	0.33
US DOLLAR	51.35	51.53	49.43	50.44
TOTAL	100.00	100.00	100.00	100.00

### 2.4.2. Changes in the composition of the assets of KBC Eco Fund Water (in the currency of the sub-fund)

	1 <sup>st</sup> half of year
<b>Purchases</b>	70,471,165.41
<b>Sales</b>	104,018,305.14
<b>Total 1</b>	174,489,470.55
<b>Subscriptions</b>	106,302,087.19
<b>Redemptions</b>	133,423,320.61
<b>Total 2</b>	239,725,407.80
<b>Monthly average of total assets</b>	887,803,585.35
<b>Turnover rate</b>	-7.35%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
KBC Bank NV, Havenlaan 2, B-1080 Brussels

### 2.4.3. Amount of commitments in respect of financial derivatives positions

Nil

### 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

## Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	66,578.62	23,185.69	34,860.79	13,942.50	286,470.20	111,935.01	398,405.21
2020 - 08*	94,453.57	104,359.91	27,835.90	22,086.15	353,087.87	194,208.77	547,296.64
2021 - 02*	43,580.98	19,304.65	24,506.12	65,545.24	372,162.73	147,968.19	520,130.92

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	91,905,982.13	24,349,481.74	47,784,435.88	14,370,343.03
2020 - 08*	141,683,180.62	119,920,714.36	41,967,369.52	23,207,685.38
2021 - 02*	72,936,443.12	23,469,800.62	39,812,527.69	78,524,166.76

Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 08*	544,230,952.11	1,468.63	1,103.43
2020 - 08*	740,916,429.71	1,492.66	1,101.28
2021 - 02*	848,843,807.25	1,768.73	1,288.02

\*The financial year does not coincide with the calendar year.

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	36,871.14		54,288.85		136,182.44		136,182.44
2020 - 08*	25,951.67		106,728.02		55,406.09		55,406.09
2021 - 02*	5,953.50		9,057.00		52,302.59		52,302.59

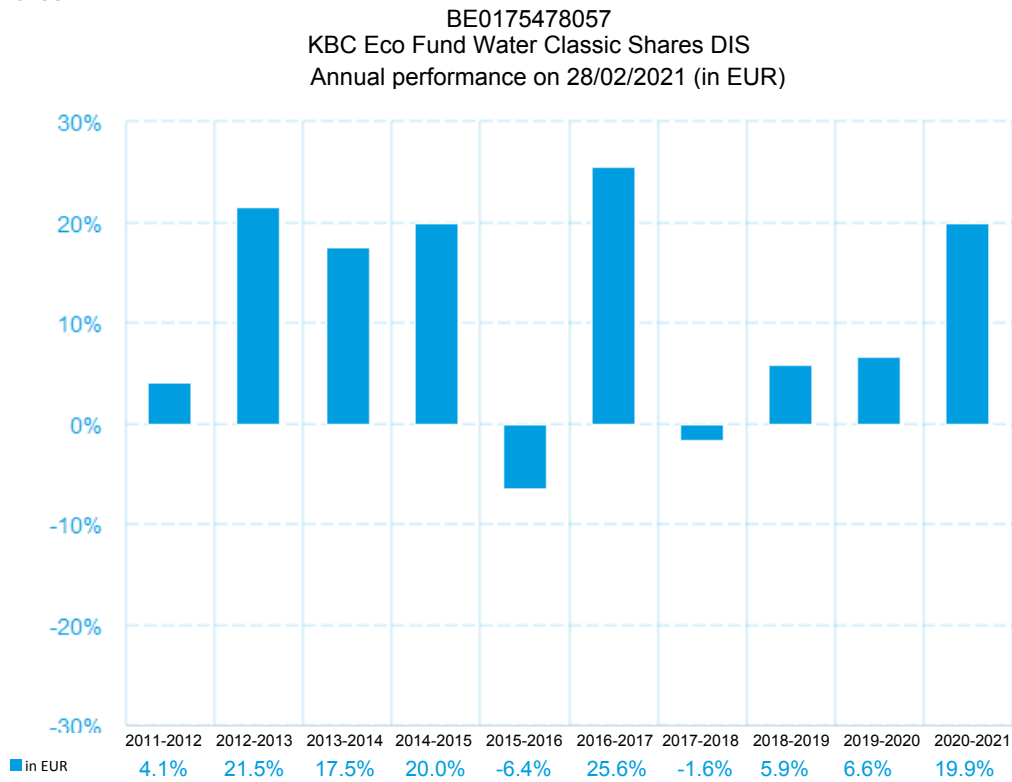
Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	50,643,768.36		74,937,399.38	
2020 - 08*	42,038,842.11		149,743,978.15	
2021 - 02*	10,279,560.82		15,503,480.10	

Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 08*	202,606,591.61	1,487.76	
2020 - 08*	84,884,445.60	1,532.04	
2021 - 02*	95,559,183.14	1,827.05	

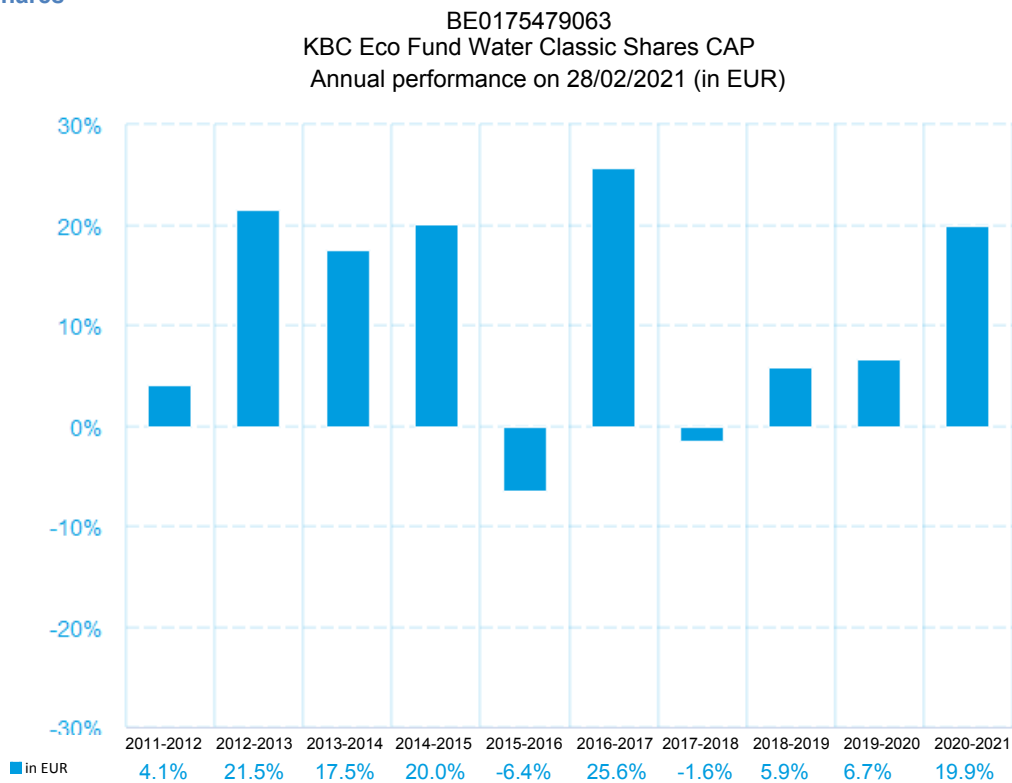
\*The financial year does not coincide with the calendar year.

