# KBC Equity Fund Prospectus

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

This prospectus consists of:
- Information concerning the Bevek
- Information concerning the sub-funds

The articles of association of the Bevek and the annual reports will be appended to the prospectus.

28/04/2023

In the event of discrepancies between the Dutch and the other language versions of the prospectus, the Dutch version will prevail.

# Information concerning the Bevek

## A. Introduction of the Bevek

### Name

KBC Equity Fund (abbreviated to 'Equity Fund')

### Legal form

Naamloze Vennootschap (limited liability company)

### Date of incorporation

21 March 1991

### Life

Unlimited

### Office

Havenlaan 2, B-1080 Brussels, Belgium

### Status

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.

### List of sub-funds marketed by the Bevek

## Board of Directors of the Bevek

| Name | Title | Mandate |
| --- | --- | --- |
| Patrick Dallemagne | Manager CBC Assurance SA, Professor Van Overstraetenplein 2, B-3000 Leuven | *Chairman* |
| Filip Abraham | / | *Independent Director* |
| Koen Inghelbrecht | / | *Independent Director* |
| Johan Tyteca | / | *Natural person to whom the executive management of the Bevek has been entrusted* |
| Peter Van Vught | Head of Dealing & Swap Desk KBC Asset Management NV, Havenlaan 2, 1080 Brussels | *Natural person to whom the executive management of the Bevek has been entrusted* |

# B. Service providers to the Bevek

## Management company

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

### *Delegation of the management of the investment portfolio*

Regarding the delegation of the management of the investment portfolio, please see the information concerning the sub-funds.

### *Date of incorporation of the management company*

30 December 1999

### *Life of the management company*

Unlimited

### *List of the Belgian public funds and Beveks for which the management company has been appointed*

Generation Plan, Horizon, IN.flanders Employment Fund, IN.focus, KBC Eco Fund, KBC Equity Fund, KBC Index Fund, KBC Institutional Fund, KBC Master Fund, KBC Multi Interest, KBC Multi Track, KBC Participation, KBC Select Immo, Optimum Fund, Perspective, Plato Institutional Index Fund, Pricos, Pricos Defensive, Pricos SRI, Sivek.

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

| Name | Title | Mandate |
|---|---|---|
| Axel Roussis | *Non-Executive Director* | |
| Katrien Mattelaer | *Non-Executive Director* | |
| Luc Vanderhaegen | *Non-Executive Director* | |
| Stefan Van Riet | *Non-Executive Director* | |
| Wouter Vanden Eynde | *Independent Director* | |
| Peter Andronov | *Chairman* | |
| Johan Lema | *President of the Executive Committee* | *Natural person to whom the executive management of the management company has been entrusted* |
| Chris Sterckx | *Executive Director* | *Natural person to whom the executive management of the management company has been entrusted* |
| Frank Van de Vel | *Executive Director* | *Natural person to whom the executive management of the management company has been entrusted* |
| Jürgen Verschaeve | *Executive Director* | *Natural person to whom the executive management of the management company has been entrusted* |
| Klaus Vandewalle | *Executive Director* | *Natural person to whom the executive management of the management company has been entrusted* |

The natural persons to whom the executive management of the management company has been entrusted may also be directors of various Beveks.

### *Identity of the statutory auditor of the management company or name of the certified firm of auditors and identity of the certified auditor representing it*

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

### *Subscribed capital of the management company stating the paid-up element*

The issued capital amounts to 35.754.192 euros.
The capital is fully paid up.

### *Remuneration policy*

The remuneration policy of the management company's staff is based on the KBC Remuneration Policy, the general rules laid down regarding the remuneration policy for all staff of KBC group entities and specific guidelines laid down for staff who could have a material impact on the company's risk profile ('Key Identified Staff'). The KBC Remuneration Policy is updated annually.

General rules
Each staff member's salary comprises two parts: a fixed component and a variable component. The fixed component is primarily determined by the staff member's position (such as the responsibility they bear and the complexity of their duties). The variable component is dependent on various factors such as the company's results, the results of the staff member's department and the staff member's individual targets. The remuneration policy is also affected by market practices, competitiveness, risk factors, the company's and its shareholders' long-term objectives and developments within the regulatory framework.

'Key Identified Staff'
Special rules apply to 'Key Identified Staff'. The variable salary component for this group of staff is allotted in a manner that promotes appropriate risk management and cannot give rise to the taking of extreme risks.
For the updated version of the following information (such as a description of the method for calculating the remuneration and the benefits, and the identity of the persons responsible for allocating the remuneration and the benefits, including the make-up of the remuneration committee, if such a remuneration committee has been established) please refer to the website *www.kbc.be/investment-legal-documents* (Remuneration Policy). This information is also available free of charge at the counters of the institutions providing the financial services.

## Financial service providers

The financial services providers in Belgium are:
KBC Bank NV, Havenlaan 2, B-1080 Brussels

### *Principal activities of the institutions providing the financial services*

The Bevek has concluded a contract with the financial services providers for making payments to shareholders, redemption or repayment of shares and distributing information concerning the Bevek.

## Distributor

IVESAM NV, Havenlaan 2, B-1080 Brussels

### *Principal activities of the distributor:*

The distributor is authorised to process the requests for subscription to and redemption of shares.

## 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 the management company or an investment company, 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 Bevekwithin the usual terms;
f) Ascertains that:
    i. The assets in custody correspond with the assets stated in the acounts 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 acounts 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 the Bevek 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 prospectus. 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*.
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* (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.

# Statutory auditor of the Bevek

Mazars Bedrijfsrevisoren BV, Manhattan Office Tower -Bolwerklaan 21 b8, 1210 Brussel, represented by
Dirk Stragier, company auditor and recognized auditor
and Nele Van Laethem, company auditor and recognized auditor

## *Principal activities of the statuary auditor*

The statutory auditor checks whether the financial statements of the Bevek are a true and fair presentation of the financial situation of the Bevek and whether the annual report is in line with the financial statements. To determine the right working methods, the statutory auditor takes account of the existing internal audit of the Bevek in terms of drafting the financial statements and ensuring that they are true and fair.

# Promoter

KBC.

## *Principal activities of the promoter:*

The promoter promotes the Bevek and its sub-funds in the market.

# Person(s) bearing the costs (in the situations referred to in articles 115, §3, para. 3, 149, 152, para. 2, 156, §1, para. 1, 157, §1, para. 3, 165, 179, para. 3 and 180, para. 3 of the Royal Decree of 12 November 2012 on the undertakings for collective investment complying with the conditions of Regulation 2009/65/EC)

KBC Asset Management NV and/or one or more companies that are members of the KBC Group and/or the person(s) referred to under "Financial service providers".

# C. Corporate information

## Capital

The capital of the Bevek is at all times equal to the net asset value. The capital may not be less than 1 200 000 euros.

## Balance sheet date

31 December.

## Rules for the valuation of the assets

See article 9 of the articles of association of the Bevek.

## Rules concerning the allocation of the net income

See article 17 of the articles of association of the Bevek.

## Annual general meeting of shareholders

The annual general meeting is held on the second-last banking day of the month of March at 9 am at the Office of the Bevek or at any other place in Belgium indicated in the convening notice.

## Voting rights of the shareholders

In accordance with the articles of association and the Code of Companies and associations, the shareholder has a vote at the General Meeting of shareholders in proportion to the size of their shares.

## Suspension of the redemption of shares

See article 9.4 of the articles of association of the Bevek.

## Liquidation of the Bevek or a sub-fund

See article 19 of the articles of association of the Bevek and the applicable provisions of the Royal Decree of 12 November 2012 on the undertakings for collective investment complying with the conditions of Regulation 2009/65/EC.

# D. Techniques for efficient portfolio management

## Securities Financing Transactions (SFTs)

**The following applies except in the case of the Emerging Markets Responsible Investing, EMU Small & Medium Caps Responsible Investing, Eurozone DBI-RDT, Fundamental Opportunities DBI-RDT, Minimum Variance Responsible Investing, World DBI-RDT, World DBI-RDT Responsible Investing sub-fund:**

### *General*

**Each sub-fund may lend financial instruments within the limits set by law and regulations.**
Lending financial instruments is a transaction where one a sub-fund transfers financial instruments to a counterparty in exchange for financial collateral and subject to an undertaking on the part of that counterparty to supply the sub-fund with comparable financial instruments at some future date or on the sub-fund's request. The counterparty pays a fee for this to the sub-fund.

This takes place within the framework of a securities lending system managed by either a 'principal' or an 'agent'. If it is managed by a principal, a sub-fund has a relationship only with the principal of the securities lending system which acts as counterparty and to whom title to the loaned securities is transferred. If it is managed by an agent, a sub-fund has a relationship with the agent (as manager of the system) and with one or more counterparties to whom title to the loaned securities is transferred. The agent acts as intermediary between a sub-fund and the counterparty or counterparties.

The sub-funds use the lending of financial instruments to generate additional income. This might consist of a fee paid by the principal or, in the event that the fund performs the securities lending through an agent, by the counterparty, as well as income generated through reinvestments.
**The sub-funds are not permitted to agree forms of SFTs other than lending financial instruments.**

### *General information on the SFTs used*

| **Type of SFT** | **Types of asset that the SFT can involve** | **Maximum percentage of the assets under management that can be involved in the SFT** | **Anticipated percentage of the assets under management that will be involved in the SFT** |
|---|---|---|---|
| Lending financial instruments | Only **shares** and **bonds** will be lent | When lending financial instruments a **maximum of 30% of the assets under management** will be involved. | **Depending on market conditions 0–30% of the assets under management** will be involved in the lending of financial instruments |

## *Criteria for the selection of counterparties*

Lending financial instruments only occurs with high-quality counterparties. The management company selects which counterparties qualify for the lending of financial instruments.

The selected counterparties must meet the following minimum requirements to this end:

| Legal status | Minimum rating | Country of origin |
|---|---|---|
| The counterparty must belong to one of the following categories:<br><br>a) A credit institution; or<br>b) An investment firm; or<br>c) A settlement or clearing institution; or<br>d) A central bank of a member state of the European Economic Area, the European Central Bank, the European Investment Bank or a public international financial institution in which one or more European Economic Area member states participate. | Only counterparties rated as investment grade may be considered.<br><br>An investment-grade rating means: a rating equal to or higher than BBB- or Baa3 according to one or more of the following accredited rating agencies:<br><br>- Moody's (Moody's Investors Service);<br>- S&P (Standard & Poor's, a division of the McGraw-Hill Companies); en<br>- Fitch (Fitch Ratings).<br><br>If the counterparty does not have a rating, the rating of the counterparty's parent company may be taken into consideration. | All geographical regions may be considered when selecting counterparties. |

**The relationship with the counterparty or counterparties is governed by standard international agreements.**

## *Description of acceptable financial collateral and its valuation*

When a sub-fund lends financial instruments, it receives financial collateral in return. This financial collateral protects the sub-fund fund from default on the part of the counterparty to which the financial instruments have been lent.

**Each sub-fund may accept the following forms of financial collateral:**

- **Cash**; and/or
- **Bonds and other debt instruments**, issued or guaranteed by the central bank of a member state of the European Economic Area, the European Central Bank, the European Union or the European Investment Bank, a member state of the European Economic Area or the Organisation for Economic Cooperation and Development, or by a public international institution in which one or more member states of the European Economic Area participate, other than the counterparty or a person associated with it, and which are permitted to trade on a regulated market; and/or
- **Participation rights in a monetary undertaking for collective investment** that complies with Directive 2009/65/EC or which meets the conditions of Article 52(1:6) of the Royal Decree of 12 November 2012 on certain public institutions for collective investment which meet the conditions of Directive 2009/65/EC, and the net asset value of which is calculated and published daily.

The valuation of the financial collateral occurs daily in accordance with the most applicable and accurate method: mark-to-market. A daily variation margin applies based on the daily valuation. Consequently, daily margin calls are possible.

There are no limits regarding the term of the financial collateral.

## *Reuse of financial collateral*

**If a sub-fund receives collateral in the form of cash, it can reinvest this cash in**

- **deposits with credit institutions** which can be withdrawn immediately and which mature within a period not exceeding twelve months, provided that the office of the credit institution is situated within a member state of the EEA, or if the office is established in a third country, provided that it is subject to prudential supervisory rules which the FSMA considers as being equivalent to the rules under European Law.
- **short term money market funds** as defined in Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds.
- **government bonds** that are denominated in the same currency as the cash received and that meet the terms and conditions set out in the Royal Decree of 7 March 2006 on securities lending by certain undertakings for collective investment.

**Reinvesting in this way can eliminate the credit risk to which a sub-fund is exposed concerning the collateral in respect of the financial institution where the cash account is held, but there is still a credit risk in respect of the issuer or issuers of the debt instrument(s). The management company may delegate implementation of the reinvestment policy to a third party, including the agent managing the securities lending system.**

Reinvestment in deposits at the same credit institution may not exceed 10% of the sub-fund's total assets. Reinvestment in bonds issued by the same public authority may not exceed 20% of the sub-fund's total assets.

### *Policy on the diversification of collateral and the correlation policy*

**A sub-fund is not permitted to accept financial collateral issued by the party offering them.**

A sub-fund's exposure to financial collateral issued by the same issuer may not exceed 20% of the sub-fund's net assets.

### *Holding of the financial collateral*

The financial collateral will be held in the following manner:

- for cash: held in a cash account; and
- for financial collateral that is not cash: registration in a custody account.

The custodian of the financial collateral and/or the entity to which certain tasks relating to the custody of the financial collateral has been delegated is not necessarily the same entity as the custodian of the Bevek's assets, as stated under 'B. Service providers to the Bevek'.

### *Influence of SFTs on a sub-fund's risk profile*

**This lending does not affect a sub-fund's risk profile** since:

- The choice of principal, agent and every counterparty is subject to strict selection criteria.
- The return of securities similar to the securities that have been lent can be requested at any time, which means that the lending of securities does not affect management of a sub-fund's assets.
- A margin management system is used to ensure that a sub-fund is at all times the beneficiary of financial security (collateral) in the form of cash or other or other specific types of securities with a low risk, such as government bonds, in case the principal or the counterparty (if a sub-fund uses an agent) does not return similar securities. The actual value of the collateral in the form of specific types of securities with a low risk must at all times exceed the actual value of the loaned securities by 5%. Furthermore, when calculating the value of the specific types of securities with a low risk provided as collateral, a margin of 3% is applied, which should prevent a negative change in price resulting in their actual value no longer exceeding the actual value of the securities. The value of the collateral in the form of cash must at all times exceed the actual value of the loaned securities.
- The criteria met by the collateral are such as to limit the credit risk. A rating of at least investment grade is required in the case of collateral in the form of bonds and other debt instruments. In the case of collateral in the form of participation rights in monetary undertakings for collective investment, the inherent diversification of these undertakings limits the credit risk. In the case of cash that is reinvested, a rating of at least investment grade is required when reinvesting in either deposits or government bonds. In the case of reinvestment in short-term money-market funds, the inherent diversification of these funds limits the credit risk.
- The criteria met by these types of collateral are such as to limit the liquidity risk. It must be possible to value the financial collateral on a daily basis by market price or to withdraw it on demand (on reinvestment of cash in deposits).
- In the case of reinvestment of cash, there are additional criteria to limit the market risk associated with the initial values in cash. When reinvesting bonds, only bonds with a remaining term to maturity of no more than one year may be considered. The shortness of this remaining term results in a low sensitivity to interest rate movements. In the case of reinvestment in short-term money-market funds, the low duration of these funds limits the market risk with respect to the initial value in cash.
- The custody of financial collateral consisting of securities occurs by placing the securities in custody accounts which, in the event of the custodian's bankruptcy, are held outside its insolvent estate. The custody of financial collateral consisting of cash occurs by holding it in cash accounts, whether or not segregated. The extent to which the custody of financial collateral consisting of cash occurs in non-segregated accounts has no influence, however, on the sub-fund's risk profile.
- Operational risks are limited by operational controls, in the shape of daily control of the market values of loaned securities and collateral and reconciliation of internal and external data.