## 2.4.5. Performance figures

### Classic Shares



### Classic Shares



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE0175478057	EUR	19.95%		10.62%		10.84%		10.81%		01/12/2000	6.42%
CAP	BE0175479063	EUR	19.92%		10.63%		10.86%		10.83%		01/12/2000	6.44%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

### Classic Shares

- The bar chart shows the performance for full financial years(period of 12 months prior to the half-yearly closing).
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage. In the case of units that pay dividends, the dividend is incorporated geometrically in the return.
- Calculation method for date D, where NAV stands for net asset value:

#### Capitalisation units (CAP)

Return on date D over a period of X years :

$$[\text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[\text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

#### Distribution units (DIV)

Return on date D over a period of X years :

$$[C * \text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[C * \text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

where C is a factor that is determined for all N dividends between the calculation date D and the reference date.

For dividend i on date Di with value Wi:

$$C_i = [W_i / \text{NIW}(D_i)] + 1$$

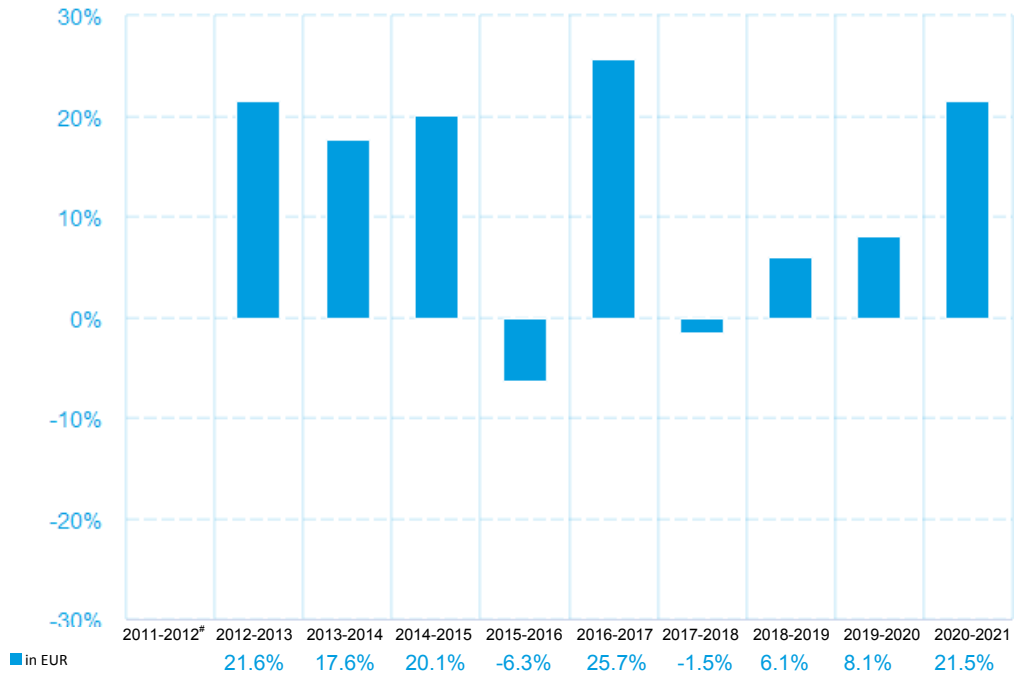
i = 1 ... N

from which C = C0 \* .... \* CN.

- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation and distribution shares

## Institutional B Shares

BE6228912570  
KBC Eco Fund Water Institutional B Shares CAP  
Annual performance on 28/02/2021 (in EUR)



# There is insufficient data for this year to give investors a useful indication of past performance.



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6228912570	EUR	21.49%		11.67%		11.51%		%		25/11/2011	13.85%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

### **Institutional B Shares**

- The bar chart shows the performance for full financial years(period of 12 months prior to the half-yearly closing).
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  

$$[\text{NIW}(\text{D}) / \text{NIW}(\text{Y})]^{1 / X} - 1$$
where Y = D-X  
Return on date D since the start date S of the unit:  

$$[\text{NIW}(\text{D}) / \text{NIW}(\text{S})]^{1 / F} - 1$$
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### *Ongoing Charges and Transaction costs:*

#### *Classic Shares Distribution :*

Ongoing Charges : 1.724%

Transaction costs : 0.034%

#### *Classic Shares Capitalisation :*

Ongoing Charges : 1.751%

Transaction costs : 0.034%

#### *Institutional B Shares Capitalisation :*

Ongoing Charges : 0.453%

Transaction costs : 0.034%

Percentage calculated at reporting date: 28 February 2021 (period of 12 months prior to the half-yearly closing).

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### *Existence of Commission Sharing Agreements*

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.7. Commission Sharing Agreements'.

No CSA accrual during this period.

### *Existence of fee sharing agreements and rebates*

The management company has shared 52,94% of its fee with the distributor, and institutional and/or professional parties.

If the management company invests the assets of the undertaking for collective investment in units of undertakings for collective investment that are not managed by an entity of KBC Groep NV, and receives a fee for doing so, it will pay this fee to the undertaking for collective investment.

Fee-sharing does not affect the amount of the management fee paid by **a sub-fund** to the management company. This management fee is subject to the limitations laid down in **the articles of association**. The limitations may only be amended after approval by the General Meeting.

## 2.4.7. Notes to the financial statements and other data

### Classic Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund	
Annual tax	see the 'Information concerning the Bevek - H. Tax treatment'	

### Institutional B Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund	
Annual tax	see the 'Information concerning the Bevek - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

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    - 2.1.3. Goal and key principles of the investment policy
    - 2.1.4. Financial portfolio management
    - 2.1.5. Distributors
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## 2. Information on KBC Eco Fund World

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

##### **Classic Shares Distribution**

Launch date:	30 April 1992
Initial subscription price:	10 000 BEF
Currency:	EUR

##### **Classic Shares Capitalisation**

Launch date:	30 April 1992
Initial subscription price:	10 000 BEF
Currency:	EUR

##### **Institutional Shares Capitalisation**

Launch date:	25 September 2013
Initial subscription price:	1 000 EUR
Currency:	EUR

#### 2.1.2. Stock exchange listing

Not applicable.

#### 2.1.3. Goal and key principles of the investment policy

##### **Object of the sub-fund**

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. To this end, the assets are invested, either directly or indirectly via correlated financial instruments, primarily in shares.

##### **Sub-fund's investment policy**

###### ***Permitted asset classes***

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

The sub-fund shall invest no more than 10% of its assets in units of other undertakings for collective investment.