### *Distribution policy for returns on the utilised SFTs*

**By lending securities, a sub-fund can generate additional income, which might consist of a fee** paid by the principal or the counterparty (if a sub-fund uses an agent) **as well as income generated through reinvestments**. **After deducting the direct and indirect charges – set at a flat rate of 35% of the fee received** and consisting of the charges for the clearing services provided by KBC Bank NV, the charges paid to the management company for setting up and monitoring the system for lending securities, the charges for margin management, the charges associated with cash and custody accounts and cash and securities transactions, the fee paid for any management of reinvestments and, if a sub-fund uses an agent, the fee paid to the agent. This income is paid to a sub-fund. It should be noted in this regard that KBC Bank NV is an entity affiliated with the management company.

**More information is provided on the terms and conditions governing securities lending in the annual or half-yearly report for the Bevek.**

## General strategy for hedging the exchange rate risk

**Except for the sub-fund Minimum Variance Responsible Investing applies:**
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.

# E. Social, ethical and environmental aspects

The investment policy takes into account certain social, ethical and environmental aspects against which issuers are being assessed. Investments may not be made in, amongst others:

- financial instruments issued by manufacturers of controversial weapon systems that are prohibited by international (and national) law or for which there is a broad consensus that they should be banned. These weapon systems include: cluster bombs and sub-munitions, chemical or biological weapons, anti-personnel mines (including Claymore mines), weapons containing depleted uranium;
- financial instruments issued by manufacturers of weapons containing white phosphorus and nuclear weapons;
- financial instruments issued by companies where there are serious indications that they are perpetrators of, accomplices or accessories to, or stand to benefit from the violation of globally recognised standards of Responsible Investing. The main criteria used cover human rights, employee rights, the environment and anticorruption.

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

A complete overview of the exclusion criteria can be found at www.kbc.be/investment-legal-documents > *General exclusion policies for conventional and Responsible Investing funds*. These exclusion criteria can be modified at any time by the management company.

For some sub-funds, additional criteria relating to Responsible Investing may apply. These are further specified in 'Information concerning the sub-fund – 2. Investment information – Selected strategy' and on www.kbc.be/investment-legal-documents > *Exclusion policies for Responsible Investment funds.*

For sub-funds that are passively managed and therefore replicate the composition of a financial index, the following applies:
Investments may not be made in financial instruments issued by manufacturers of controversial weapon systems that are prohibited by national law. These weapon systems include: cluster bombs and sub-munitions, anti-personnel mines (including Claymore mines), weapons containing depleted uranium (More information can be found at www.kbc.be/investment-legal-documents > *General exclusion policies for conventional and Responsible Investing funds*.

## Integration of sustainability risk into the investment policy:

In the investment policy, the management company shall take into account the sustainability risk as defined in prospectus under title "F. Information on the risk profile of the UCITS" as follows:

I. by defining an exclusion policy (the "Exclusion Criteria") applicable to all funds and Sicavs. (Further information can be found at www.kbc.be/investment-legal-documents > *General exclusion policies for conventional and Responsible Investing funds*); and
II. additional criteria relating to Responsible Investing may apply for certain sub-funds. If applicable these additional criteria are specified under title '2. Investment information - Selected Strategy' and on www.kbc.be/investment-legal-documents > *Exclusion policies for responsible investment funds*.

In its investment policy, the management company constantly assesses the underlying investments at issuer level, but also (if relevant) at the level of the asset allocation and the regional or sectoral allocation. In these regular assessments, the sustainability risk is considered as one of the various elements that can influence the return. The

Responsible Investing research team assigns an ESG risk rating to the majority of companies included in the best-known benchmarks and to a selection of small and medium-sized companies, based on input from an ESG data provider, where ESG stands for "Environmental, Social and Governance". The ESG risk ratings are shared internally with portfolio managers and strategists so that they can use them as a factor in the investment decision-making process. Responsible Investing funds additionally have a target to improve the weighted average ESG risk rating (of companies) of the fund versus its asset allocation. More information on our Responsible Investing methodology can be found in this policy document: *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

# F. Information on the risk profile of the UCITS

**Investors should take note of the general information below, the individual risks of a sub-fund which are listed under the "Information regarding the sub-fund - 3. Risk profile", as well as the "What are the risks and what could I get in return?" section in the key information document.**

The value of a share can decrease or increase and the investor may not get back the amount invested.

The UCITS risk profile is based on a recommendation by the Belgian Asset Managers Association, which is available at *www.beama.be*.

## List of risks

**The information below is a general overview of the potential risks that the investor could incur. The assessment of the risks in each sub-fund can be accessed under the 'Information regarding the sub-fund - 3. Risk profile'. There, a list of risks for the relevant sub-fund may be consulted, with an indication of the risk assessment, and a brief justification for the risk assessment.**

### *Market risk*

The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio. In an equity fund, for instance, this is the risk that the equity market in question will go down and, in a bond fund, the risk that the bond market in question will fall. The higher the volatility of the market in which the UCITS invests, the greater the risk. Such markets are subject to greater fluctuations in return.

### *Credit risk*

The risk that an issuer or a counterparty will default and fail to meet its obligations towards a sub-fund. This risk exists to the extent that a sub-fund invests in debt instruments. Debtor quality also affects the credit risk (e.g., an investment in a debtor with a rating, such as 'investment grade', will pose a lower credit risk than an investment in a debtor with a low rating, such as 'speculative grade'). Changes in the quality of the debtor can have an impact on the credit risk.

### *Settlement risk*

The risk that settlement via a payment system will not take place as expected because payment or delivery by a counterparty fails to take place or is not in accordance with the initial conditions. This risk exists to the extent that the UCITS invests in regions where the financial markets are not yet well developed. This risk is limited in regions where the financial markets are well developed.

### *Liquidity risk*

The risk that a position cannot be liquidated in a timely manner at a reasonable price. This means that the UCITS can only liquidate its assets at a less favourable price or after a certain period. The risk exists if the UCITS invests in instruments for which there is no market or a market with only limited liquidity; for example, in the case of unlisted investments and direct real estate investments. OTC derivatives may also lack liquidity.

### *Exchange or currency risk*

The risk that the value of an investment will be affected by changes in exchange rates. This risk exists only to the extent that the UCITS invests in assets that are denominated in a currency that develops differently from the reference currency of the sub-fund. For instance, a sub-fund denominated in USD will not be exposed to any exchange risk when investing in bonds or equities denominated in USD, but it will be exposed to an exchange risk when investing in bonds or equities denominated in EUR.

The assessment of the exchange risk does not take account of the volatility of all currencies in which the assets in portfolio are denominated vis-à-vis the reference currency of the UCITS.

### *Custody risk*

The risk of loss of assets held in custody as a result of insolvency, negligence or fraud on the part of the custodian or a sub-custodian.

### *Concentration risk*

The risk relating to a large concentration of investments in specific assets or in specific markets. This means that the performance of those assets or markets will have a substantial impact on the value of the UCITS portfolio. The greater the diversification of the UCITS portfolio, the smaller the concentration risk. This risk will, for example, also be higher in more specialised markets (e.g., a specific region, sector or theme) than in widely diversified markets (e.g., a worldwide allocation).

### *Performance risk*

The risk to return, including the fact that the risk may vary depending on the choices made by each undertaking for collective investment, as well as the existence or absence of, or restrictions upon, any third-party security. The risk depends in part on the market risk and on how active the management of the manager is.

### *Capital risk*

The risks to capital, including the potential risk of erosion due to the redemption of shares and the distribution of profit in excess of the investment return. This risk can be limited by loss-mitigation, capital-protection or capital-guarantee techniques.

### *Flexibility risk*

Inflexibility both within the product itself, including the risk of premature redemption, and constraints on switching to other providers. This risk can mean that the UCITS is unable to take the desired actions at certain times. It can be higher in the case of UCITS or investments subject to restrictive laws or regulations.

### *Inflation risk*

This risk is dependent on inflation. It applies, for example, to bonds with a long term to maturity and a fixed income.

### *Environmental factors*

Uncertainty concerning the changeability of environmental factors (such as the tax regime or amendments to laws or regulations) that could affect how the UCITS operates.

### *Sustainability risk*

Sustainability risk is the risk that the value of the investment will be adversely affected by environmental, social or governance events or conditions.

Environmental risk is the risk that the value of the investment will be adversely affected by environmental events or conditions, including those resulting from climate change and other environmental degradation.

Social risk is the risk that the value of the investment will be adversely affected by social events or conditions.

Governance risk is the risk that the value of the investment will be adversely affected by events or circumstances resulting from insufficient corporate governance.

The nature of these risks varies over time:

I. In the short term, sustainability risk is usually dependent on a particular event. Such risks usually only affect the value of the investment when the event occurs. Examples of these events are an incident (resulting in a lawsuit to compensate for e.g. environmental damage), lawsuits and fines (e.g. for not respecting social legislation), scandals (e.g. when a company gets bad publicity because human rights are not respected within the production chain or because the products do not meet the promised ESG standards, where ESG stands for "Environmental, Social and Governance"). These types of sustainability risks are rated higher when an issuer is less stringent on ESG standards; and

II. Long-term sustainability risk refers to risks that may develop over the long term, such as: business activities that may come under pressure due to climate change (e.g. parts of the automotive industry); changing product preferences of customers (e.g. preference for more sustainable products); difficulties in recruitment; rising costs (e.g. insurance companies facing claims as a result of changing weather conditions). As this risk develops over the long term, companies may seek to mitigate it, for example, by changing their product offerings, improving their supply chain, etc. However, the ability to adapt is not the same for all types of business activities, so some activities are more exposed to sustainability risk than others (e.g. the oil sector). This is why the sustainability risk also depends on the specific investment policy of a sub-fund.

Unless otherwise specified in the "Information concerning the sub-fund - 3. Risk profile – Environmental factors', the sustainability risk is 'low'.

## Summary risk indicator

In accordance with Commission Regulation (EU) No.1286/2014, the Commission Delegated Regulation 2017/653 (EC) of March 8, 2017 as amended by the Commission Delegated Regulation 2021/2268 (EC) of September 6, 2021, a summary risk indicator has been calculated per sub-fund, or where relevant per share class or type of shares. The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. 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 summary risk 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 'What are the risks and what could I get in return?' heading in the 'Key Information' document.

# G. Fees and charges regarding the Bevek

A detailed overview of the fees and charges of each sub-fund can be accessed in the "Information regarding the sub-fund - 5. Types of shares and fees and charges".

## Recurrent fees and charges

| **Recurrent fees and charges paid by the Bevek** | |
|---|---|
| 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. |

| **Recurrent fees and charges paid by the sub-fund** | |
|---|---|
| Fee paid to the statutory auditor of the Bevek | Fee of the statutory auditor:<br>4 875.00 EUR/year (excluding VAT BTW) and<br>864 EUR/year (excluding VAT) for non-structured sub-funds<br>1 598.00 EUR/year (excluding VAT) for structured sub-funds<br>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: Asia Pacific, Asia Pacific Responsible Investing, Belgium, Buyback America, Buyback Europe, CSOB Akciovy fond dividendovych firem, Emerging Markets, Emerging Markets Responsible Investing, EMU Small & Medium Caps, EMU Small & Medium Caps Responsible Investing, Europe, Eurozone, Eurozone DBI-RDT, Eurozone Responsible Investing, Family Enterprises, Flanders, Fundamental Opportunities, Fundamental Opportunities DBI-RDT, Global Value Responsible Investing, High Dividend, High Dividend Eurozone, High Dividend North America, Medical Technologies, Minimum Variance Responsible Investing, New Asia, New Shares, North America, North American Continent, North American Continent Responsible Investing, North America Responsible Investing, Quant Global 1, Rest of Europe, Rest of Europe Responsible Investing, Strategic Satellites, Trends, USA & Canada, USA & Canada Responsible Investing, US Small Caps, We Care Responsible Investing, We Digitize Responsible Investing, We Like Responsible Investing, We Live Responsible Investing, We Shape Responsible Investing, World, World DBI-RDT, World DBI-RDT Responsible Investing, World Responsible Investing.

## Ongoing charges

The key information document sets out the ongoing charges, which consist of management fees and other administrative or operating costs on the one hand and transaction costs on the other hand, as calculated in accordance with the provisions of the Commission Delegated Regulation 2017/653 (EC) of March 8, 2017 as amended by the Commission Delegated Regulation 2021/2268 (EC) of September 6, 2021.

The ongoing charges are the charges taken from the UCITS over a financial year. They are shown per sub-fund, or where relevant per share class or type of shares, in a figure for management fees and other administrative or operating costs and a figure for transaction costs. The figure for management fees and other administrative or operating costs represents all annual expenses and other payments from a sub-fund's assets over the given period that is based on the previous year's figures. The transaction cost figure is an estimate of both annual explicit and implicit transaction costs and is based on the transactions of the previous 36 months. For sub-funds, share classes or types of shares that have been in existence for less than 36 months, the Commission Delegated Regulation 2017/653 (EC)vof March 8, 2017 as amended by the Commission Delegated Regulation 2021/2268 (EC) of September 6, 2021 establishes a modified estimation method. These figures are expressed as a percentage of the average net assets per sub-fund or, where relevant, of the share class or type of shares.

The following are not included in the charges shown: entry and exit charges paid by the investor, incidental costs such as performance fees and payments made with a view to providing collateral in the context of derivative financial instruments.

## Portfolio turnover rate

An important indicator for estimating the transaction costs to be paid by a sub-fund is the portfolio turnover rate. This rate shows the frequency with which the composition of the assets changes during a year as a result of transactions not dependent on the subscription for or redemption of shares. Active asset management may result in high turnover rates. The portfolio turnover rate for the preceding year is given in the annual report.

## Existence of Commission Sharing Agreements

**For the following sub-funds exist Commission Sharing Agreements: Asia Pacific, Asia Pacific Responsible Investing, Belgium, Buyback America, Buyback Europe, CSOB Akciovy fond dividendovych firem, Emerging Markets, Emerging Markets Responsible Investing, EMU Small & Medium Caps, EMU Small & Medium Caps Responsible Investing, Europe, Eurozone, Eurozone DBI-RDT, Eurozone Responsible Investing, Family Enterprises, Flanders, Fundamental Opportunities, Fundamental Opportunities DBI-RDT, Global Value Responsible Investing, High Dividend, High Dividend Eurozone, High Dividend North America, Medical Technologies, Minimum Variance Responsible Investing, New Asia, New Shares, North America, North American Continent, North American Continent Responsible Investing, North America Responsible Investing, Quant Global 1, Rest of Europe, Rest of Europe Responsible Investing, Strategic Satellites, Trends, USA & Canada, USA & Canada Responsible Investing, We Care Responsible Investing, We Digitize Responsible Investing, We Like Responsible Investing, We Live Responsible Investing, We Shape Responsible Investing, World, World DBI-RDT, World DBI-RDT Responsible Investing, World Responsible Investing**

**For the following sub-funds don't exist Commission Sharing Agreements: US Small Caps**

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.

More information on Commission Sharing Agreements is available in the annual report.

## Existence of fee sharing agreements and rebates

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

In principle, the percentage share amounts to between 35% and 70%. However, in a small number of cases, the distributor's fee is less than 35%. Investors may, on request, obtain more information on these cases.

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.

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.

# H. Tax treatment

## Of the Bevek

### *Annual tax on undertakings for collective investment*

The following tax is due payable by the Bevek :

| | | |
|---|---|---|
| Annual tax on undertakings for collective investment | 0.0925% (0.01% for institutional share classes) | of the net amounts outstanding in Belgium on 31 December of the preceding year. The amounts already included in the tax base of the underlying undertakings for collective investment are not included in the tax base. |

Furthermore tax withheld at the source on foreign income is recovered by the Bevek (in accordance with double taxation conventions).

## Of the investor

The following tax-related information is of a general character and is not intended to cover all aspects of an investment in a UCITS. In certain cases entirely different rules might even apply. Moreover, both tax law and the interpretation of it can change. Investors who wish to have more information about the tax implications – in both Belgium and abroad – of acquiring, holding and transferring shares should seek the advice of their usual financial and tax advisers.