###### ***Restrictions of the investment policy***

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

###### ***Permitted derivatives transactions***

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of

the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**

### **Strategy selected**

At least 75% of the assets are invested in the shares of companies in all sectors worldwide that outperform their peers in managing the environmental impact of both their production process and their end product. These companies must also have been approved by KBC Asset Management's Sustainable and Socially Responsible Investment Department and the Independent Environmental Advisory Committee.

The shares must satisfy the following criteria:

1. the companies must be considered the 'best in class' in terms of sustainability: This means that the companies have to be screened based on the following criteria:

- economic policy and role in society
- business ethics and corporate governance
- environment
- internal social relations
- human rights
- socially controversial practices and technologies

2. the companies must be considered the 'best in class' in environmental terms.

Each criterion is sub-divided into measurable indicators.

The requirements, criteria and indicators are set out by KBC Asset Management in co-operation with the External Advisory Board for Sustainability Analysis and the Independent Environmental Advisory Committee. These requirements, criteria and indicators are constantly checked to ensure their relevance. Accordingly, the method used to conduct the sustainability screening may be changed, subject to approval by the External Advisory Board for Sustainability Analysis and the Independent Environmental Advisory Committee.

The shares are screened by KBC Asset Management's Sustainable and Socially Responsible Investment Department, in co-operation with the External Advisory Board for Sustainability Analysis and the Independent Environmental Advisory Committee.

Because the External Advisory Board for Sustainability Analysis and the Independent Environmental Advisory Committee work independently, the assessment of companies is objective, assuring the credibility of the sustainability screening. Their task also consists in overseeing the quality of the methods used and the research carried out by KBC Asset Management.

However, is not the aim of the fund to replicate the benchmark. The composition of the benchmark is taken into account when compiling the portfolio.

In line with its investment policy, the sub-fund may not invest in all the instruments included in the benchmark.

When compiling the portfolio, the manager may also decide to invest in instruments that are not included in the benchmark, or indeed not to invest in instruments that are included.

The benchmark is also used to determine the fund's risk limitation mechanism. This limits the extent to which the fund's return may deviate from the benchmark.

The longterm expected tracking error for this fund is 3%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

Source: MSCI. No MSCI Party nor any other party involved in or related to compiling, computing or creating the MSCI data, makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates, or any third party involved in compiling, computing, or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

### **Volatility of the net asset value**

**The volatility of the net asset value may be high due to the composition of the portfolio.**

### **Securities Financing Transactions (SFTs)**

The sub-fund may not lend any financial instruments.

### **General strategy for hedging the exchange risk**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

### **Social, ethical and environmental aspects**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects

### **2.1.4. Financial portfolio management**

There is no delegation of the management of the asset allocation.

### **2.1.5. Distributors**

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

### **2.1.6. Index and benchmark**

Not applicable.

### **2.1.7. Policy pursued during the financial year**

In line with the defined strategy, the fund was and is invested in an internationally diversified selection of shares issued by companies pursuing sustainable policies. The companies are the best-in-class with regard to their overall score (economic policy and internal social relations, corporate governance, human rights and socially questionable practices) and their score for environmental criteria.

### **2.1.8. Future policy**

The fund continues to invest in a global selection of stocks of companies with sustainability policies.

### **2.1.9. Synthetic risk and reward indicator (SRRI)**

Classic Shares: 6 on a scale of 1 (lowest risk) to 7 (highest risk)

Institutional Shares: 6 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).



## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>28/02/2021</b> (in the currency of the sub-fund)	<b>29/02/2020</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	276,935,500.77	219,857,714.38
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
<b>C.</b>	Shares and similar instruments		
	a) Shares	276,600,832.32	214,624,479.18
<b>D.</b>	Other securities	2.81	
<b>IV.</b>	<b>Receivables and payables within one year</b>		
<b>A.</b>	Receivables		
	a) Accounts receivable	36,722.62	10,402,129.23
<b>B.</b>	Payables		
	a) Accounts payable (-)	-22,291.34	-5,949,081.40
	c) Borrowings (-)	-7,155.73	-75,235.13
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
<b>A.</b>	Demand balances at banks	348,076.90	740,466.41
<b>VI.</b>	<b>Accruals and deferrals</b>		
<b>B.</b>	Accrued income	220,570.05	331,735.99
<b>C.</b>	Accrued expense (-)	-241,256.86	-216,779.90
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	276,935,500.77	219,857,714.38
<b>A.</b>	<b>Capital</b>	252,483,838.32	214,920,566.86
<b>B.</b>	<b>Income equalization</b>	102,641.98	-247,684.86
<b>D.</b>	<b>Result of the period</b>	24,349,020.47	5,184,832.38

## 2.3. Profit and loss account

Income Statement		28/02/2021 (in the currency of the fund)	29/02/2020 (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	27,531,959.14	3,240,130.01
D.	Other securities	-0.02	
G.	Receivables, deposits, cash at bank and in hand and payables	-0.01	
H.	Foreign exchange positions and transactions		
	a) Derivative financial instruments		
	Futures and forward contracts		3,653.93
	b) Other foreign exchange positions and transactions	-2,651,790.51	1,029,023.83
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	15,572,019.75	21,101,109.66
	Unrealised gains on investments	14,515,589.52	-18,852,542.74
	Realised losses on investments	-8,718,983.21	-5,076,671.33
	Unrealised losses on investments	3,511,542.54	7,100,912.18
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	1,600,189.59	2,141,618.64
B.	Interests		
	b) Cash at bank and in hand and deposits	70.78	3,013.49
C.	Interest on borrowings (-)	-2,223.81	-2,989.21
<b>III.</b>	<b>Other income</b>		
A.	Income received to cover the acquisition and realization of assets, to discourage withdrawals and for delivery charges	33,397.61	43,131.53
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-105,067.76	-140,675.33
B.	Financial expenses (-)	-192.85	-32.00
C.	Custodian's fee (-)	-48,430.28	-52,568.12
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-554,989.24	-501,136.33
	Institutional Shares	-1,293,553.08	-361,456.91
	b) Administration and accounting management	-123,236.22	-132,337.68
E.	Administrative expenses (-)	-1,001.11	-999.78
F.	Formation and organisation expenses (-)	-3,972.38	-2,257.26
G.	Remuneration, social security charges and pension	-2,406.44	-2,198.53
H.	Services and sundry goods (-)	10,513.43	-24,798.18
J.	Taxes		
	Classic Shares	-34,001.23	-27,775.01
	Institutional Shares	-12,716.53	-10,857.68
K.	Other expenses (-)	6,471.39	-15,657.03
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-531,148.13	912,024.63
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	24,349,020.47	5,184,832.38
<b>VII.</b>	<b>Result of the period</b>	24,349,020.47	5,184,832.38

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Eco Fund World

Name	Quantity on 28/02/2021	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Argentina</u>							
MERCADOLIBRE INC -	283.00	USD	1,638.110	381,928.76		0.14	0.14
<u>Australia</u>							
COLES GROUP LTD -	10,904.00	AUD	15.330	106,618.86		0.04	0.04
CSL LIMITED -	2,256.00	AUD	262.590	377,853.38		0.14	0.14
FORTESCUE METALS GROUP -	12,346.00	AUD	24.110	189,858.27		0.07	0.07
GOODMAN GROUP -	13,343.00	AUD	16.560	140,935.32		0.05	0.05
RAMSAY HEALTH CARE LTD -	22,702.00	AUD	66.000	955,683.50		0.35	0.35
SYDNEY AIRPORT -	112,592.00	AUD	5.860	420,834.35		0.15	0.15
<u>Canada</u>							
HYDRO ONE LTD -	72,891.00	CAD	27.020	1,281,676.48		0.46	0.46
ROYAL BK CANADA -	3,614.00	CAD	108.360	254,845.11		0.09	0.09
<u>China</u>							
LULULEMON ATHLETICA INC -	3,120.00	USD	311.680	801,154.72		0.29	0.29
<u>Denmark</u>							
CARLSBERG A/S B	13,227.00	DKK	970.000	1,725,405.74		0.62	0.62
DSV PANALPINA A S -	10,144.00	DKK	1,132.000	1,544,236.52		0.56	0.56
NOVO NORDISK A/S B	38,022.00	DKK	437.950	2,239,327.63		0.81	0.81
VESTAS WINDS SYSTEMS -	8,576.00	DKK	1,154.500	1,331,486.79		0.48	0.48
<u>Finland</u>							
KONE CORP. -	12,032.00	EUR	66.080	795,074.56		0.29	0.29
ORION OYJ B	3,498.00	EUR	33.970	118,827.06		0.04	0.04
<u>France</u>							
ATOS SE -	7,879.00	EUR	64.620	509,140.98		0.18	0.18
BIOMERIEUX -	11,554.00	EUR	105.200	1,215,480.80		0.44	0.44
CAPGEMINI SA -	27,156.00	EUR	133.150	3,615,821.40		1.31	1.31
GECINA REG	20,216.00	EUR	114.700	2,318,775.20		0.84	0.84
LVMH-MOET HENNESSY LOUIS VUITT SE -	253.00	EUR	525.000	132,825.00		0.05	0.05
MICHELIN (PAR)	1,441.00	EUR	119.750	172,559.75		0.06	0.06
SARTORIUS STEDIM BIOTECH -	6,966.00	EUR	362.000	2,521,692.00		0.91	0.91
VIVENDI SA -	182,790.00	EUR	28.570	5,222,310.30		1.89	1.89
<u>Germany</u>							
ALLIANZ AG REG	8,438.00	EUR	199.800	1,685,912.40		0.61	0.61
DEUTSCHE TELEKOM INT FIN REG	36,849.00	EUR	15.030	553,840.47		0.20	0.20
DEUTSCHE WOHNEN AG -	70,344.00	EUR	38.950	2,739,898.80		0.99	0.99
HEIDELBERGCEMENT AG -	52,528.00	EUR	65.480	3,439,533.44		1.24	1.24
HENKEL KGAA PREF	29,511.00	EUR	81.580	2,407,507.38		0.87	0.87
MERCK KGAA -	929.00	EUR	134.550	124,996.95		0.05	0.05
SIEMENS AG REG	5,133.00	EUR	127.980	656,921.34		0.24	0.24
ZALANDO SE -	1,706.00	EUR	85.020	145,044.12		0.05	0.05
<u>Ireland</u>							
C.R.H. PLC -	68,175.00	EUR	35.800	2,440,665.00		0.88	0.88
<u>Italy</u>							
TELECOM ITALIA SPA (MIL)	3,390,624.00	EUR	0.393	1,332,176.17		0.48	0.48
TELECOM ITALIA SPA (MIL) DI RISPARMIO NWE	2,445,744.00	EUR	0.444	1,086,399.48		0.39	0.39
TERNA RETE ELETTRICA NAZIONALE -	177,780.00	EUR	5.768	1,025,435.04		0.37	0.37
<u>Japan</u>							
AEON CO LTD. -	36,400.00	JPY	3,203.000	901,568.02		0.33	0.33
CANON INC -	43,100.00	JPY	2,292.500	764,058.81		0.28	0.28
DAI NIPPON PRINTNG -	99,900.00	JPY	1,914.000	1,478,589.43		0.54	0.53
DAIWA HOUSE -	99,000.00	JPY	3,003.000	2,298,956.22		0.83	0.83
EAST JAPAN RAILWAY -	21,400.00	JPY	7,857.000	1,300,201.61		0.47	0.47
FAST RETAILING CO LTD. -	4,100.00	JPY	105,000.000	3,328,996.44		1.20	1.20
IDEMITSU KOSAN CO LTD -	1.00	JPY	2,784.000	21.53			
KAO CORP -	38,200.00	JPY	7,144.000	2,110,303.81		0.76	0.76
MAZDA MOTOR CORP. -	349,300.00	JPY	839.000	2,266,212.97		0.82	0.82
NEC CORP(NIPPON EL.) -	45,600.00	JPY	5,800.000	2,045,186.94		0.74	0.74