### Withholding tax

This tax is charged at 30% as of 1.1.2017.

For investors subject to personal income tax or tax on legal entities

Tax on dividends (distribution shares)
For investors subject to personal income tax or to tax on legal entities and who have received this income through the normal management of their assets, the withholding tax is automatically the final tax on this income.

Tax on debt claim returns (Article 19bis of the 1992 Income Tax Code)
If the percentage of debt claims is more than 25% (for shares acquired as of 1 Januart 2018, this percentage is lowered to 10%), both the capitalisation and distribution shares of the UCITS will, on redemption or in the event of the full or partial distribution of the equity capital or in the event of transfer for a consideration, fall within the scope of Article 19bis of the 1992 Income Tax Code. On the basis of that article, tax will be levied on the debt claim returns included in the redemption, transfer or repayment price according to the period in which the investor held the shares.

Article 19bis of the 1992 Income Tax Code applies only to shareholders who are subject to Belgian personal income tax and to common mutual funds.

For investors subject to corporation tax

The withholding tax is not the final tax on this income. The income (dividends and capital gains) will be subject to Belgian corporation tax.

### Stock market tax

For non-institutional share classes*:

| | Subscription | Redemption | Switching between sub-funds |
|---|---|---|---|
| Stock market tax | - | CAP (capitalisation shares):<br>At maturity and on the Early Exercise Date (if applicable):<br>0%<br>Else: 1.32% (max. 4 000 euros)<br><br>DIS (distribution shares): 0% | CAP -> CAP/DIS : 1.32%<br>(max. 4 000 EUR)<br><br>DIS-> CAP/DIS : 0% |

* No stock market tax is applicable to institutional share classes.

### Obligatory automatic exchange of information for tax purposes

Under Belgian law, the Bevek is obliged to collect certain information on its investors and to automatically disclose information to the Belgian tax authorities regarding investors with tax obligations in the US or with place of residence for tax purposes outside Belgium. The Belgian tax authorities may only use the information received from the Bevek to pass them on to foreign competent authorities for tax purposes. The disclosed information will, in addition to the details identifying investors, such as their names, addresses and places and dates of birth, include financial details of the investment in the Bevek over a certain reference period.

# I. Additional information

### Information sources

The prospectus, the key information document, the articles of association, the annual and half-yearly reports and, where relevant, full information on the other sub-funds may be obtained free of charge from the financial services providers before or after subscription to the shares.
The ongoing charges and the portfolio turnover rate for preceding periods can be obtained from the office of the Bevek at Havenlaan 2, B-1080 Brussels, Belgium.
The following documents and information are available at *www.kbc.be/kid:*
key information document, the prospectus, the most recently published annual and half-yearly reports.

The past performance of each sub-fund is provided in the annual report.

The Board of Directors of the Bevek is responsible for the content of the prospectus and the key information document. To the best of the Board of Directors of the Bevek's knowledge, the information contained in the prospectus and the key information document is true and correct and nothing has been omitted that would alter the import of either the prospectus or the key information document.

In accordance with article 10.3 of the articles of association, and subject to legal requirements, the Board of Directors is empowered to set the investment policy for each sub-fund. The Board of Directors may change the investment policy set out in the prospectus and in the key information document.

### Publication of the net asset value

The net asset value is available from the branches of the institutions providing the financial services. Following calculation, it is published on the website of Beama (www.beama.be) and/or on the KBC Asset Management NV website (www.kbc.be/investing) and/or on the websites of the institutions providing the financial services.

### Contact point where additional information may be obtained if needed

Product and Knowledge Management Department- APC
KBC Asset Management NV
Havenlaan 2
1080 Brussels
Belgium
Tel. KBC Live 078 152 153 (N) – 078 152 154 (F) - 078 353 137 (E) - 078 353 138 (D)

# J. Prohibition of offer or sale

**This UCITS and the sub-funds of the UCITS may not be publicly offered or sold in countries where they have not been registered with the local authorities.**

The UCITS and the sub-funds of the UCITS are not registered nor will they be registered based on the United States Securities Act of 1933, as amended from time to time. It is forbidden to offer, sell, transfer or deliver shares, directly or indirectly, in the United States of America or one of its territories or possessions or any area that is subject to its jurisdiction or to a US person, as defined in the aforementioned Securities Act. The UCITS and the sub-funds of the UCITS are not registered based on the United States Investment Company Act of 1940, as amended from time to time.

# K. Competent authority

Financial Services and Markets Authority (FSMA)
Congresstraat 12-14
1000 Brussels
The prospectus will be published after approval by the FSMA. This approval does not involve any assessment of the opportuneness or quality of the offer or of the circumstances of the individual making it.
The official text of the articles of association has been filed with the registry of the Corporate Court.

# L. Use of Benchmarks

### Benchmarks

The information on certain sub-funds of the Bevek included in this prospectus may refer to the use of benchmarks. In keeping with the individual sub-fund's investment policy, a benchmark is understood to be an index or a combination of different indices that serves as a reference point for measuring the performance and composition of the sub-fund's portfolio.

Unless expressly stated otherwise in the investment policy, the sub-fund referring to a benchmark is actively managed, does not passively track the composition of the benchmark index and may invest in securities not included in that index. More information on how the benchmark is used for managing sub-funds can be found in the information relating to the Bevek's sub-funds included in this prospectus.

Investors should be aware that the performance of the sub-fund may differ from the performance of the benchmark. This difference is measured by means of a tracking error, which indicates the extent of volatility between those performances. The long-term expected tracking error is given in the table below. Investors should be aware that market conditions may cause the actual tracking error to differ from the long-term expected tracking error.

### Inclusion in the European Securities and Markets Authority's register

Pursuant to Regulation (EU) 2016/1011 of the European Parliament and of the Council (the 'Benchmark Regulation'), the Bevek is required to disclose information on the inclusion of the benchmarks' administrator in the register of approved administrators and benchmarks as established by the European Markets and Securities Authority (the 'ESMA Register').

The Bevek will monitor the inclusion in the ESMA Register of entities acting as administrator(s) of benchmarks used by sub-funds of the Bevek, and this by no later than the date on which the obligation for inclusion in this register takes effect for these entities. The Bevek will then amend the prospectus accordingly.

At present, reference is made to the following benchmarks:

| Sub-fund | Expected tracking error | Benchmark | Administrator | Included in ESMA-Register |
|---|---|---|---|---|
| Asia Pacific | 3,00% | MSCI Pacific-Net Return index | MSCI | No |
| Asia Pacific Responsible Investing | 4,50% | MSCI Pacific-Net Return index | MSCI | No |
| Buyback America | 2,50% | MSCI USA - Net Return Index | MSCI | No |
| Buyback Europe | 2,50% | MSCI Europe Net Return index | MSCI | No |
| CSOB Akciovy fond dividendovych firem | 4,00% | MSCI World-Net Return index | MSCI | No |
| Emerging Markets | 4,00% | MSCI Emerging Markets-Net Return index | MSCI | No |
| Emerging Markets Responsible Investing | 4,50% | MSCI Emerging Markets-Net Return index | MSCI | No |
| EMU Small & Medium Caps | 4,00% | MSCI EMU SMALL CAP - Net Return Index | MSCI | No |
| EMU Small & Medium Caps Responsible Investing | 4,50% | MSCI EMU SMALL CAP - Net Return Index | MSCI | No |
| Europe | 3,00% | MSCI Europe Net Return index | MSCI | No |
| Eurozone | 3,00% | MSCI EMU-Net Return index | MSCI | No |
| Eurozone DBI-RDT | 3,00% | MSCI EMU-Net Return index | MSCI | No |
| Eurozone Responsible Investing | 3,50% | MSCI EMU-Net Return index | MSCI | No |
| High Dividend | 3,50% | MSCI World-Net Return index | MSCI | No |
| High Dividend Eurozone | 3,50% | MSCI EMU-Net Return index | MSCI | No |
| High Dividend North America | 3,50% | MSCI North America-Net Return index | MSCI | No |
| Medical Technologies | 3,00% | MSCI AC World Health Care Equipment and Services - Net Return Index | MSCI | No |
| New Asia | 4,00% | MSCI Emerging Markets Asia - Net Return Index | MSCI | No |
| North America | 3,00% | MSCI North America-Net Return index | MSCI | No |
| North America Responsible Investing | 3,50% | MSCI North America-Net Return index | MSCI | No |
| North American Continent | 3,00% | MSCI North America-Net Return index | MSCI | No |

| | | | | |
|---|---|---|---|---|
| North American Continent Responsible Investing | 3,00% | MSCI North America-Net Return index | MSCI | No |
| Quant Global 1 | 3,00% | MSCI World-Net Return index | MSCI | No |
| Rest of Europe | 3,00% | MSCI Europe Ex EMU - Net Return Index | MSCI | No |
| Rest of Europe Responsible Investing | 3,50% | MSCI Europe Ex EMU - Net Return Index | MSCI | No |
| Strategic Satellites | 7,50% | MSCI All Countries World - Net Return Index | MSCI | No |
| US Small Caps | Between 0% and 1,00% | S&P SMALLCAP 600 - Net Return Index | S&P | No |
| USA & Canada | 3,00% | MSCI North America-Net Return index | MSCI | No |
| USA & Canada Responsible Investing | 3,50% | MSCI North America-Net Return index | MSCI | No |
| We Care Responsible Investing | 4,00% | MSCI All Countries World - Net Return Index | MSCI | No |
| We Digitize Responsible Investing | 4,00% | MSCI All Countries World - Net Return Index | MSCI | No |
| We Like Responsible Investing | 4,00% | MSCI All Countries World - Net Return Index | MSCI | No |
| We Live Responsible Investing | 4,00% | MSCI All Countries World - Net Return Index | MSCI | No |
| We Shape Responsible Investing | 4,00% | MSCI All Countries World - Net Return Index | MSCI | No |
| World | 2,50% | MSCI All Countries World - Net Return Index | MSCI | No |
| World DBI-RDT | 3,00% | MSCI World-Net Return index | MSCI | No |
| World DBI-RDT Responsible Investing | 3,00% | MSCI World-Net Return index | MSCI | No |
| World Responsible Investing | 3,50% | MSCI All Countries World - Net Return Index | MSCI | No |

## *Contingency plan*

The Management Company of the Bevek has drafted a contingency plan on the actions to be taken in case a benchmark used by one or more of the UCI's sub-funds materially changes or ceases to be provided.

Examples of situations in which a benchmark materially changes are, but not limited to:

- The benchmark or its administrator is delisted from ESMA's register;
- The geographical, economical or sectorial scope of the benchmark significantly changes; and
- A new benchmark becomes available which is regarded as the market standard for investors in the particular market and/or would be regarded as of greater benefit to the fund's investors.

Examples of situations where a benchmark ceases to be provided are, but not limited to:

- The benchmark ceases to exist;
- The benchmark administrator withdraws the license to use the benchmark; and
- A new benchmark supersedes the existing benchmark.

In case a benchmark used by one or more sub-funds of the UCITS, materially changes or ceases to be provided, a suitable replacing benchmark will be sought after.

Consideration which will be taken into account in the course of selecting a replacement benchmark are, but not limited to:

- The geographical, economical or sectorial scope of the new benchmark is in line with the existing benchmark;;
- Preference will be given to benchmarks that are regarded as the market standard for investors in the particular market; and
- Preference will be given to administrators with an existing license with KBC AM, should this result in lower costs.

If no replacement benchmark can be found, an alternative solution can be used such as amending the sub-fund's investment policy or proposing the fund's liquidation.

The principles stated above and in the contingency plan are without prejudice to the provisions stipulated in the Information concerning the sub-funds.

# Information concerning the sub-fund Asia Pacific

## 1. Basic details

### Name

Asia Pacific

### Date of incorporation

21 March 1991

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

The assets are ,directly or indirectly, mainly invested in shares of companies from Japan and developed countries in the Asia Pacific region.

The fund is actively managed with reference to the following benchmark: MSCI Pacific-Net Return index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 3.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors (‘PAI’) as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’)

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | low | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | high | there is a concentration of investments in the shares of companies from Japan and developed countries of the Asia Pacific Region |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2]<br>at 6 am CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2]<br>at 6 am CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2]<br>at 6 am CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Asia Pacific - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | JPY | BE0126163634 | 17 April 1991<br><br>Settlement for value: 19 April 1991 | 18 April 1991 | 75 000 JPY |
| DIS (Distribution shares) | JPY | BE0152250578 | 17 April 1991<br><br>Settlement for value: 19 April 1991 | 18 April 1991 | 75 000 JPY |

### *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

### *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Asia Pacific - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 375000 JPY (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | JPY | BE6228564975 | 24 November 2011<br><br>Settlement for value: 29 November 2011 | 25 November 2011 | 26 483 JPY |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## One-off fees and charges charged to the investor ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Asia Pacific Responsible Investing

## 1. Basic details

### Name

Asia Pacific Responsible Investing

### Date of incorporation

2 November 2018

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

The assets are mainly invested in shares of companies from Japan and developed countries in the Asia-Pacific region.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 2 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the "**Responsible Investing Advisory Board**") comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'). More information on how the sub-fund promotes environmental and social characteristics can be found in the 'Annex for KBC Equity Fund Asia Pacific Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG scor**e, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI Pacific-Net Return index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes $CO_2$ equivalent), divided by revenues (in mln USD).

A trajectory of -50% by 2030 versus the MSCI Pacific-Net Return index in 2019 is followed.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased

when it should not have been eligible for the sub-fund;

- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI Pacific-Net Return index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 4.50%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund Asia Pacific Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | For the share class Classic Shares : moderate | since there are investments in securities that are denominated in currencies other than the Japanese Yen, there is a real chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Institutional B Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of investments in the shares of companies from Japan and the Asia Pacific Region. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2]<br>at 6 am CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2]<br>at 6 am CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2]<br>at 6 am CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Asia Pacific Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | JPY | BE6307772564 | 2 November 2018 through 5 November 2018 before 6 am CET<br><br>Settlement for value: 8 November 2018 | 6 November 2018 | 125 000 JPY |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## One-off fees and charges charged to the investor ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Asia Pacific Responsible Investing - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6307773570 | 2 November 2018 through 5 November 2018 before 6 am CET<br><br>Settlement for value: 8 November 2018 | 6 November 2018 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Belgium

## 1. Basic details

### Name

Belgium

### Date of incorporation

26 February 1999

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

At least 75% of the assets are invested in shares of Belgian companies.

The fund is actively managed without referring to any benchmark.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

### *Volatility of the net asset value*

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

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | high | there is a concentration of the investments in shares of Belgian companies. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.

[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Belgium

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0129009966 | 1 October 1991<br><br>Settlement for value: 3 October 1991 | 2 October 1991 | 5 000 BEF |
| DIS (Distribution shares) | EUR | BE0129141348 | 1 October 1991<br><br>Settlement for value: 3 October 1991 | 2 October 1991 | 5 000 BEF |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Buyback America

## 1. Basic details

### Name

Buyback America

### Date of incorporation

27 May 1998

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

At least 75% of the assets are invested in the shares of US companies that pursue a policy of buying back their own shares. More particularly, companies are selected whose share buyback policy can be considered to be an important indicator for achieving a capital gain on the investment in the short or medium term.

The fund is actively managed with reference to the following benchmark: MSCI USA - Net Return Index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 2.50%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors (‘PAI’) as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’)

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | moderate | since there will be invested in a theme which may include companies with a lower market capitalisation, there is a risk that a position cannot be sold quickly at a reasonable price. |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of US companies that pursue a policy of buying back their own shares. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2]<br>at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Buyback America - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE0168099951 | 2 June 1998 through 26 June 1998<br><br>Settlement for value: 3 July 1998 | 29 June 1998 | 500 USD |
| DIS (Distribution shares) | USD | BE0168098946 | 2 June 1998 through 26 June 1998<br><br>Settlement for value: 3 July 1998 | 29 June 1998 | 500 USD |

### *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

### *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Buyback America - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 USD (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE6228536692 | 24 November 2011 through 25 November 2011<br><br>Settlement for value: 30 November 2011 | 28 November 2011 | 827,56 USD |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek’ |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment’ | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Buyback Europe

# 1. Basic details

## Name

Buyback Europe

## Date of incorporation

25 May 2000

## Life

Unlimited

## Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

## Stock exchange listing

Not applicable.