NISSAN CHEMICAL INDUSTRIES LTD -	26,800.00	JPY	5,790.000	1,199,923.43		0.43	0.43
NOMURA HOLDINGS INC -	302,000.00	JPY	618.800	1,445,098.41		0.52	0.52
OBAYASHI CORP -	113,900.00	JPY	913.000	804,145.57		0.29	0.29
ORACLE CORP JAPAN -	4,300.00	JPY	10,800.000	359,114.04		0.13	0.13
SONY CORP -	50,100.00	JPY	11,120.000	4,308,069.37		1.56	1.56
SUZUKEN CO LTD -	23,800.00	JPY	4,060.000	747,210.84		0.27	0.27
TAKEDA PHARMACEUTICAL CO LTD -	27,900.00	JPY	3,582.000	772,805.06		0.28	0.28
TOKYO ELECTRON -	400.00	JPY	43,550.000	134,706.43		0.05	0.05
Z HOLDINGS CORP -	399,900.00	JPY	648.500	2,005,402.53		0.73	0.72
<u>Netherlands</u>							
A.K.Z.O. NOBEL -	8,316.00	EUR	85.560	711,516.96		0.26	0.26
KONINKLIJKE PHILIPS ELECTRONICS N.V. -	6,864.00	EUR	44.955	308,571.12		0.11	0.11
NXP SEMICONDUCTOR NV -	22,473.00	USD	182.550	3,379,837.00		1.22	1.22
WOLTERS KLUWER -	2,014.00	EUR	65.680	132,279.52		0.05	0.05
<u>New Zealand</u>							
FISHER & PAYKEL HEALTHCARE CORP. -	2,404.00	NZD	29.250	42,121.84		0.02	0.02
MERIDIAN ENERGY LTD -	295,521.00	NZD	5.700	1,009,044.25		0.37	0.36
<u>Spain</u>							
RED ELECTRICA DE ESPANA -	4,297.00	EUR	13.865	59,577.91		0.02	0.02
<u>Sweden</u>							
ELECTROLUX B	32,549.00	SEK	199.450	636,707.70		0.23	0.23
HUSQVARNA AB -B-	132,444.00	SEK	103.300	1,341,840.88		0.49	0.49
<u>Switzerland</u>							
CHOCOLADEFABRIKEN LINDT-REG -	108.00	CHF	7,625.000	749,417.71		0.27	0.27
GEBERIT AG -	642.00	CHF	536.200	313,272.44		0.11	0.11
KUEHNE & NAGEL INT'L AG -	10,564.00	CHF	215.700	2,073,666.37		0.75	0.75
SCHINDLER-HLDG PART.BON	1,431.00	CHF	248.200	323,222.63		0.12	0.12
<u>U.K.</u>							
BERKELEY GROUP (THE) PLC -	31,862.00	GBP	40.530	1,487,444.40		0.54	0.54
BRITISH LAND CO PLC -	9,859.00	GBP	4.896	55,598.79		0.02	0.02
LINDE PLC -	25,988.00	USD	244.270	5,229,929.77		1.89	1.89
PERSIMMON -	3,636.00	GBP	25.900	108,471.27		0.04	0.04
SEGRO PLC -	107,699.00	GBP	9.098	1,128,622.50		0.41	0.41
UNITED UTILITIES WATER PLC -	186,905.00	GBP	8.592	1,849,721.27		0.67	0.67
VODAFONE GROUP PLC -	239,545.00	GBP	1.220	336,673.73		0.12	0.12
WPP GROUP PLC -	210,764.00	GBP	8.538	2,072,734.54		0.75	0.75
<u>U.S.A.</u>							
ACCENTURE LTD A	7,575.00	USD	250.900	1,565,799.56		0.57	0.56
ADOBE SYSTEMS -	10,391.00	USD	459.670	3,935,105.43		1.42	1.42
AGILENT TECHNOLOGIES -	41,562.00	USD	122.070	4,179,826.45		1.51	1.51
AKAMAI TECHNOLOGIES INC -	24,672.00	USD	94.500	1,920,830.45		0.69	0.69
ALLSTATE CORPORATION -	44,909.00	USD	106.600	3,944,059.48		1.43	1.42
AMGEN -	5,194.00	USD	224.920	962,460.44		0.35	0.35
ARROW ELECTRONICS INC -	40,343.00	USD	100.260	3,332,335.79		1.21	1.20
AUTOMATIC DATA PROCESSING, INC. -	613.00	USD	174.020	87,884.54		0.03	0.03
AVALONBAY COMMUNITIES INC -	5,417.00	USD	175.750	784,344.83		0.28	0.28
BEST BUY -	22,483.00	USD	100.350	1,858,765.08		0.67	0.67
BIOGEN INC -	7,125.00	USD	272.880	1,601,804.25		0.58	0.58
CADENCE DESIGN SYSTEMS -	909.00	USD	141.090	105,660.58		0.04	0.04
CAMPBELL SOUP CO -	59,074.00	USD	45.480	2,213,449.93		0.80	0.80
CERNER CORP -	982.00	USD	69.140	55,936.30		0.02	0.02
CIGNA CORP. -	15,442.00	USD	209.900	2,670,354.09		0.97	0.96
CISCO SYSTEMS INC -	95,063.00	USD	44.870	3,514,151.27		1.27	1.27
COMCAST CORP -A-	61,804.00	USD	52.720	2,684,385.30		0.97	0.97
CORNING INC -	118,300.00	USD	38.240	3,726,966.55		1.35	1.35
EBAY INC. -	57,309.00	USD	56.420	2,663,843.94		0.96	0.96
EDWARDS LIFESCIENCES CORP. -	16,935.00	USD	83.100	1,159,415.47		0.42	0.42
ELECTRONIC ARTS -	32,449.00	USD	133.970	3,581,473.50		1.30	1.29
EXPEDITORS INTL OF WASHINGTON INC. -	46,648.00	USD	91.840	3,529,537.25		1.28	1.27
FIRST REPUBLIC BANK -	31,662.00	USD	164.750	4,297,507.41		1.55	1.55
FRANKLIN RESOURCES INC -	114,996.00	USD	26.170	2,479,358.48		0.90	0.90
GENERAL MILLS IN -	16,031.00	USD	55.010	726,532.63		0.26	0.26
GILEAD SCIENCES -	10,709.00	USD	61.400	541,714.12		0.20	0.20
HARTFORD FIN.SERV.GR. -	20,960.00	USD	50.690	875,319.16		0.32	0.32
HERSHEY CORP -	6,635.00	USD	145.650	796,167.20		0.29	0.29
HEWLETT PACKARD -	132,224.00	USD	28.970	3,155,815.85		1.14	1.14
HEWLETT PACKARD ENTERPRISE CO -	471,636.00	USD	14.560	5,657,456.06		2.05	2.04
HILTON WORLDWIDE HOLDINGS INC -	15,617.00	USD	123.680	1,591,292.27		0.57	0.57
INTEL CORP -	83,840.00	USD	60.780	4,198,216.51		1.52	1.52
INTERPUBLIC GROUP -	24,586.00	USD	26.120	529,070.95		0.19	0.19
JPMORGAN CHASE & CO -	55,140.00	USD	147.170	6,685,577.36		2.42	2.41
KELLOGG CO. -	8,495.00	USD	57.710	403,893.93		0.15	0.15
KIMBERLEY-CLARK CORP -	14,667.00	USD	128.330	1,550,680.60		0.56	0.56
KROGER CY -	70,229.00	USD	32.210	1,863,631.64		0.67	0.67
LEAR CORP -	19,965.00	USD	166.090	2,731,905.46		0.99	0.99
LIBERTY GLOBAL INC -C-	208,738.00	USD	24.300	4,178,887.30		1.51	1.51
LIBERTY GLOBAL INC A	66,281.00	USD	24.625	1,344,677.56		0.49	0.49

LOWE'S CIE -	20,256.00	USD	159.750	2,665,921.90		0.96	0.96
MCGRAW HILL FINANCIAL INC -	13,007.00	USD	329.360	3,529,399.84		1.28	1.27
MEDTRONIC PLC -	7,166.00	USD	116.970	690,564.36		0.25	0.25
METTLER-TOLEDO INTERNATIONAL INC -	3,469.00	USD	1,116.050	3,189,633.75		1.15	1.15
MICROSOFT CORP -	52,032.00	USD	232.380	9,961,440.24		3.60	3.60
MOLSON COORS BREWING CO B	23,027.00	USD	44.450	843,260.96		0.31	0.30
MONDELEZ INTERNATIONAL INC A	2,013.00	USD	53.160	88,162.04		0.03	0.03
MORGAN STANLEY -	46,799.00	USD	76.870	2,963,782.44		1.07	1.07
NEWMONT GOLDCORP CORP -	35,561.00	USD	54.380	1,593,184.36		0.58	0.57
NVIDIA CORP NAS	7,791.00	USD	548.580	3,521,162.28		1.27	1.27
OLD DOMINION FREIGHT LINE INC -	374.00	USD	214.770	66,175.63		0.02	0.02
ORACLE CORP -	86,448.00	USD	64.510	4,594,464.06		1.66	1.66
OWENS CORNING -	1,369.00	USD	81.020	91,379.45		0.03	0.03
PAYPAL HOLDINGS INC -	10,091.00	USD	259.850	2,160,278.75		0.78	0.78
PEPSICO INC -	27,275.00	USD	129.190	2,902,996.58		1.05	1.05
PNC FINANCIAL SERVICES GROUP -	11,450.00	USD	168.360	1,588,171.03		0.57	0.57
PRINCIPAL FINANCIAL GROUP INC -	54,277.00	USD	56.580	2,530,064.80		0.92	0.91
PRUDENTIAL FINANCIAL INC -	30,510.00	USD	86.720	2,179,788.43		0.79	0.79
REGENRON PHARMACEUTICALS -	3,570.00	USD	450.570	1,325,205.88		0.48	0.48
REGIONS FINANCIAL CORPORATION -	238,552.00	USD	20.630	4,054,479.95		1.47	1.46
ROLLINS INC -	56,511.00	USD	33.170	1,544,298.79		0.56	0.56
STARBUCKS CORP -	56,268.00	USD	108.030	5,007,935.44		1.81	1.81
STATE STREET CORPORATION -	47,685.00	USD	72.770	2,858,821.43		1.03	1.03
TARGET CORP -	4,307.00	USD	183.440	650,911.25		0.24	0.24
TRACTOR SUPPLY COMPANY -	13,657.00	USD	158.960	1,788,529.18		0.65	0.65
TRANE TECHNOLOGIES PLC -	29,829.00	USD	153.240	3,765,855.96		1.36	1.36
UNITEDHEALTH GROUP INC. -	14,039.00	USD	332.220	3,842,508.30		1.39	1.39
UNITER RENTALS INC -	22,919.00	USD	297.380	5,615,136.12		2.03	2.03
VARIAN MEDICAL SYSTEMS -	1,050.00	USD	175.270	151,617.65		0.06	0.06
VEEVA SYSTEMS INC -	2,322.00	USD	280.110	535,850.57		0.19	0.19
VISA INC -	15,079.00	USD	212.390	2,638,514.43		0.95	0.95
W.W. GRAINGER, INC. -	6,257.00	USD	372.710	1,921,277.37		0.70	0.69
WASTE MANAGEMENT INC. -	30,097.00	USD	110.890	2,749,593.29		0.99	0.99
3M CO -	11,585.00	USD	175.060	1,670,843.71		0.60	0.60
Total shares				276,600,832.32		100.00	99.88
<b>Rights</b>							
<u>Australia</u>							
SYDNEY AIRPORT RIGHT	5.00	AUD	0.880	2.81			
Total rights				2.81			
TOTAL SECURITIES PORTFOLIO				276,600,835.13		100.00	99.88
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	-6,260.11	AUD	1.000	-3,992.90			-0.00
KBC GROUP CAD	3,317.72	CAD	1.000	2,159.03			0.00
KBC GROUP CHF	1,500.29	CHF	1.000	1,365.32			
KBC GROUP DKK	18,220.53	DKK	1.000	2,450.30			0.00
KBC GROUP EURO	248,440.72	EUR	1.000	248,440.72			0.09
KBC GROUP GBP	10,223.80	GBP	1.000	11,776.15			0.00
KBC GROUP HKD	2,330.38	HKD	1.000	247.49			
KBC GROUP ILS	13,752.71	ILS	1.000	3,420.26			0.00
KBC GROUP JPY	4.00	JPY	1.000	0.03			
KBC GROUP NOK	4,380.74	NOK	1.000	419.08			
KBC GROUP NZD	-4,620.38	NZD	1.000	-2,767.74			-0.00
KBC GROUP SEK	-433.43	SEK	1.000	-42.51			
KBC GROUP SGD	7.16	SGD	1.000	4.44			
KBC GROUP TRY	-3,174.66	TRY	1.000	-352.58			
KBC GROUP USD	90,805.53	USD	1.000	74,810.95			0.03
KBC GROUP ZAR	54,843.39	ZAR	1.000	2,983.13			0.00
Total demand accounts				340,921.17			0.12
TOTAL CASH AT BANK AND IN HAND				340,921.17			0.12
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	36,722.62	EUR	1.000	36,722.62			0.01
Total receivables				36,722.62			0.01
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-22,291.34	EUR	1.000	-22,291.34			-0.01
Total payables				-22,291.34			-0.01
TOTAL RECEIVABLES AND PAYABLES				14,431.28			0.01
<b>OTHER</b>							
Interest receivable		EUR		203,070.03			0.07
Accrued interest		EUR		17,500.02			0.01

Expenses payable		EUR	-241,256.86		-0.09
TOTAL OTHER			-20,686.81		-0.01
TOTAL NET ASSETS			276,935,500.77		100.00

### Geographic breakdown (as a % of securities portfolio)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
Argentina	0.00	0.00	0.00	0.14
Australia	0.72	1.14	0.91	0.79
Austria	0.00	0.23	0.00	0.00
Belgium	0.78	2.45	1.29	0.12
Canada	5.34	3.62	2.35	0.55
Switzerland	4.02	1.97	1.04	1.25
China	0.00	0.00	0.00	0.29
Germany	1.61	1.39	2.73	4.25
Denmark	1.28	2.00	1.78	2.47
Spain	0.56	0.40	0.03	0.02
Finland	0.56	0.97	0.38	0.33
France	4.53	5.50	5.43	5.67
U.K.	5.08	3.01	3.03	4.44
Hong Kong	0.55	0.00	0.00	0.00
Ireland	0.00	0.00	0.94	0.88
Italy	1.11	2.24	1.32	1.24
Japan	10.33	10.83	9.75	10.21
Netherlands	2.71	3.44	2.00	1.64
Norway	0.56	0.00	0.06	0.00
New Zealand	0.00	0.18	0.39	0.38
Sweden	0.62	0.86	0.97	0.71
U.S.A.	59.62	59.77	65.60	64.62
South Africa	0.02	0.00	0.00	0.00
TOTAL	100.00	100.00	100.00	100.00

### Sector breakdown (as a % of securities portfolio)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
Cyclicals	12.06	9.52	8.84	10.99
Consum(cycl)	18.97	19.97	22.63	22.72
Cons.goods	13.71	9.66	12.30	9.68
Pharma	11.30	13.07	11.04	9.33
Financials	15.16	16.62	12.56	14.58
Technology	18.11	19.89	24.23	26.17
Telecomm.	2.85	4.46	2.39	1.19
Utilities	4.05	2.63	2.14	1.88
Real est.	3.79	4.18	3.87	3.46
TOTAL	100.00	100.00	100.00	100.00

### Currency breakdown (as a % of net assets)

	31/08/2019	28/02/2020	31/08/2020	28/02/2021
AUSTRALIAN DOLLAR	2.27	1.14	0.92	0.79
CANADIAN DOLLAR	5.53	3.62	2.35	0.55
SWISS FRANC	4.06	1.96	1.04	1.25
DANISH KRONE	1.33	2.00	1.78	2.47
EURO	10.86	15.83	13.95	12.90
POUND STERLING	4.87	3.01	3.03	2.55
HONG KONG DOLLAR	0.61	0.00	0.00	0.00
JAPANESE YEN	8.55	10.46	9.75	10.21
NORWEGIAN KRONE	0.65	0.00	0.06	0.00
NEW ZEALAND DOLLAR	0.08	0.18	0.39	0.38
SWEDISH KRONA	0.69	0.85	0.97	0.71
SINGAPORE DOLLAR	0.01	0.00	0.00	0.00
US DOLLAR	60.49	60.95	65.76	68.19
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Eco Fund World (in the currency of the sub-fund)