# 2. Investment information

## Sub-fund's object

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.**

### *Selected strategy*

A least 75% of the assets are invested in shares of European companies with a policy of share buy-backs. More specifically, this involves companies whose buy-back policy may be considered as an indicator of a capital gain on the investment in the short or medium term.

The fund is actively managed with reference to the following benchmark: MSCI Europe-Net Return index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 2.50%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | moderate | since there will be invested in a theme which may include companies with a lower market capitalisation, there is a risk that a position cannot be sold quickly at a reasonable price. |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.

[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Buyback Europe - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0174407016 | 5 June 2000 through 30 June 2000<br><br>Settlement for value: 7 July 2000 | 3 July 2000 | 500 EUR |
| DIS (Distribution shares) | EUR | BE0174406976 | 5 June 2000 through 30 June 2000<br><br>Settlement for value: 7 July 2000 | 3 July 2000 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Buyback Europe - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6228537708 | 24 November 2011<br><br>Settlement for value:<br>29 November 2011 | 25 November 2011 | 459,08 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund CSOB Akciovy fond dividendovych firem

## 1. Basic details

### Name

CSOB Akciovy fond dividendovych firem

### Date of incorporation

12 July 2012

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

KBC Equity Fund CSOB Akciovy Fond Dividendovych Firem aims to generate a return by investing at least 75% of its assets in shares with a high dividend yield. All regions, sectors and themes may be taken into consideration. The rest of the assets will be invested in bonds, debt instruments, money market instruments and deposits.

The fund is actively managed with reference to the following benchmark: MSCI World-Net Return index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 4.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | low | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | low | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[(1)]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [(2)]<br>at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [(2)]<br>at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [(2)]<br>at 2 pm CET) | **D+3 banking days** |

[(1)] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[(2)] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# CSOB Akciovy fond dividendovych firem

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | CZK | BE6239644220 | 23 July 2012 through 28 September 2012<br><br>Settlement for value: 5 October 2012 | 1 October 2012 | 1 000 CZK |
| DIS (Distribution shares) | CZK | BE6239645235 | 23 July 2012 through 28 September 2012<br><br>Settlement for value: 5 October 2012 | 1 October 2012 | 1 000 CZK |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Emerging Markets

## 1. Basic details

### Name

Emerging Markets

### Date of incorporation

21 March 1991

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

At least 75% of the assets are invested in shares of companies in countries where conditions are such as to allow an accelerated economic growth in the short or medium term. More particularly, this involves countries in Asia, Latin America, Central Europe and Eastern Europe.

The fund is actively managed with reference to the following benchmark: MSCI Emerging Markets-Net Return index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 4.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors (‘PAI’) as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’)

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | moderate | since there will be invested in the shares of companies from emerging economies, there is a risk that a position cannot be sold quickly at a reasonable price. |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | For the share class Classic Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Institutional B Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Classic Shares CSOB CZK : high | since there are investments in securities that are denominated in currencies other than the Czech Koruna, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in shares of companies from Asian, Latin-American and Central and Eastern European countries. |

| | | | |
|---|---|---|---|
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 6 am CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 6 am CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 6 am CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Emerging Markets - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0126164640 | 17 April 1991<br><br>Settlement for value: 23 April 1991 | 18 April 1991 | 20 000 BEF |
| DIS (Distribution shares) | EUR | BE0152251584 | 17 April 1991<br><br>Settlement for value: 23 April 1991 | 18 April 1991 | 20 000 BEF |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | After the initial subscription period: 0.000% | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Emerging Markets - Classic Shares CSOB CZK

**This share class is reserved for negotiation within the financial institution stated in the name of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | CZK | BE6294031891 | 7 April 2017<br>before 6 am CET<br><br>Settlement for value:<br>12 April 2017 | 10 April 2017 | 1 000 CZK |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Emerging Markets - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 10000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6228663025 | 24 November 2011<br><br>Settlement for value:<br>29 November 2011 | 25 November 2011 | 1 254,36 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Emerging Markets Responsible Investing

## 1. Basic details

### Name

Emerging Markets Responsible Investing

### Date of incorporation

29 November 2013

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

At least 90% of the assets will be invested, directly or indirectly, in shares of emerging market companies.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 2 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the "**Responsible Investing Advisory Board**") comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'). More information on how the sub-fund promotes environmental and social characteristics can be found in the 'Annex for KBC Equity Fund Emerging Markets Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG scor**e, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI Emerging Markets-Net Return index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent), divided by revenues (in mln USD).

A trajectory of -50% by 2030 versus the MSCI Emerging Markets-Net Return index in 2019 is followed.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased

when it should not have been eligible for the sub-fund;

- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI Emerging Markets-Net Return index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 4.50%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund Emerging Markets Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | moderate | since there will be invested in the shares of companies from emerging economies, there is a risk that a position cannot be sold quickly at a reasonable price. |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of investments in the shares of emerging market companies. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at [www.kbc.be/riskprofile](www.kbc.be/riskprofile).

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2] at 6 am CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 6 am CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 6 am CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Emerging Markets Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6260699283 | 2 December 2013 through 17 December 2013 before 6 am CET<br><br>Settlement for value: 20 December 2013 | 18 December 2013 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6260700297 | 2 December 2013 through 17 December 2013 before 6 am CET<br><br>Settlement for value: 20 December 2013 | 18 December 2013 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.70% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Emerging Markets Responsible Investing - Corporate Shares

**There is a minimum subscription value of 25000 EUR (both during as well as after the initial subscription period).**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6260701303 | 2 December 2013 through 17 December 2013 before 6 am CET<br><br>Settlement for value: 20 December 2013 | 18 December 2013 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.50% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Emerging Markets Responsible Investing - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6294967557 | 22 May 2017 through 23 May 2017 before 6 am CET<br><br>Settlement for value: 30 May 2017 | 24 May 2017 | 1 337,26 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.70% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) | 0.01% | of the net assets of the sub-fund per year. |

# Emerging Markets Responsible Investing - Institutional Shares

**This share class is reserved for institutional investors, as defined in Article 5 § 3 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, and requires a minimum subscription of 10000 EUR (both during as well as after the initial subscription period). The investor must have the status of institutional investor at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6260702319 | 2 December 2013 through 17 December 2013 before 6 am CET<br><br>Settlement for value: 20 December 2013 | 18 December 2013 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.50% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund EMU Small & Medium Caps

## 1. Basic details

### Name

EMU Small & Medium Caps

### Date of incorporation

27 September 2013

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

The assets are invested primarily in shares of companies in the euro area which have a small to medium market capitalisation.

The fund is actively managed with reference to the following benchmark: MSCI EMU SMALL CAP - Net Return Index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 4.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors (‘PAI’) as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’)

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | moderate | there can be invested in instruments with a lower liquidity, namely: shares with a smaller market capitalisation. |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of companies in the euro area with a small or medium market capitalisation. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium(1)<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day (2) at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day (2) at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day (2) at 2 pm CET) | **D+3 banking days** |

(1) The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
(2) with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# EMU Small & Medium Caps - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6257807469 | 30 September 2013 through 28 October 2013 before 2 pm CET<br><br>Settlement for value: 31 October 2013 | 29 October 2013 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6257808475 | 30 September 2013 through 28 October 2013 before 2 pm CET<br><br>Settlement for value: 31 October 2013 | 29 October 2013 | 1 000 EUR |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## One-off fees and charges charged to the investor ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# EMU Small & Medium Caps - Corporate Wealth Office shares

**There is a minimum subscription value of 500000 EUR (both during as well as after the initial subscription period).**
**This share class is reserved for investors who are clients of KBC Bank's Wealth Office segment (criteria: *www.kbc.be/wealth*) or CBC Banque's Wealth Centre segment (criteria: *www.cbc.be/centre-wealth*) and who have concluded a General Service Agreement with KBC Bank or CBC Banque.**
**The investors have to meet these criteria at the time they register to buy shares in this share class.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6306633817 | 3 September 2018 through 1 October 2018 before 2 pm CET<br><br>Settlement for value: 4 October 2018 | 2 October 2018 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6306634823 | 3 September 2018 through 1 October 2018 before 2 pm CET<br><br>Settlement for value: 4 October 2018 | 2 October 2018 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 1.00%<br><br>After the initial subscription period: 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.05% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# EMU Small & Medium Caps - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6257809481 | 30 September 2013 through 28 October 2013 before 2 pm CET<br><br>Settlement for value: 31 October 2013 | 29 October 2013 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund EMU Small & Medium Caps Responsible Investing

## 1. Basic details

### Name

EMU Small & Medium Caps Responsible Investing

### Date of incorporation

8 April 2019

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

The assets are invested primarily in shares of companies in the euro area which have a small to medium market capitalisation.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 2 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the “**Responsible Investing Advisory Board**”) comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Equity Fund EMU Small & Medium Caps Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund’s investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI EMU SMALL CAP - Net Return Index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent), divided by revenues (in mln USD).

A trajectory of -50% by 2030 versus the MSCI EMU SMALL CAP - Net Return Index in 2019 is followed.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;

- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI EMU SMALL CAP - Net Return Index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 4.50%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund EMU Small & Medium Caps Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | moderate | there can be invested in instruments with a lower liquidity, namely: shares with a smaller market capitalisation. |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of companies in the euro area with a small or medium market capitalisation. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2]<br>at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# EMU Small & Medium Caps Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6311809196 | 8 April 2019 through 12 April 2019 before 2 pm CET<br><br>Settlement for value: 17 April 2019 | 15 April 2019 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6311811218 | 8 April 2019 through 12 April 2019 before 2 pm CET<br><br>Settlement for value: 17 April 2019 | 15 April 2019 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# EMU Small & Medium Caps Responsible Investing - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6313626903 | 16 May 2019 through 17 May 2019 before 2 pm CET<br><br>Settlement for value: 22 May 2019 | 20 May 2019 | 981,34 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# EMU Small & Medium Caps Responsible Investing - Institutional Shares

**This share class is reserved for institutional investors, as defined in Article 5 § 3 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, and requires a minimum subscription of 10000 EUR (both during as well as after the initial subscription period). The investor must have the status of institutional investor at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6311812224 | 8 April 2019<br>through<br>12 April 2019<br>before 2 pm CET<br><br>Settlement for value:<br>17 April 2019 | 15 April 2019 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6311815250 | 8 April 2019<br>through<br>12 April 2019<br>before 2 pm CET<br><br>Settlement for value:<br>17 April 2019 | 15 April 2019 | 1 000 EUR |

### Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

### One-off fees and charges charged to the investor ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.50% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Europe

## 1. Basic details

### Name

Europe

### Date of incorporation

21 March 1991

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

At least 75% of the assets are invested in shares of European companies.

The fund is actively managed with reference to the following benchmark: MSCI Europe-Net Return index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 3.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund’s risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | For the share class Classic Shares : moderate | since there are investments in securities that are denominated in currencies other than the Euro, there is a real chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Institutional B Shares : moderate | since there are investments in securities that are denominated in currencies other than the Euro, there is a real chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Classic Shares CSOB CZK : high | since there are investments in securities that are denominated in currencies other than the Czech Koruna, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |

| | | | |
|---|---|---|---|
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in  the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Europe - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0126161612 | 17 April 1991<br><br>Settlement for value: 19 April 1991 | 18 April 1991 | 20 000 BEF |
| DIS (Distribution shares) | EUR | BE0152247541 | 17 April 1991<br><br>Settlement for value: 19 April 1991 | 18 April 1991 | 20 000 BEF |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Europe - Classic Shares CSOB CZK

**This share class is reserved for negotiation within the financial institution stated in the name of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | CZK | BE6264650027 | 1 April 2014 through 2 June 2014<br><br>Settlement for value: 5 June 2014 | 3 June 2014 | 1 000 CZK |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Europe - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6258422797 | 16 October 2013 through 17 October 2013<br><br>Settlement for value: 22 October 2013 | 18 October 2013 | 1 361,55 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Eurozone

## 1. Basic details

### Name

Eurozone

### Date of incorporation

22 December 2000

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

At least 75% of the assets are invested in shares of euro-area companies.

The fund is actively managed with reference to the following benchmark: MSCI EMU-Net Return index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 3.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund’s risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Eurozone - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0175979211 | 2 January 2001 through 2 February 2001<br><br>Settlement for value: 9 February 2001 | 5 February 2001 | 500 EUR |
| DIS (Distribution shares) | EUR | BE0175978205 | 2 January 2001 through 2 February 2001<br><br>Settlement for value: 9 February 2001 | 5 February 2001 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Eurozone - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6228543763 | 24 November 2011<br><br>Settlement for value: 29 November 2011 | 25 November 2011 | 264,23 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Eurozone DBI-RDT

## 1. Basic details

### Name

Eurozone DBI-RDT

### Date of incorporation

7 December 2017

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

The main object of this sub-fund is to generate the highest possible return for its shareholders by investing directly in transferable securities. This is reflected in its pursuit of capital gains and income. To that end, the assets are invested primarily in shares.

### Sub-fund's investment policy

#### *Permitted asset classes*

The sub-fund may invest in securities, deposits, liquid assets and all other instruments in so far as permitted by the applicable laws and regulations and consistent with the object referred to above.

#### *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.

#### *Selected strategy*

At least 95% of the assets are invested in the shares of companies from the euro area.

The fund invests a minimum of 50% in shares whose dividends and capital gains are eligible for the system of 'dividend received deduction' (DRD).
Under normal circumstances, however, the sub-fund will aim to invest between 70% and 100% in shares whose dividends and capital gains qualify for the DRD regime.
This means that it is possible that the equity portfolio will not be fully invested in equities whose capital gains and dividends qualify for the DRD regime.
As a result, income distributed by the sub-fund may not be 100% eligible for the dividend received deducted.

The fund is actively managed with reference to the following benchmark: MSCI EMU-Net Return index.
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 assess the performance of the sub-fund.

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 3.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | low | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | low | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Only distribution shares are issued.

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to its shareholders.

Shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.
The General Meeting may decide to switch to interim payments in accordance with the provisions of the law.
The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

### *Taxation of dividends paid to shareholders liable for Belgian corporation tax*

The sub-fund aims, within the scope of the applicable legislation to enable its shareholders to qualify for the dividend received deduction (DRD) system, as regulated by Articles 202–205 of the Income Tax Code 1992 (ITC 92), in respect of the dividends they receive from the sub-fund.

The sub-fund's articles of association provide to this end for an annual payout of at least 90% of the income it receives itself, this however after deduction of remuneration, commissions and charges.

The dividends paid by the sub-fund (including the 'redemption bonuses' paid to investors under Articles 18 and 186 ITC 92 in respect of purchase by the sub-fund of its own shares) qualify for the dividend received deduction in respect of the shareholder in so far as the underlying income of the sub-fund itself is derived from so-called 'good' income. 'Good' income refers either to dividends that meet the deduction criteria set out in Article 203(1.1–1.4) ITC 92 or to capital gains realised on shares qualifying for exemption under Article 192(1) ITC 92. In so far as the dividends received qualify for the DRD, they will be deducted from the taxable profit.