	1 <sup>st</sup> half of year
<b>Purchases</b>	128,845,139.92
<b>Sales</b>	100,353,088.24
<b>Total 1</b>	229,198,228.16
<b>Subscriptions</b>	32,633,612.05
<b>Redemptions</b>	5,122,007.80
<b>Total 2</b>	37,755,619.85
<b>Monthly average of total assets</b>	250,591,404.11
<b>Turnover rate</b>	76.40%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%), reason: Fund invest in universe of

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels

## 2.4.3. Amount of commitments in respect of financial derivatives positions

Nil

## 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

### Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	7,839.65	4,921.11	11,334.55	942.95	45,888.64	15,140.61	61,029.25
2020 - 08*	11,952.26	5,600.28	7,297.23	1,464.40	50,543.68	19,276.49	69,820.17
2021 - 02*	7,662.16	1,945.16	4,077.51	654.29	54,128.33	20,567.36	74,695.69

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	7,808,538.58	3,725,278.69	11,437,126.46	708,862.37
2020 - 08*	12,942,862.51	4,459,933.39	7,714,747.78	1,110,190.14
2021 - 02*	8,879,557.94	1,609,196.68	4,589,651.64	550,247.29

Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 08*	60,344,408.26	1,055.33	787.06
2020 - 08*	70,995,916.85	1,098.70	802.19
2021 - 02*	83,285,647.30	1,208.86	867.98

\*The financial year does not coincide with the calendar year.

## Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	50,000.00		17,000.00		179,800.05		179,800.05
2020 - 08*	15,500.00		57,300.05		138,000.00		138,000.00
2021 - 02*	19,400.00		0.00		157,400.00		157,400.00

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	50,632,616.00		17,423,360.00	
2020 - 08*	16,563,530.00		64,169,035.00	
2021 - 02*	22,265,073.00		0.00	

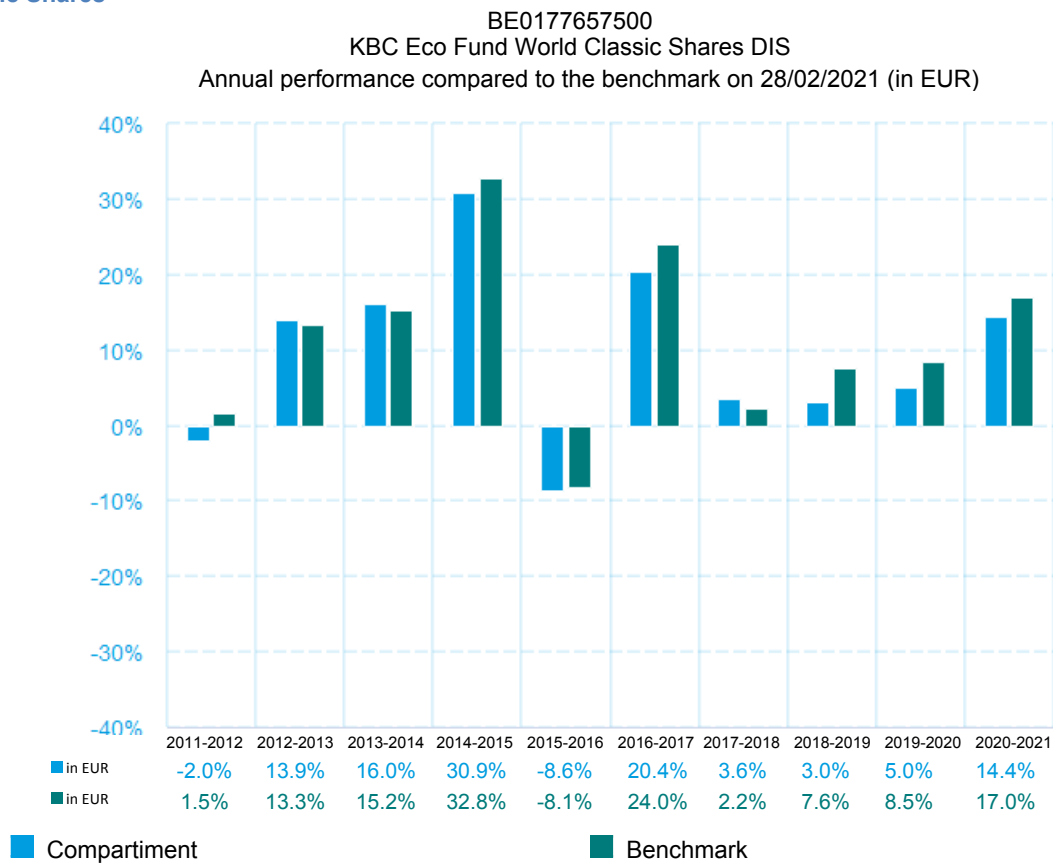
Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 08*	191,824,902.09	1,066.88	
2020 - 08*	154,254,038.57	1,117.78	
2021 - 02*	193,649,853.47	1,230.30	

\*The financial year does not coincide with the calendar year.