The DRD system applies to the following shareholders/investors: (1) domestic companies subject to corporation tax and (2) foreign companies with a permanent establishment in Belgium, which are subject to non-residents' corporation tax and in so far as the received dividends may be allocated to the Belgian permanent establishment.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Eurozone DBI-RDT - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6299576080 | 11 December 2017 through 2 January 2018 before 2 pm CET<br><br>Settlement for value: 5 January 2018 | 3 January 2018 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Eurozone DBI-RDT - Corporate Shares

**There is a minimum subscription value of 250000 EUR (both during as well as after the initial subscription period).**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6299844827 | 11 December 2017 through 2 January 2018 before 2 pm CET<br><br>Settlement for value: 5 January 2018 | 3 January 2018 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 1.00%<br><br>After the initial subscription period: 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.15% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Eurozone DBI-RDT - Corporate Wealth shares

**There is a minimum subscription value of 1250000 EUR (both during as well as after the initial subscription period).**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6299995397 | 11 December 2017 through 2 January 2018 before 2 pm CET<br><br>Settlement for value: 5 January 2018 | 3 January 2018 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 1.00%<br><br>After the initial subscription period: 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.90% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian’s fee | 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Eurozone DBI-RDT - Discretionary Shares

**This share class is reserved for trading to persons who acquire and hold the units on the basis of a discretionary management contract with KBC Asset Management NV or with another company associated with KBC Asset Management NV. The investor must have this status at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6300846175 | 29 December 2017 through 2 January 2018 before 2 pm CET<br><br>Settlement for value: 5 January 2018 | 3 January 2018 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 0.00%<br><br>After the initial subscription period: 0.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.75% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian’s fee | 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Eurozone DBI-RDT - Institutional Shares

**This share class is reserved for institutional investors, as defined in Article 5 § 3 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, and requires a minimum subscription of 10000 EUR (both during as well as after the initial subscription period). The investor must have the status of institutional investor at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6299843811 | 11 December 2017 through 2 January 2018 before 2 pm CET<br><br>Settlement for value: 5 January 2018 | 3 January 2018 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.35% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Eurozone Responsible Investing

# 1. Basic details

## Name

Eurozone Responsible Investing

## Date of incorporation

2 November 2018

## Life

Unlimited

## Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

## Stock exchange listing

Not applicable.

# 2. Investment information

## Sub-fund's object

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.**

### *Selected strategy*

The assets are mainly invested in shares of companies in the euro area.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 2 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the “**Responsible Investing Advisory Board**”) comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Equity Fund Eurozone Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund’s investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of

the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG scor**e, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI EMU-Net Return index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent), divided by revenues (in mln USD).

A trajectory of -50% by 2030 versus the MSCI EMU-Net Return index in 2019 is followed.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but

which the management company chooses to refrain from selling immediately in the best interest of the customer;

- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI EMU-Net Return index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 3.50%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund Eurozone Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Eurozone Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6307731156 | 2 November 2018 through 5 November 2018 before 2 pm CET<br><br>Settlement for value: 8 November 2018 | 6 November 2018 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund* unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share**

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Eurozone Responsible Investing - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6307732162 | 2 November 2018 through 5 November 2018 before 2 pm CET<br><br>Settlement for value: 8 November 2018 | 6 November 2018 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Family Enterprises

## 1. Basic details

### Name

Family Enterprises

### Date of incorporation

28 May 2014

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

The assets are invested primarily in shares of listed family enterprises in Europe and North America.

To be considered as a family enterprise, the following conditions must be met:
- one family owns, directly or indirectly (e.g. through a company or foundation), the highest number of shares ( percentage of interest) in the company and;
- one or more members of this family sit on the company's board of directors, directly or indirectly (e.g. through a company or by formal mandate from a third party).

Companies with strong family roots focus on the long term. Family enterprise shareholders want to transfer their company to the next generation so it is in their own interest to ensure that their company does well. They pursue growth responsibly and generally take less risk. They are highly involved in the company, both financially and emotionally, and are, therefore, more willing to invest capital in the company in the long term. This enables them to draw up a long - term strategy and implement it in practice, too.

(*) In the case of indirect shareholding, the percentage interest is calculated by multiplying the successive percentage interest.
For example:
Family X owns 60% of the shares of Company A, which in turn owns 50% of the shares of Company B. Consequently, Family X's percentage of interest in company B is 30%.

The fund is actively managed without referring to any benchmark.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors (‘PAI’) as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’)

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy

Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

### *Volatility of the net asset value*

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

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | moderate | since there are investments in securities that are denominated in currencies other than the Euro, there is a real chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2]<br>at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Family Enterprises - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6266852704 | 4 June 2014 through 30 June 2014 before 2 pm CET<br><br>Settlement for value: 3 July 2014 | 1 July 2014 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6266853710 | 4 June 2014 through 30 June 2014 before 2 pm CET<br><br>Settlement for value: 3 July 2014 | 1 July 2014 | 1 000 EUR |

### *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

### *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Family Enterprises - Corporate Wealth Office shares

**There is a minimum subscription value of 500000 EUR (both during as well as after the initial subscription period).**
**This share class is reserved for investors who are clients of KBC Bank's Wealth Office segment (criteria: *www.kbc.be/wealth*) or CBC Banque's Wealth Centre segment (criteria: *www.cbc.be/centre-wealth*) and who have concluded a General Service Agreement with KBC Bank or CBC Banque.**
**The investors have to meet these criteria at the time they register to buy shares in this share class.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6306641893 | 3 September 2018 through 1 October 2018 before 2 pm CET<br><br>Settlement for value: 4 October 2018 | 2 October 2018 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6306642909 | 3 September 2018 through 1 October 2018 before 2 pm CET<br><br>Settlement for value: 4 October 2018 | 2 October 2018 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 1.00%<br><br>After the initial subscription period: 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.05% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Family Enterprises - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6269458574 | 30 July 2014<br>before 2 pm CET<br><br>Settlement for value:<br>4 August 2014 | 31 July 2014 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Flanders

## 1. Basic details

### Name

Flanders

### Date of incorporation

28 May 1997

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

The assets are invested primarily in shares with a Flemish character where conditions are such as to allow accelerated economic growth in the short or medium term.

The fund is actively managed without referring to any benchmark.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

### *Volatility of the net asset value*

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

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | high | there is a concentration of the investments in shares of Flemish companies. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at [www.kbc.be/riskprofile](www.kbc.be/riskprofile).

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[(1)]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [(2)] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [(2)] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [(2)] at 2 pm CET) | **D+3 banking days** |

[(1)] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[(2)] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Flanders

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0164243223 | 2 June 1997 through 27 June 1997<br><br>Settlement for value: 4 July 1997 | 30 June 1997 | 20 000 BEF |
| DIS (Distribution shares) | EUR | BE0164244239 | 2 June 1997 through 27 June 1997<br><br>Settlement for value: 4 July 1997 | 30 June 1997 | 20 000 BEF |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Fundamental Opportunities

## 1. Basic details

### Name

Fundamental Opportunities

### Date of incorporation

21 September 2020

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

The sub-fund invests primarily in shares of companies which, according to the manager, fit within the theme of 'structural growth'. The manager therefore mainly selects shares of companies with relatively high turnover growth, rising profit margins, high returns on investment capital or high free cash flows. It invests in a worldwide selection of shares.

The fund is actively managed without referring to any benchmark.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

## *Volatility of the net asset value*

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

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in shares of companies with relatively high growth in revenues, an increasing profit margin, a high return on invested capital or a high free cash flow. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[(1)]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [(2)]<br>at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [(2)]<br>at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [(2)]<br>at 2 pm CET) | **D+3 banking days** |

[(1)] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[(2)] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Fundamental Opportunities - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6322323575 | 21 September 2020 through 24 September 2020 before 2 pm CET<br><br>Settlement for value: 29 September 2020 | 25 September 2020 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6322325596 | 21 September 2020 through 24 September 2020 before 2 pm CET<br><br>Settlement for value: 29 September 2020 | 25 September 2020 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Fundamental Opportunities - Corporate Wealth & Institutional Office shares

**There is a minimum subscription value of 500000 EUR (both during as well as after the initial subscription period).**
**This share class is reserved for investors who are clients of KBC Bank's Wealth Office segment (criteria: *www.kbc.be/wealth*), CBC Banque's Wealth Centre segment (criteria: *www.cbc.be/centre-wealth*) or CBC Banque's Institutional Centre segment (criteria: *www.cbc.be/centre-institutionnels*) and who have concluded a General Service Agreement with KBC Bank or CBC Banque.**
**The investors have to meet these criteria at the time they register to buy shares in this share class.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6322326602 | 21 September 2020 through 24 September 2020 before 2 pm CET<br><br>Settlement for value: 29 September 2020 | 25 September 2020 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6322328624 | 21 September 2020 through 24 September 2020 before 2 pm CET<br><br>Settlement for value: 29 September 2020 | 25 September 2020 | 1 000 EUR |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## One-off fees and charges charged to the investor *unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 1.00%<br><br>After the initial subscription period: 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.05% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Fundamental Opportunities - Institutional F Shares LU

**This share class is reserved for Luxembourg undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company and which invests its assets primarily in this share class. If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6326282397 | 11 February 2021 through 12 February 2021 before 2 pm CET<br><br>Settlement for value: 17 February 2021 | 15 February 2021 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | | |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Fundamental Opportunities DBI-RDT

## 1. Basic details

### Name

Fundamental Opportunities DBI-RDT

### Date of incorporation

15 February 2021

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

The main object of this sub-fund is to generate the highest possible return for its shareholders by investing directly in transferable securities. This is reflected in its pursuit of capital gains and income. To that end, the assets are invested primarily in shares.

### Sub-fund's investment policy

#### *Permitted asset classes*

The sub-fund may invest in securities, deposits, liquid assets and all other instruments in so far as permitted by the applicable laws and regulations and consistent with the object referred to above.

#### *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.

#### *Selected strategy*

The sub-fund invests primarily in shares of companies that, according to the fund manager, fit within the theme of 'structural growth'. The fund manager therefore mainly selects shares of companies with relatively high turnover growth, rising profit margins, high returns on investment capital or high free cash flows. Investments are made in a worldwide selection of shares. The sub-fund invests at least 50% of its assets in shares of which the dividends and capital gains qualify for the 'dividends received deduction' (DRD) system. However, under normal circumstances, the sub-fund will aim to invest between 70% and 100% in shares of which the dividends and capital gains qualify for the DRD system.

This means that not all of the share portfolio may be invested in shares of which the capital gains and dividends qualify for the DRD system. As a result, it is conceivable that the income distributed to the shareholders by the sub-fund may not qualify in full for the dividends received deduction.

The fund is actively managed without referring to any benchmark.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

### Volatility of the net asset value

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

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | low | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in shares of companies with relatively high growth in revenues, an increasing profit margin, a high return on invested capital or a high free cash flow. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Only distribution shares are issued.

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to its shareholders.

Shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.
The General Meeting may decide to switch to interim payments in accordance with the provisions of the law.
The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

### *Taxation of dividends paid to shareholders liable for Belgian corporation tax*

The sub-fund aims, within the scope of the applicable legislation to enable its shareholders to qualify for the dividend received deduction (DRD) system, as regulated by Articles 202–205 of the Income Tax Code 1992 (ITC 92), in respect of the dividends they receive from the sub-fund.

The sub-fund’s articles of association provide to this end for an annual payout of at least 90% of the income it receives itself, this however after deduction of remuneration, commissions and charges.

The dividends paid by the sub-fund (including the ‘redemption bonuses’ paid to investors under Articles 18 and 186 ITC 92 in respect of purchase by the sub-fund of its own shares) qualify for the dividend received deduction in respect of the shareholder in so far as the underlying income of the sub-fund itself is derived from so-called ‘good’ income. ‘Good’ income refers either to dividends that meet the deduction criteria set out in Article 203(1.1–1.4) ITC 92 or to capital gains realised on shares qualifying for exemption under Article 192(1) ITC 92. In so far as the dividends received qualify for the DRD, they will be deducted from the taxable profit.

The DRD system applies to the following shareholders/investors: (1) domestic companies subject to corporation tax and (2) foreign companies with a permanent establishment in Belgium, which are subject to non-residents’ corporation tax and in so far as the received dividends may be allocated to the Belgian permanent establishment.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Fundamental Opportunities DBI-RDT - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6326280375 | 15 February 2021 through 29 March 2021 before 2 pm CET<br><br>Settlement for value: 1 April 2021 | 30 March 2021 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Fundamental Opportunities DBI-RDT - Corporate Shares

**There is a minimum subscription value of 250000 EUR (both during as well as after the initial subscription period).**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6326281381 | 15 February 2021 through 29 March 2021 before 2 pm CET<br><br>Settlement for value: 1 April 2021 | 30 March 2021 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek’ |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 1.00%<br><br>After the initial subscription period: 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment’ | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.15% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Global Value Responsible Investing

## 1. Basic details

### Name

Global Value Responsible Investing

### Date of incorporation

1 February 2023

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

The objective is to generate a high return with as little fluctuations as possible in the value of the sub-fund. 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 collective investment undertakings, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable laws and regulations and consistent with the object specified above.
The sub-fund will 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.**

### *Selected strategy*

The sub-fund invests primarily in shares of companies that fit within the ‘Structural value’ theme. Companies within this theme include those offering shares with high dividend yields and/or share buyback policies. Consideration is also given to companies for which a relatively low valuation
(expressed, for example, by a high book-to-market ratio) could indicate potential for short- or medium-term capital gain on the
investment. The book-to-market ratio is the result of the carrying value (calculated as the value of assets less liabilities) of a company divided by its market value (calculated as the number of shares outstanding multiplied by the price per share). Investments are made in a worldwide selection of shares.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the “**Responsible Investing Advisory Board**”) comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Equity Fund Global Value Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund’s investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG scor**e, where ESG stands for ‘Environmental, Social and Governance’, and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following .reference portfolio: MSCI World - Net Return Index

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent), divided by revenues (in mln USD).

A trajectory of -50% by 2030 versus the reference portfolio (MSCI World - Net Return Index ) in 2019 is followed.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed without referring to any benchmark.

The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund Global Value Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

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

The exchange rate risk is not hedged.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | For the share class Classic Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Institutional Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Corporate Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Discretionary Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Classic Shares USD : high | since there are investments in securities that are denominated in currencies other than the US Dollar, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |

| | | | |
|---|---|---|---|
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.

[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Global Value Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6338505405 | 1 February 2023 through 17 February 2023 before 2 pm CET<br><br>Settlement for value: 22 February 2023 | 20 February 2023 | 100 EUR |
| DIS (Distribution shares) | EUR | BE6338506411 | 1 February 2023 through 17 February 2023 before 2 pm CET<br><br>Settlement for value: 22 February 2023 | 20 February 2023 | 100 EUR |

### *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

### *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Global Value Responsible Investing - Classic Shares USD

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE6338513482 | 1 February 2023 through 17 February 2023 before 2 pm CET<br><br>Settlement for value: 22 February 2023 | 20 February 2023 | 100 USD |
| DIS (Distribution shares) | USD | BE6338514498 | 1 February 2023 through 17 February 2023 before 2 pm CET<br><br>Settlement for value: 22 February 2023 | 20 February 2023 | 100 USD |

### *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

### *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Global Value Responsible Investing - Corporate Shares

**There is a minimum subscription value of 250000 EUR (both during as well as after the initial subscription period).**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6338509449 | 1 February 2023 through 17 February 2023 before 2 pm CET<br><br>Settlement for value: 22 February 2023 | 20 February 2023 | 100 EUR |
| DIS (Distribution shares) | EUR | BE6338510454 | 1 February 2023 through 17 February 2023 before 2 pm CET<br><br>Settlement for value: 22 February 2023 | 20 February 2023 | 100 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 1.00%<br><br>After the initial subscription period: 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.15% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Global Value Responsible Investing - Discretionary Shares

**This share class is reserved for trading to persons who acquire and hold the units on the basis of a discretionary management contract with KBC Asset Management NV or with another company associated with KBC Asset Management NV. The investor must have this status at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6338507427 | 1 February 2023 through 17 February 2023 before 2 pm CET<br><br>Settlement for value: 22 February 2023 | 20 February 2023 | 100 EUR |
| DIS (Distribution shares) | EUR | BE6338508433 | 1 February 2023 through 17 February 2023 before 2 pm CET<br><br>Settlement for value: 22 February 2023 | 20 February 2023 | 100 EUR |

### Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

### One-off fees and charges charged to the investor *unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 0.00%<br><br>After the initial subscription period: 0.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Global Value Responsible Investing - Institutional Shares

**This share class is reserved for institutional investors, as defined in Article 5 § 3 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, and requires a minimum subscription of 10000 EUR (both during as well as after the initial subscription period). The investor must have the status of institutional investor at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6338512476 | 1 February 2023 through 17 February 2023 before 2 pm CET<br><br>Settlement for value: 22 February 2023 | 20 February 2023 | 100 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.45% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund High Dividend

## 1. Basic details

### Name

High Dividend

### Date of incorporation

27 March 2003

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

This fund invests at least 75% of its assets in shares with a high dividend yield.

The fund is actively managed with reference to the following benchmark: MSCI World-Net Return index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 3.50%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors (‘PAI’) as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’)

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium(1)<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day (2) at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D (every banking day (2) at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D (every banking day (2) at 2 pm CET) | **D+3 banking days** |

(1) The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
(2) with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# High Dividend - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0940704951 | 31 March 2003 through 2 May 2003<br><br>Settlement for value: 9 May 2003 | 5 May 2003 | 500 EUR |
| DIS (Distribution shares) | EUR | BE0940703946 | 31 March 2003 through 2 May 2003<br><br>Settlement for value: 9 May 2003 | 5 May 2003 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# High Dividend - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6228914592 | 24 November 2011 through 25 November 2011<br><br>Settlement for value: 30 November 2011 | 28 November 2011 | 686,86 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# High Dividend - Institutional Shares

**This share class is reserved for institutional investors, as defined in Article 5 § 3 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, and requires a minimum subscription of 10000 EUR (both during as well as after the initial subscription period). The investor must have the status of institutional investor at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6297712844 | 13 September 2017 before 2 pm CET<br><br>Settlement for value: 18 September 2017 | 14 September 2017 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.35% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.05% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.04% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund High Dividend Eurozone

## 1. Basic details

### Name

High Dividend Eurozone

### Date of incorporation

28 June 2007

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

This fund invests at least 75% of its assets in euro-area shares with a high dividend yield.

The fund is actively managed with reference to the following benchmark: MSCI EMU-Net Return index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 3.50%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[(1)]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [(2)]<br>at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [(2)]<br>at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [(2)]<br>at 2 pm CET) | **D+3 banking days** |

[(1)] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[(2)] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# High Dividend Eurozone - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0947326246 | 2 July 2007<br>through<br>27 July 2007<br><br>Settlement for value:<br>1 August 2007 | 30 July 2007 | 500 EUR |
| DIS (Distribution shares) | EUR | BE0947325230 | 2 July 2007<br>through<br>27 July 2007<br><br>Settlement for value:<br>1 August 2007 | 30 July 2007 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# High Dividend Eurozone - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6228916613 | 24 November 2011<br><br>Settlement for value:<br>29 November 2011 | 25 November 2011 | 266,02 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund High Dividend North America

# 1. Basic details

## Name

High Dividend North America

## Date of incorporation

28 March 2001

## Life

Unlimited

## Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

## Stock exchange listing

Not applicable.

# 2. Investment information

## Sub-fund's object

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.**

### *Selected strategy*

The assets are invested primarily in shares with a high dividend yield of companies in North American countries.

The fund is actively managed with reference to the following benchmark: MSCI North America-Net Return index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 3.50%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | low | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in shares of North American companies that provide a high dividend yield. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[(1)]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [(2)]<br>at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [(2)]<br>at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [(2)]<br>at 2 pm CET) | **D+3 banking days** |

[(1)] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[(2)] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# High Dividend North America - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE0176715788 | 2 April 2001 through 30 April 2001<br><br>Settlement for value: 8 May 2001 | 2 May 2001 | 500 USD |
| DIS (Distribution shares) | USD | BE0176713767 | 2 April 2001 through 30 April 2001<br><br>Settlement for value: 8 May 2001 | 2 May 2001 | 500 USD |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# High Dividend North America - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 USD (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE6228548812 | 24 November 2011 through 25 November 2011<br><br>Settlement for value: 30 November 2011 | 28 November 2011 | 470,49 USD |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Medical Technologies

## 1. Basic details

### Name

Medical Technologies

### Date of incorporation

26 March 1999

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

At least 75% of the assets are invested in shares of companies in the medical sector, the preference being companies whose core business is developing and manufacturing medical equipment, where conditions are such as to allow an accelerated economic growth in the short and medium term.

The fund is actively managed with reference to the following benchmark: MSCI AC World Health Care Equipment and Services - Net Return Index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 3.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:
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.

# 3. Risk

## Sub-fund’s risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | low | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of companies operating in the medical sector. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in  the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Medical Technologies - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE0170813936 | 6 April 1999 through 30 April 1999<br><br>Settlement for value: 7 May 1999 | 3 May 1999 | 1 000 USD |
| DIS (Distribution shares) | USD | BE0170812920 | 6 April 1999 through 30 April 1999<br><br>Settlement for value: 7 May 1999 | 3 May 1999 | 1 000 USD |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Medical Technologies - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 10000 USD (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE6228551840 | 24 November 2011 through 25 November 2011<br><br>Settlement for value: 30 November 2011 | 28 November 2011 | 1 493,22 USD |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Minimum Variance Responsible Investing

## 1. Basic details

### Name

Minimum Variance Responsible Investing

### Date of incorporation

26 June 2017

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

The aim is to generate a high return and minimise volatility in the sub-fund's value. 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.**

## *Selected strategy*

The assets are invested directly or indirectly in a diversified selection of global shares .

The objective is to generate a high return while minimising the fluctuations in the value of the sub-fund. The composition of the portfolio is based on a quantitative model aimed at minimising expected volatility.

The main parameters of the model are historical data on the price movements of individual stocks, their correlation with the broad market and their mutual correlation. As a result, the sub-fund may invest to a greater or lesser extent in one or several themes, sectors or regions.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 2 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the "**Responsible Investing Advisory Board**") comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'). More information on how the sub-fund promotes environmental and social characteristics can be found in the 'Annex for KBC Equity Fund Minimum Variance Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG scor**e, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following reference portfolio: MSCI All Countries World EUR - Net Return Index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent), divided by revenues (in mln USD).

A trajectory of -50% by 2030 versus the reference portfolio (MSCI All Countries World EUR - Net Return Index ) in 2019 is followed.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed without referring to any benchmark.

The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the ‘Annex for KBC Equity Fund Minimum Variance Responsible Investing’. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

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

The exchange rate risk is not hedged.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of investments in the shares of companies that operate in a responsible way. There may be a concentration of the investments in shares from one particular region, sector or theme. |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Minimum Variance Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6295392920 | 26 June 2017 through 27 June 2017 before 2 pm CET<br><br>Settlement for value: 30 June 2017 | 28 June 2017 | 1 000 EUR |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## One-off fees and charges charged to the investor ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.01% | of the net assets of the sub-fund per year. |

# Minimum Variance Responsible Investing - Corporate Shares

**There is a minimum subscription value of 200000 EUR (both during as well as after the initial subscription period).**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6295400038 | 26 June 2017 through 27 June 2017 before 2 pm CET<br><br>Settlement for value: 30 June 2017 | 28 June 2017 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6295401044 | 26 June 2017 through 27 June 2017 before 2 pm CET<br><br>Settlement for value: 30 June 2017 | 28 June 2017 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.45% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.01% | of the net assets of the sub-fund per year. |

# Minimum Variance Responsible Investing - Discretionary Shares

**This share class is reserved for trading to persons who acquire and hold the units on the basis of a discretionary management contract with KBC Asset Management NV or with another company associated with KBC Asset Management NV. The investor must have this status at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6295394942 | 26 June 2017 through 27 June 2017 before 2 pm CET<br><br>Settlement for value: 30 June 2017 | 28 June 2017 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6295396962 | 26 June 2017 through 27 June 2017 before 2 pm CET<br><br>Settlement for value: 30 June 2017 | 28 June 2017 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.45% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.01% | of the net assets of the sub-fund per year. |

# Minimum Variance Responsible Investing - Institutional Shares

**This share class is reserved for institutional investors, as defined in Article 5 § 3 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, and requires a minimum subscription of 10000 EUR (both during as well as after the initial subscription period). The investor must have the status of institutional investor at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6295397978 | 26 June 2017 through 27 June 2017 before 2 pm CET<br><br>Settlement for value: 30 June 2017 | 28 June 2017 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6295398018 | 26 June 2017 through 27 June 2017 before 2 pm CET<br><br>Settlement for value: 30 June 2017 | 28 June 2017 | 1 000 EUR |

### *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

### *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.45% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.01% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund New Asia

## 1. Basic details

### Name

New Asia

### Date of incorporation

29 December 1993

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

At least 75% of the assets are invested in shares of companies in Asian countries where conditions are such as to allow on accelerated economic growth in the short or medium term.

The fund is actively managed with reference to the following benchmark: MSCI Emerging Markets Asia - Net Return Index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 4.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | moderate | since there will be invested in the shares of companies from emerging economies, there is a risk that a position cannot be sold quickly at a reasonable price. |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of companies from Asian countries. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 6 am CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D (every banking day [2] at 6 am CET)<br><br>**D+1** if more than 20% of the actual values are already known on D (every banking day [2] at 6 am CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# New Asia - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0146025409 | 10 January 1994 through 28 January 1994<br><br>Settlement for value: 3 February 1994 | 31 January 1994 | 20 000 BEF |
| DIS (Distribution shares) | EUR | BE0152245529 | 10 January 1994 through 28 January 1994<br><br>Settlement for value: 3 February 1994 | 31 January 1994 | 20 000 BEF |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## One-off fees and charges charged to the investor ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# New Asia - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6228552855 | 24 November 2011<br><br>Settlement for value: 29 November 2011 | 25 November 2011 | 444,36 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund New Shares

## 1. Basic details

### Name

New Shares

### Date of incorporation

26 February 1999

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

At least 75% of the assets are invested in shares that have been admitted for listing on a regulated market, where conditions are such as to allow accelerated economic growth in the short or medium term.

The fund is actively managed without referring to any benchmark.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

## *Volatility of the net asset value*

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

# 3. Risk

## Sub-fund’s risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.

[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# New Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0170533070 | 1 March 1999 through 1 April 1999<br><br>Settlement for value: 9 April 1999 | 2 April 1999 | 500 EUR |
| DIS (Distribution shares) | EUR | BE0170532064 | 1 March 1999 through 1 April 1999<br><br>Settlement for value: 9 April 1999 | 2 April 1999 | 500 EUR |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## One-off fees and charges charged to the investor ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund North America

## 1. Basic details

### Name

North America

### Date of incorporation

21 March 1991

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

At least 75% of these assets are invested in shares of American and Canadian companies.

The fund is actively managed with reference to the following benchmark: MSCI North America-Net Return index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 3.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | For the share class Classic Shares : low | |
| | | For the share class Institutional B Shares : low | |
| | | For the share class Classic Shares CSOB CZK : high | since there are investments in securities that are denominated in currencies other than the Czech Koruna, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in shares of companies from the United States of America and Canada. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2]<br>at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.

[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# North America - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE0126162628 | 17 April 1991<br><br>Settlement for value: 21 March 1991 | 18 April 1991 | 500 USD |
| DIS (Distribution shares) | USD | BE0152249562 | 17 April 1991<br><br>Settlement for value: 21 March 1991 | 18 April 1991 | 500 USD |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# North America - Classic Shares CSOB CZK

**This share class is reserved for negotiation within the financial institution stated in the name of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | CZK | BE6252265333 | 2 May 2013 through 28 June 2013<br><br>Settlement for value: 3 July 2013 | 1 July 2013 | 1 000 CZK |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: max. 2.50%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# North America - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 10000 USD (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE6228535686 | 24 November 2011 through 25 November 2011<br><br>Settlement for value: 30 November 2011 | 28 November 2011 | 1 230,35 USD |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund North America Responsible Investing

# 1. Basic details

## Name

North America Responsible Investing

## Date of incorporation

2 November 2018

## Life

Unlimited

## Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

## Stock exchange listing

Not applicable.

# 2. Investment information

## Sub-fund's object

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.**

## *Selected strategy*

The assets are mainly invested in shares of companies from the United States and Canada.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 2 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the "**Responsible Investing Advisory Board**") comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'). More information on how the sub-fund promotes environmental and social characteristics can be found in the 'Annex for KBC Equity Fund North America Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of

the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI North America-Net Return index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes $CO_2$ equivalent), divided by revenues (in mln USD).

A trajectory of -50% by 2030 versus the MSCI North America-Net Return index in 2019 is followed.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but

which the management company chooses to refrain from selling immediately in the best interest of the customer;

- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI North America-Net Return index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 3.50%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund North America Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | For the share class Classic Shares : low | |
| | | For the share class Institutional B Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of investments in the shares of North American companies. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at [www.kbc.be/riskprofile](www.kbc.be/riskprofile).

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D (every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D (every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# North America Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE6307776607 | 2 November 2018 through 5 November 2018 before 2 pm CET<br><br>Settlement for value: 8 November 2018 | 6 November 2018 | 1 000 USD |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## One-off fees and charges charged to the investor ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# North America Responsible Investing - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6307777613 | 2 November 2018 through 5 November 2018 before 2 pm CET<br><br>Settlement for value: 8 November 2018 | 6 November 2018 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund North American Continent

# 1. Basic details

## Name

North American Continent

## Date of incorporation

26 January 2011

## Life

Unlimited

## Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

## Stock exchange listing

Not applicable.

# 2. Investment information

## Sub-fund's object

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.Correlated financial instruments refer to certificates representing securities, such as American Depository Receipts (ADRs), Global Depository Receipts (GDRs) or futures on equity indices.

## 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.**

## *Selected strategy*

The assets are, directly or indirectly, mainly invested in shares of companies from the North American Continent.

The fund is actively managed with reference to the following benchmark: MSCI North America-Net Return index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 3.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of investments in the shares of companies from the North American continent. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D (every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D (every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# North American Continent - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6215122415 | 3 February 2011 through 4 February 2011<br><br>Settlement for value: 9 February 2011 | 7 February 2011 | 200 EUR |
| DIS (Distribution shares) | EUR | BE6215123421 | 3 February 2011 through 4 February 2011<br><br>Settlement for value: 9 February 2011 | 7 February 2011 | 200 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# North American Continent - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6228928733 | 24 November 2011<br><br>Settlement for value:<br>29 November 2011 | 25 November 2011 | 188,43 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund North American Continent Responsible Investing

## 1. Basic details

### Name

North American Continent Responsible Investing

### Date of incorporation

14 April 2020

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

The assets are mainly invested in shares of companies from continental North America .

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 2 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the "**Responsible Investing Advisory Board**") comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'). More information on how the sub-fund promotes environmental and social characteristics can be found in the 'Annex for KBC Equity Fund North American Continent Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of

the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI North America-Net Return index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes $CO_2$ equivalent), divided by revenues (in mln USD).

A trajectory of -50% by 2030 versus the MSCI North America-Net Return index in 2019 is followed.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but

which the management company chooses to refrain from selling immediately in the best interest of the customer;

- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI North America-Net Return index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 3.00%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund North American Continent Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund’s risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | For the share class Classic Shares : low | |
| | | For the share class Institutional B Shares EUR : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of investments in the shares of companies from the North American continent. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium(1)<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day (2) at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D (every banking day (2) at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D (every banking day (2) at 2 pm CET) | **D+3 banking days** |

(1) The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
(2) with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# North American Continent Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE6318121264 | 14 April 2020 through 15 April 2020 before 2 pm CET<br><br>Settlement for value: 20 April 2020 | 16 April 2020 | 1 000 USD |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# North American Continent Responsible Investing - Institutional B Shares EUR

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6318122270 | 14 April 2020<br>through<br>15 April 2020<br>before 2 pm CET<br><br>Settlement for value:<br>20 April 2020 | 16 April 2020 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Quant Global 1

## 1. Basic details

### Name

Quant Global 1

### Date of incorporation

9 October 2002

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

The sub-fund's objective is to outperform the MSCI World Net Return Index in the long term through a selection of sufficiently liquid shares from the MSCI World Net Return Index. The selection is based on purely quantitative criteria using available data on companies whose shares are included in the MSCI World Net Return Index. The data concerned are widely used by financial analysts and readily available to them. These criteria are incorporated in a quantitative model designed by KBC Asset Management. The basic principle of this model is that share prices do not always accurately reflect the fundamental value of the company concerned, but that this value can be estimated provided that enough information is available and it can be processed efficiently. Share prices gradually change to better reflect these fundamental values. How this happens depends on the prevailing market cycle. The quantitative model developed by KBC Asset Management makes a regular assessment – at least once a month – of the cyclical trend in relation to criteria specific to the company and identifies which criteria are positive or negative in the prevailing market situation. This sensitivity to the market is reviewed on a regular basis and is used to made a ranking of sufficiently liquid shares from the MSCI World Net Return Index. The best rated shares are included in the sub-fund, ensuring that there is an adequate spread in accordance with the relevant legal restrictions. Stock picking occurs at the same frequency as the assessment of the market sensitivity. Care is also taken to ensure that the risk (volatility) of the sub-fund is not significantly different from that of the MSCI index. For this reason, the sub-fund may invest temporarily in fixed-yield securities, money market instruments, deposits and liquid assets, in accordance with the relevant legal restrictions. After the re-assessment of the market sensitivity, the sub-fund will however invest at least 75% of its assets in shares.