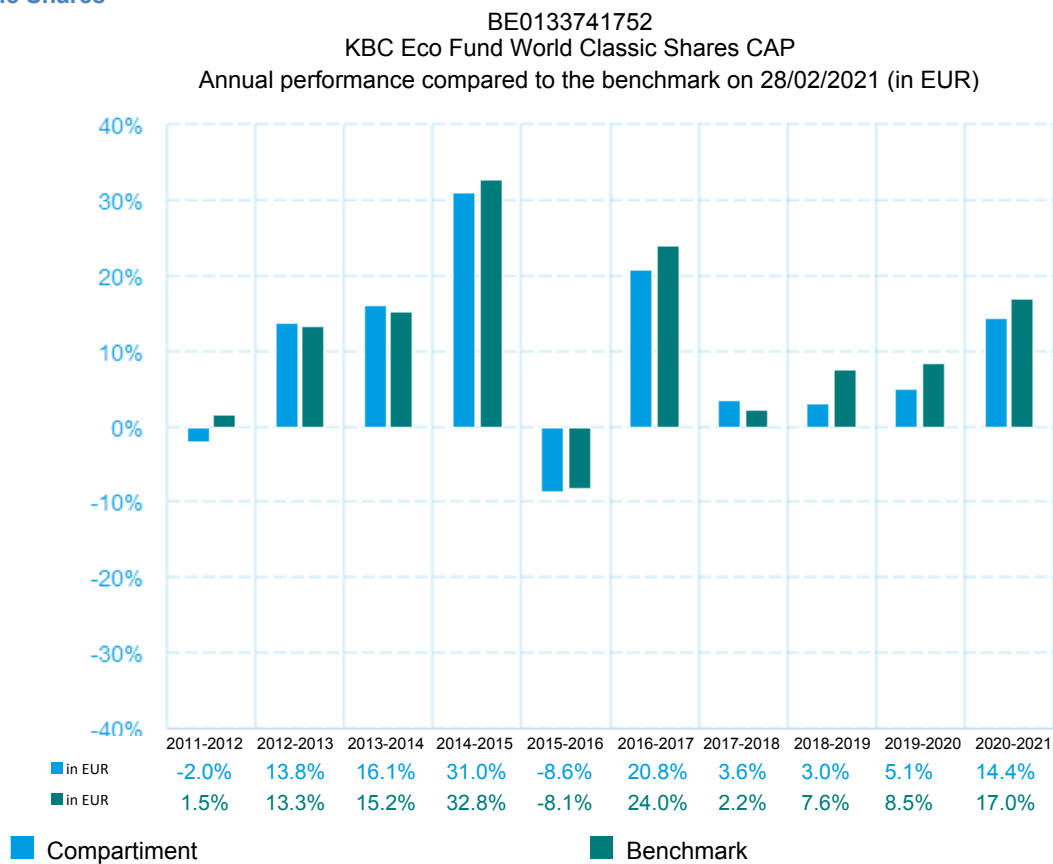


## 2.4.5. Performance figures

### Classic Shares



### Classic Shares





Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE0177657500	EUR	14.39%	17.01%	7.35%	10.93%	9.06%	11.60%	9.10%	10.83%	30/04/1992	4.24%
CAP	BE0133741752	EUR	14.42%	17.01%	7.38%	10.93%	9.16%	11.60%	9.17%	10.83%	30/04/1992	5.65%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

### Classic Shares

- The bar chart shows the performance for full financial years(period of 12 months prior to the half-yearly closing).
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage. In the case of units that pay dividends, the dividend is incorporated geometrically in the return.
- Calculation method for date D, where NAV stands for net asset value:

#### Capitalisation units (CAP)

Return on date D over a period of X years :

$$[\text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[\text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

#### Distribution units (DIV)

Return on date D over a period of X years :

$$[C * \text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[C * \text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

where C is a factor that is determined for all N dividends between the calculation date D and the reference date.

For dividend i on date Di with value Wi:

$$C_i = [\text{Wi} / \text{NIW}(D_i)] + 1$$

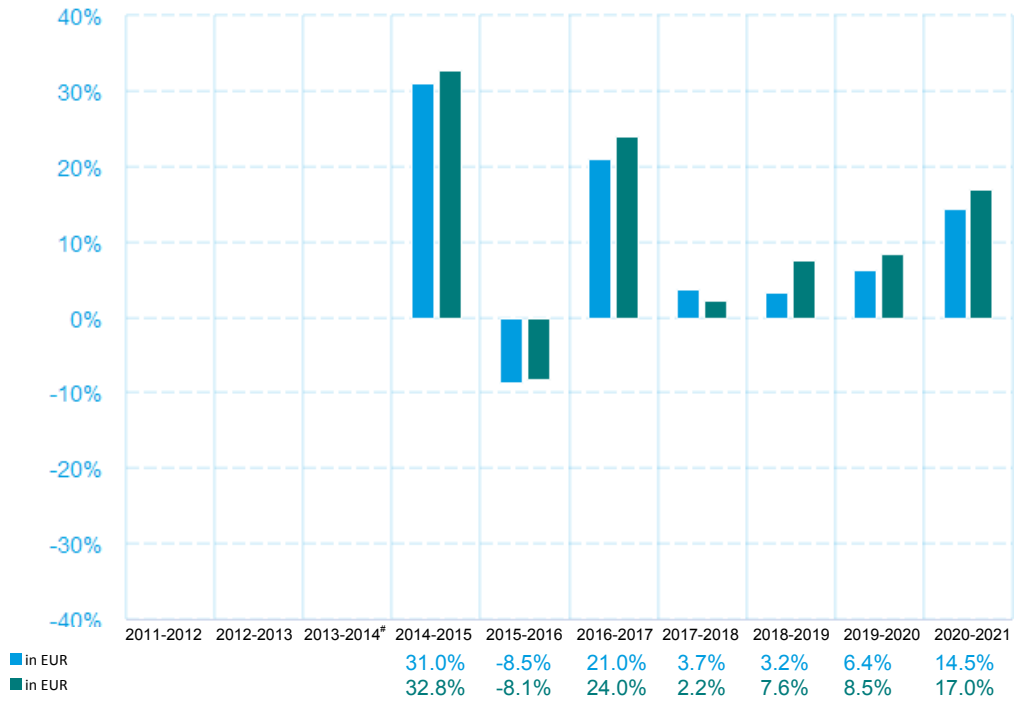
i = 1 ... N

from which C = C0 \* .... \* CN.

- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation and distribution shares

**Institutional Shares**

BE6257810497  
 KBC Eco Fund World Institutional Shares CAP  
 Annual performance compared to the benchmark on 28/02/2021 (in EUR)



# There is insufficient data for this year to give investors a useful indication of past performance.

■ Compartment      ■ Benchmark

Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6257810497	EUR	14.50%	17.01%	7.91%	10.93%	9.54%	11.60%	%		25/09/2013	9.58%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

### Institutional Shares

- The bar chart shows the performance for full financial years(period of 12 months prior to the half-yearly closing).
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  

$$[\text{NIW}(D) / \text{NIW}(Y)]^{1 / X} - 1$$
where Y = D-X  
Return on date D since the start date S of the unit:  

$$[\text{NIW}(D) / \text{NIW}(S)]^{1 / F} - 1$$
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### *Ongoing Charges and Transaction costs:*

#### *Classic Shares Distribution :*

Ongoing Charges : 1.755%  
Transaction costs : 0.105%

#### *Classic Shares Capitalisation :*

Ongoing Charges : 1.732%  
Transaction costs : 0.105%

#### *Institutional Shares Capitalisation :*

Ongoing Charges : 1.663%  
Transaction costs : 0.105%

Percentage calculated at reporting date: 28 February 2021 (period of 12 months prior to the half-yearly closing).

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### *Existence of Commission Sharing Agreements*

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.7. Commission Sharing Agreements'.

No CSA accrual during this period.

### *Existence of fee sharing agreements and rebates*

The management company has shared 52,98% of its fee with the distributor, and institutional and/or professional parties.

If the management company invests the assets of the undertaking for collective investment in units of undertakings for collective investment that are not managed by an entity of KBC Groep NV, and receives a fee for doing so, it will pay this fee to the undertaking for collective investment.

Fee-sharing does not affect the amount of the management fee paid by **a sub-fund** to the management company. This management fee is subject to the limitations laid down in **the articles of association**. The limitations may only be amended after approval by the General Meeting.

## 2.4.7. Notes to the financial statements and other data

### Classic Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund	
Annual tax	see the 'Information concerning the Bevek - H. Tax treatment'	

### Institutional Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund	
Annual tax	see the 'Information concerning the Bevek - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.