The fund is actively managed with reference to the following benchmark: MSCI World-Net Return index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 3.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at www.kbc.be/investment-legal-documents > General exclusion policy for conventional and Responsible Investing funds and www.kbc.be/investment-legal-documents > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at www.kbc.be/investment-legal-documents > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at [www.kbc.be/riskprofile](www.kbc.be/riskprofile).

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Quant Global 1 - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0057593726 | 14 October 2002 through 31 October 2002<br><br>Settlement for value: 8 November 2002 | 4 November 2002 | 2 500 EUR |
| DIS (Distribution shares) | EUR | BE0057592710 | 14 October 2002 through 31 October 2002<br><br>Settlement for value: 8 November 2002 | 4 November 2002 | 2 500 EUR |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## One-off fees and charges charged to the investor ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Quant Global 1 - Corporate Wealth Office shares

**There is a minimum subscription value of 500000 EUR (both during as well as after the initial subscription period).**
**This share class is reserved for investors who are clients of KBC Bank's Wealth Office segment (criteria: *www.kbc.be/wealth*) or CBC Banque's Wealth Centre segment (criteria: *www.cbc.be/centre-wealth*) and who have concluded a General Service Agreement with KBC Bank or CBC Banque.**
**The investors have to meet these criteria at the time they register to buy shares in this share class.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6306639871 | 3 September 2018 through 1 October 2018 before 2 pm CET<br><br>Settlement for value: 4 October 2018 | 2 October 2018 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6306640887 | 3 September 2018 through 1 October 2018 before 2 pm CET<br><br>Settlement for value: 4 October 2018 | 2 October 2018 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 1.00%<br><br>After the initial subscription period: 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.05% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Rest of Europe

## 1. Basic details

### Name

Rest of Europe

### Date of incorporation

4 June 2020

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

The assets are mainly invested in shares of companies from Member States of the European Union that are not members of the euro area, as well as The United Kingdom, Switzerland and Norway.

The fund is actively managed with reference to the following benchmark: MSCI Europe Ex EMU - Net Return Index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 3.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors (‘PAI’) as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’)

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in shares of companies from European Union member states outside the euro-area and from the United Kingdom, Switserland and Norway. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in  the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Rest of Europe - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6321882043 | 4 June 2020 through 5 June 2020 before 2 pm CET<br><br>Settlement for value: 10 June 2020 | 8 June 2020 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6321883058 | 4 June 2020 through 5 June 2020 before 2 pm CET<br><br>Settlement for value: 10 June 2020 | 8 June 2020 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Rest of Europe - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6321859785 | 4 June 2020 through 5 June 2020 before 2 pm CET<br><br>Settlement for value: 10 June 2020 | 8 June 2020 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Rest of Europe Responsible Investing

## 1. Basic details

### Name

Rest of Europe Responsible Investing

### Date of incorporation

2 November 2018

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

The assets are mainly invested in shares of companies from Member States of the European Union that are not members of the euro area, as well as The United Kingdom, Switzerland and Norway.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 2 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the “**Responsible Investing Advisory Board**”) comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Equity Fund Rest of Europe Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund’s investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI Europe Ex EMU - Net Return Index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent), divided by revenues (in mln USD).

A trajectory of -50% by 2030 versus the MSCI Europe Ex EMU - Net Return Index in 2019 is followed.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;

- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI Europe Ex EMU - Net Return Index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 3.50%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund Rest of Europe Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in shares of companies from European Union member states outside the euro-area and from the United Kingdom, Switserland and Norway. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2]<br>at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Rest of Europe Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6307779635 | 2 November 2018 through 5 November 2018 before 2 pm CET<br><br>Settlement for value: 8 November 2018 | 6 November 2018 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Rest of Europe Responsible Investing - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6307780641 | 2 November 2018 through 5 November 2018 before 2 pm CET<br><br>Settlement for value: 8 November 2018 | 6 November 2018 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Strategic Satellites

# 1. Basic details

## Name

Strategic Satellites

## Date of incorporation

26 March 1999

## Life

Unlimited

## Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

## Stock exchange listing

Not applicable.

# 2. Investment information

## Sub-fund's object

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.**

## *Selected strategy*

At least 75% of the assets are invested in shares selected from a globally diversified universe.
The manager has great freedom in the selection of shares. This selection is done from a thematic perspective. As a result the sub-fund may invest in one or more very specific themes, in large or smaller concentrations.
Examples (non-exhaustive) of themes are companies with a strong focus on innovation, companies that operate in a sustainable way in the water and energy sector, global companies with a relatively high proportion of their turnover in emerging markets,…

The fund is actively managed with reference to the following benchmark: MSCI All Countries World - Net Return Index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 7.50%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts**:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy

Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2]<br>at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.

[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Strategic Satellites - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0170815956 | 6 April 1999 through 30 April 1999<br><br>Settlement for value: 7 May 1999 | 3 May 1999 | 500 EUR |
| DIS (Distribution shares) | EUR | BE0170814942 | 6 April 1999 through 30 April 1999<br><br>Settlement for value: 7 May 1999 | 3 May 1999 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Strategic Satellites - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6258069176 | 7 October 2013 through 8 October 2013<br><br>Settlement for value: 11 October 2013 | 9 October 2013 | 584,86 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund Trends

## 1. Basic details

### Name

Trends

### Date of incorporation

26 February 1999

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

The sub-fund invests primarily in shares of companies operating in areas which, according to the manager, fit with the theme 'challenges and opportunities that will apply during this and subsequent decades'. The manager focuses mainly on shares of emerging market companies, companies involved in urban development, those involved in prospecting and mining of natural resources and companies whose business focuses on long-term trends of demographics, globalisation, healthcare, technology and innovation.

The fund is actively managed without referring to any benchmark.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors (‘PAI’) as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’)

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

### *Volatility of the net asset value*

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

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | For the share class Classic Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Institutional B Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Institutional F Shares LU : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Classic Shares CSOB CZK : high | since there are investments in securities that are denominated in currencies other than the Czech Koruna, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |

| | | | |
|---|---|---|---|
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of companies involved in the theme 'the challenges and opportunities that lie ahead in this decade and the decades ahead'. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[(1)]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [(2)] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [(2)] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [(2)] at 2 pm CET) | **D+3 banking days** |

[(1)] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[(2)] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# Trends - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0167243154 | 8 April 1998 through 30 April 1998<br><br>Settlement for value: 4 May 1998 | 4 May 1998 | 5 000 BEF |
| DIS (Distribution shares) | EUR | BE0167244160 | 8 April 1998 through 30 April 1998<br><br>Settlement for value: 4 May 1998 | 4 May 1998 | 5 000 BEF |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Trends - Classic Shares CSOB CZK

**This share class is reserved for negotiation within the financial institution stated in the name of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | CZK | BE6286992340 | 2 November 2016 through 3 November 2016 before 2 pm CET<br><br>Settlement for value: 8 November 2016 | 4 November 2016 | 1 000 CZK |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Trends - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6228927727 | 24 November 2011 through 25 November 2011<br><br>Settlement for value: 30 November 2011 | 28 November 2011 | 77,97 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Trends - Institutional F Shares LU

**This share class is reserved for Luxembourg undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company and which invests its assets primarily in this share class. If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6333465449 | 28 March 2022 through 29 March 2022 before 2 pm CET<br><br>Settlement for value: 1 April 2022 | 30 March 2022 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | | |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund US Small Caps

## 1. Basic details

### Name

US Small Caps

### Date of incorporation

26 February 1998

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

The sub-fund's portfolio is managed passively.
More information with respect to this can be found under the 'Benchmark-tracking' title.
The assets are invested primarily in equities (or equity-related investments) figuring in the S&P SmallCap 600® - Net return index.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts**:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

In particular, the sub-fund takes into account exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account within the limited limits inherent to passive management through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

## *Benchmark-tracking*

**The objective of the sub-fund is to track the composition of a benchmark in accordance with and within the limits of Article 63 of the Royal Decree of 12 November 2012 on the undertakings for collective investment complying with the conditions of Directive 2009/65/EC.**

Benchmark(s) in question: S&P SmallCap 600® - Net return index, which consists of a selection of stocks of smaller U.S. listed companies, covering all sectors. Additional information on this benchmark and its composition can be found on the following website: www.spdji.com.

Benchmark tracking method: physical replication based on full replication: The manager aims to include each share that forms a part of the benchmark in the sub-fund's investment portfolio, whereby each share is given the same weighting as it has in the benchmark. However, the manager retains the freedom to deviate slightly from the benchmark . Reasons for this may include: regulatory restrictions, limited liquidity of shares included in the benchmark, the restrictions mentioned in the 'Information concerning the Bevek – E. Social, ethical and environmental aspects'. The sub-fund may also make limited use of synthetic replication by way of futures, primarily in order to cushion the effects of buying and selling, and to avoid the attendant transaction charges.

The benchmark is rebalanced every quarter. The more often an benchmark is rebalanced, the greater the potential impact on the transaction charges within the sub-fund.

Given normal market conditions, the expected tracking error is between 0% and 1%. Possible causes of this tracking error could be the method used to track the benchmark, transaction charges, dividend reinvestment, the general costs charged to the sub-fund, any income from lending financial instruments .

**If the composition of the benchmark is no longer sufficiently diversified or if the benchmark is no longer sufficiently representative of the market it relates to or if the value and composition of the benchmark is no longer published in a suitable manner, the management company will inform the Board of Directors without delay. The Board of Directors will consider what action to take in the interest of investors and may convene a general meeting of shareholders in order to amend the investment policy.**

**Required disclaimers for benchmark providers:**
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S&P DOW JONES INDICES AND THIRD PARTY LICENSOR SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. S&P DOW JONES INDICES AND [THIRD PARTY LICENSOR MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY KBC ASSET MANAGEMENT, OWNERS OF THE KBC ASSET MANAGEMENT PRODUCT(S) OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE S&P SMALLCAP 600® INDEX OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES OR THIRD PARTY LICENSOR BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBLITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN S&P DOW JONES INDICES AND KBC ASSET MANAGEMENT, OTHER THAN THE LICENSORS OF S&P DOW JONES INDICES.

### *Volatility of the net asset value*

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

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | moderate | since there will be invested in the shares of companies that have a lower market capitalisation, there is a risk that a position cannot be sold quickly at a reasonable price. |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in shares of smaller US listed companies. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.

[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# US Small Caps - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE0168342476 | 29 June 1998 through 31 July 1998<br><br>Settlement for value: 7 August 1998 | 3 August 1998 | 500 USD |
| DIS (Distribution shares) | USD | BE0168341460 | 29 June 1998 through 31 July 1998<br><br>Settlement for value: 7 August 1998 | 3 August 1998 | 500 USD |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.50% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# US Small Caps - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 USD (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE6228910558 | 24 November 2011 through 25 November 2011<br><br>Settlement for value: 30 November 2011 | 28 November 2011 | 853,66 USD |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.50% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund USA & Canada

## 1. Basic details

### Name

USA & Canada

### Date of incorporation

24 November 1999

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

The assets are, directly of indirectly, mainly invested in shares of companies from North America.

The fund is actively managed with reference to the following benchmark: MSCI North America-Net Return index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 3.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of investments in the shares of North American companies. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# USA & Canada - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0172711518 | 29 November 1999 through 30 December 1999<br><br>Settlement for value: 7 January 2000 | 3 January 2000 | 500 EUR |
| DIS (Distribution shares) | EUR | BE0172710502 | 29 November 1999 through 30 December 1999<br><br>Settlement for value: 7 January 2000 | 3 January 2000 | 500 EUR |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## One-off fees and charges charged to the investor ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# USA & Canada - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6228541742 | 24 November 2011<br><br>Settlement for value:<br>29 November 2011 | 25 November 2011 | 516,88 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund USA & Canada Responsible Investing

## 1. Basic details

### Name

USA & Canada Responsible Investing

### Date of incorporation

2 November 2018

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

The assets are mainly invested in shares of companies from North America.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 2 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the “**Responsible Investing Advisory Board**”) comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Equity Fund USA & Canada Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund’s investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG scor**e, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI North America-Net Return index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent), divided by revenues (in mln USD).

A trajectory of -50% by 2030 versus the MSCI North America-Net Return index in 2019 is followed.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;

- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI North America-Net Return index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 3.50%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund USA & Canada Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of investments in the shares of North American companies. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[(1)]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [(2)]<br>at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [(2)]<br>at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [(2)]<br>at 2 pm CET) | **D+3 banking days** |

[(1)] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[(2)] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# USA & Canada Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6307763472 | 2 November 2018 through 5 November 2018 before 2 pm CET<br><br>Settlement for value: 8 November 2018 | 6 November 2018 | 1 000 EUR |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## One-off fees and charges charged to the investor ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# USA & Canada Responsible Investing - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6307764488 | 2 November 2018 through 5 November 2018 before 2 pm CET<br><br>Settlement for value: 8 November 2018 | 6 November 2018 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund We Care Responsible Investing

## 1. Basic details

### Name

We Care Responsible Investing

### Date of incorporation

30 January 1998

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

The subfund invests primarily in shares of companies that are contributing to the medical well-being of society through their products and services, such as:
- Production and development of medicine
- Biotech
- Medical technology
- Diagnostics, symptom recognition and tests
- Digital health care
- Care for elderly and sick people
- Outsourcing of medical activities
- Distribution of medical supplies
- Health and life insurance
- Etc.

A current overview can be found at www.kbc.be/thematic-funds.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 2 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the "**Responsible Investing Advisory Board**") comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'). More information on how the sub-fund promotes environmental and social characteristics can be found in the 'Annex for KBC Equity Fund We Care Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on www.kbc.be/investment-legal-documents > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund’s investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG scor**e, where ESG stands for ‘Environmental, Social and Governance’, and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at www.kbc.be/investment-legal-documents > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI All Countries World - Net Return Index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at www.kbc.be/investment-legal-documents > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes $CO_2$ equivalent), divided by revenues (in mln USD).

In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point will apply for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).

The unique starting point of the sub-fund is 75% of the value of this benchmark at the end of 2019.

The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio will be compared to this pathway.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at www.kbc.be/investment-legal-documents > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN

Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI All Countries World - Net Return Index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 above 4.00%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy

Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund We Care Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | For the share class Classic Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Institutional B Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Classic Shares K&H HUF : high | since there are investments in securities that are denominated in currencies other than the Hungarian Forint, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Classic Shares CSOB CZK : high | since there are investments in securities that are denominated in currencies other than the Czech Koruna, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |

| | | | |
|---|---|---|---|
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of companies in the pharmaceutical and health care industries. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# We Care Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0166584350 | 2 February 1998 through 27 February 1998<br><br>Settlement for value: 6 March 1998 | 2 March 1998 | 20 000 BEF |
| DIS (Distribution shares) | EUR | BE0166585365 | 2 February 1998 through 27 February 1998<br><br>Settlement for value: 6 March 1998 | 2 March 1998 | 20 000 BEF |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# We Care Responsible Investing - Classic Shares CSOB CZK

**This share class is reserved for negotiation within the financial institution stated in the name of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | CZK | BE6337475774 | 12 October 2022 through 30 November 2022 before 2 pm CET<br><br>Settlement for value: 5 December 2022 | 1 December 2022 | 1 000 CZK |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# We Care Responsible Investing - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6228903488 | 24 November 2011 through 25 November 2011<br><br>Settlement for value: 30 November 2011 | 28 November 2011 | 576,88 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# We Care Responsible Investing - Classic Shares K&H HUF

**There is a minimum subscription value of 10000 HUF (both during as well as after the initial subscription period).**
**This share class is reserved for negotiation within the financial institution stated in the name of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | HUF | BE6323644201 | 1 October 2020<br>before 2 pm CET<br><br>Settlement for value:<br>6 October 2020 | 2 October 2020 | 1 000 HUF |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: max 500 HUF<br><br>After the initial subscription period: max. 500 HUF | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.90% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund We Digitize Responsible Investing

## 1. Basic details

### Name

We Digitize Responsible Investing

### Date of incorporation

28 May 1997

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

The sub-fund aims to generate a return by investing primarily in shares of companies whose products and services support the digital evolution, such as:
·Electronics
·Big data and artificial intelligence
·Quantum computing
·Cloud services and cloud computing
·Cybersecurity
·Semiconductors
·Data services to companies
·Software for professional purposes
·IT consultancy
·Network infrastructure
·Digital marketplaces
·Etc.
A current overview can be found at www.kbc.be/thematic-funds.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 13 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the "**Responsible Investing Advisory Board**") comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'). More information on how the sub-fund promotes environmental and social characteristics can be found in the 'Annex for KBC Equity Fund We Digitize Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund’s investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG score**, where ESG stands for ‘Environmental, Social and Governance’, and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's  targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI All Countries World - Net Return Index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent), divided by revenues (in mln USD).

In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point will apply for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).

The unique starting point of the sub-fund is 75% of the value of this benchmark at the end of 2019.

The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio will be compared to this pathway.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI All Countries World - Net Return Index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 above 4.00%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund We Digitize Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | For the share class Classic Shares : low | |
| | | For the share class Institutional B Shares : low | |
| | | For the share class Classic Shares K&H HUF : high | since there are investments in securities that are denominated in currencies other than the Hungarian Forint, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Classic Shares EUR : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Classic Shares CSOB CZK : high | since there are investments in securities that are denominated in currencies other than the Czech Koruna, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |

| | | | |
|---|---|---|---|
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# We Digitize Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE6213773508 | 2 June 1997 through 27 June 1997<br><br>Settlement for value: 7 July 1997 | 30 June 1997 | 1 000 USD |
| DIS (Distribution shares) | USD | BE6213774514 | 2 June 1997 through 27 June 1997<br><br>Settlement for value: 7 July 1997 | 30 June 1997 | 1 000 USD |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# We Digitize Responsible Investing - Classic Shares CSOB CZK

**This share class is reserved for negotiation within the financial institution stated in the name of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | CZK | BE6339813873 | 20 March 2023 through 28 April 2023 before 2 pm CET<br><br>Settlement for value: 4 May 2023 | 2 May 2023 | 1 000 CZK |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# We Digitize Responsible Investing - Classic Shares EUR

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6336587629 | 13 September 2022 through<br>14 September 2022 before 2 pm CET<br><br>Settlement for value: 19 September 2022 | 15 September 2022 | 100 EUR |
| DIS (Distribution shares) | EUR | BE6336588635 | 13 September 2022 through<br>14 September 2022 before 2 pm CET<br><br>Settlement for value: 19 September 2022 | 15 September 2022 | 100 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund* unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share**

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# We Digitize Responsible Investing - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 USD (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | USD | BE6228907521 | 24 November 2011 through 25 November 2011<br><br>Settlement for value: 30 November 2011 | 28 November 2011 | 126,55 USD |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# We Digitize Responsible Investing - Classic Shares K&H HUF

**There is a minimum subscription value of 10000 HUF (both during as well as after the initial subscription period).**
**This share class is reserved for negotiation within the financial institution stated in the name of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | HUF | BE6323645216 | 1 October 2020<br>before 2 pm CET<br><br>Settlement for value:<br>6 October 2020 | 2 October 2020 | 1 000 HUF |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: max 500 HUF<br><br>After the initial subscription period: max. 500 HUF | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.90% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund We Like Responsible Investing

## 1. Basic details

### Name

We Like Responsible Investing

### Date of incorporation

26 August 1999

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

The subfund invests primarily in shares of companies that cater for products and services that consumers perceive as adding value beyond their basic needs, such as:
- Sport
- Travel and culture
- Restaurants, takeaway meals and fast food
- Cosmetics and beauty products
- Media and gaming
- Luxury goods
- Pets and care
- Personal mobility
- E-commerce
- Wealth management
- Etc.

A current overview can be found at www.kbc.be/thematic-funds.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 12 October 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the "**Responsible Investing Advisory Board**") comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'). More information on how the sub-fund promotes environmental and social characteristics can be found in the 'Annex for KBC Equity Fund We Like Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI All Countries World - Net Return Index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes $CO_2$ equivalent), divided by revenues (in mln USD).

In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point will apply for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).

The unique starting point of the sub-fund is 75% of the value of this benchmark at the end of 2019.

The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio will be compared to this pathway.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI All Countries World - Net Return Index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 above 4.00%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund We Like Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[(1)]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [(2)]<br>at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [(2)]<br>at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [(2)]<br>at 2 pm CET) | **D+3 banking days** |

[(1)] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[(2)] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# We Like Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0171890065 | 30 August 1999 through 1 October 1999<br><br>Settlement for value: 8 October 1999 | 4 October 1999 | 500 EUR |
| DIS (Distribution shares) | EUR | BE0171889059 | 30 August 1999 through 1 October 1999<br><br>Settlement for value: 8 October 1999 | 4 October 1999 | 500 EUR |

### *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

### *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# We Like Responsible Investing - Classic Shares CSOB CZK

**This share class is reserved for negotiation within the financial institution stated in the name of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | CZK | BE6283257820 | 4 January 2016 through 1 March 2016 before 2 pm CET<br><br>Settlement for value: 4 March 2016 | 2 March 2016 | 1 000 CZK |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# We Like Responsible Investing - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6228539720 | 24 November 2011 through 25 November 2011<br><br>Settlement for value: 30 November 2011 | 28 November 2011 | 268,07 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund We Live Responsible Investing

## 1. Basic details

### Name

We Live Responsible Investing

### Date of incorporation

1 February 1999

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

The subfund invests primarily in shares of companies that cater for products and services that consumers need in everyday life, such as:
- Utilities for water, Internet and electricity, for example
- Computer equipment, software and communication devices for everyday use
- Food and beverages
- Household goods
- Products for hygiene and daily care
- Household appliances
- DIY items
- Textiles and clothing
- E-commerce
- Everyday banking
- Etc.

A current overview can be found at www.kbc.be/thematic-funds.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 12 October 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the “**Responsible Investing Advisory Board**”) comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Equity Fund We Live Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG scor**e, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI All Countries World - Net Return Index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes $CO_2$ equivalent), divided by revenues (in mln USD).

In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point will apply for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).

The unique starting point of the sub-fund is 100% of the value of this benchmark at the end of 2019.

The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio will be compared to this pathway.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI All Countries World - Net Return Index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 above 4.00%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund We Live Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | For the share class Classic Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Institutional B Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Corporate Wealth Office shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Classic Shares CSOB CZK : high | since there are investments in securities that are denominated in currencies other than the Czech Koruna, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |

| | | | |
|---|---|---|---|
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# We Live Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0170241062 | 1 February 1999 through 26 February 1999<br><br>Settlement for value: 5 March 1999 | 1 March 1999 | 500 EUR |
| DIS (Distribution shares) | EUR | BE0170242078 | 1 February 1999 through 26 February 1999<br><br>Settlement for value: 5 March 1999 | 1 March 1999 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# We Live Responsible Investing - Classic Shares CSOB CZK

**This share class is reserved for negotiation within the financial institution stated in the name of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | CZK | BE6337481830 | 12 October 2022 through 30 November 2022 before 2 pm CET<br><br>Settlement for value: 5 December 2022 | 1 December 2022 | 1 000 CZK |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# We Live Responsible Investing - Corporate Wealth Office shares

**There is a minimum subscription value of 500000 EUR (both during as well as after the initial subscription period).**
**This share class is reserved for investors who are clients of KBC Bank's Wealth Office segment (criteria: *www.kbc.be/wealth*) or CBC Banque's Wealth Centre segment (criteria: *www.cbc.be/centre-wealth*) and who have concluded a General Service Agreement with KBC Bank or CBC Banque.**
**The investors have to meet these criteria at the time they register to buy shares in this share class.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6306637859 | 3 September 2018 through 1 October 2018 before 2 pm CET<br><br>Settlement for value: 4 October 2018 | 2 October 2018 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6306638865 | 3 September 2018 through 1 October 2018 before 2 pm CET<br><br>Settlement for value: 4 October 2018 | 2 October 2018 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 1.00%<br><br>After the initial subscription period: 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.05% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# We Live Responsible Investing - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6228545784 | 24 November 2011 through 25 November 2011<br><br>Settlement for value: 30 November 2011 | 28 November 2011 | 887,07 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund* unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share**

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund We Shape Responsible Investing

## 1. Basic details

### Name

We Shape Responsible Investing

### Date of incorporation

26 February 1998

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

The subfund invests primarily in shares of companies that are shaping the society of the future through their products and services, such as:
- Automation and robotisation
- Solutions for energy transition and storage
- Infrastructure and installations for transport and freight vehicles
- Facilities needed in a circular economy
- Water purification, soil decontamination and air quality improvement
- Machines and installations for more efficient agriculture and forestry
- Industrial plants and machines
- Building materials and construction activities
- Materials
- Logistical solutions
- Credit facilities and financial services to companies and governments
- Etc.

A current overview can be found at www.kbc.be/thematic-funds.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 2 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the “**Responsible Investing Advisory Board**”) comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Equity Fund We Shape Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation

(EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on www.kbc.be/investment-legal-documents > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at www.kbc.be/investment-legal-documents > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI All Countries World - Net Return Index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at www.kbc.be/investment-legal-documents > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes $CO_2$ equivalent), divided by revenues (in mln USD).

In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point will apply for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).

The unique starting point of the sub-fund is 200% of the value of this benchmark at the end of 2019.

The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio will be compared to this pathway.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at www.kbc.be/investment-legal-documents > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI All Countries World - Net Return Index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 above 4.00%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund We Shape Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | For the share class Classic Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Institutional B Shares : high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| | | For the share class Classic Shares CSOB CZK : high | since there are investments in securities that are denominated in currencies other than the Czech Koruna, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |

| | | | |
|---|---|---|---|
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D (every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D (every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# We Shape Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE0166985482 | 2 March 1998 through 27 March 1998<br><br>Settlement for value: 3 April 1998 | 30 March 1998 | 20 000 BEF |
| DIS (Distribution shares) | EUR | BE0166984477 | 2 March 1998 through 27 March 1998<br><br>Settlement for value: 3 April 1998 | 30 March 1998 | 20 000 BEF |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# We Shape Responsible Investing - Classic Shares CSOB CZK

**This share class is reserved for negotiation within the financial institution stated in the name of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | CZK | BE6339814889 | 20 March 2023 through 28 April 2023 before 2 pm CET<br><br>Settlement for value: 4 May 2023 | 2 May 2023 | 1 000 CZK |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# We Shape Responsible Investing - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6228544779 | 24 November 2011 through 25 November 2011<br><br>Settlement for value: 30 November 2011 | 28 November 2011 | 268,5 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund World

## 1. Basic details

### Name

World

### Date of incorporation

21 March 1991

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

### *Selected strategy*

The sub-fund invests directly or indirectly in shares and/or share-related investment that may come from any region, sector or theme.

The fund is actively managed with reference to the following benchmark: MSCI All Countries World - Net Return Index.

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.

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 composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

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 2.50%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors (‘PAI’) as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’)

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2]<br>at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2]<br>at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# World - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6213775529 | 5 April 1991<br><br>Settlement for value: 8 April 1991 | 8 April 1991 | 11 741 BEF |
| DIS (Distribution shares) | EUR | BE6213776535 | 5 April 1991<br><br>Settlement for value: 8 April 1991 | 8 April 1991 | 11 741 BEF |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) | 0.10% | of the net assets of the sub-fund per year. |

# World - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6321861807 | 11 June 2020 through 12 June 2020 before 2 pm CET<br><br>Settlement for value: 17 June 2020 | 15 June 2020 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# World - Institutional Shares

**This share class is reserved for institutional investors, as defined in Article 5 § 3 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, and requires a minimum subscription of 10000 EUR (both during as well as after the initial subscription period). The investor must have the status of institutional investor at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6330705979 | 18 October 2021 through 19 October 2021 before 2 pm CET<br><br>Settlement for value: 22 October 2021 | 20 October 2021 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.45% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund World DBI-RDT

## 1. Basic details

### Name

World DBI-RDT

### Date of incorporation

3 June 2019

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

The main object of this sub-fund is to generate the highest possible return for its shareholders by investing directly in transferable securities. This is reflected in its pursuit of capital gains and income. To that end, the assets are invested primarily in shares.

### Sub-fund's investment policy

#### *Permitted asset classes*

The sub-fund may invest in securities, deposits, liquid assets and all other instruments in so far as permitted by the applicable laws and regulations and consistent with the object referred to above.

#### *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.

#### *Selected strategy*

At least 95% of the assets are invested in a worldwide selection of shares.

The fund invests a minimum of 50% in shares whose dividends and capital gains are eligible for the system of 'dividend received deduction' (DRD).
Under normal circumstances, however, the sub-fund will aim to invest between 70% and 100% in shares whose dividends and capital gains qualify for the DRD regime.
This means that it is possible that the equity portfolio will not be fully invested in equities whose capital gains and dividends qualify for the DRD regime.
As a result, income distributed by the sub-fund may not be 100% eligible for the dividend received deducted.

The fund is actively managed with reference to the following benchmark: MSCI World-Net Return index.

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 assess the performance of the sub-fund.

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 3.00%. 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.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund’s risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.

[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Only distribution shares are issued.

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to its shareholders.

Shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.
The General Meeting may decide to switch to interim payments in accordance with the provisions of the law.
The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

### *Taxation of dividends paid to shareholders liable for Belgian corporation tax*

The sub-fund aims, within the scope of the applicable legislation to enable its shareholders to qualify for the dividend received deduction (DRD) system, as regulated by Articles 202–205 of the Income Tax Code 1992 (ITC 92), in respect of the dividends they receive from the sub-fund.

The sub-fund's articles of association provide to this end for an annual payout of at least 90% of the income it receives itself, this however after deduction of remuneration, commissions and charges.

The dividends paid by the sub-fund (including the 'redemption bonuses' paid to investors under Articles 18 and 186 ITC 92 in respect of purchase by the sub-fund of its own shares) qualify for the dividend received deduction in respect of the shareholder in so far as the underlying income of the sub-fund itself is derived from so-called 'good' income. 'Good' income refers either to dividends that meet the deduction criteria set out in Article 203(1.1–1.4) ITC 92 or to capital gains realised on shares qualifying for exemption under Article 192(1) ITC 92. In so far as the dividends received qualify for the DRD, they will be deducted from the taxable profit.

The DRD system applies to the following shareholders/investors: (1) domestic companies subject to corporation tax and (2) foreign companies with a permanent establishment in Belgium, which are subject to non-residents' corporation tax and in so far as the received dividends may be allocated to the Belgian permanent establishment.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# World DBI-RDT - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6313419770 | 3 June 2019 through 28 June 2019 before 2 pm CET<br><br>Settlement for value: 3 July 2019 | 1 July 2019 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian’s fee | 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# World DBI-RDT - Corporate Shares

**There is a minimum subscription value of 250000 EUR (both during as well as after the initial subscription period).**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6313620849 | 3 June 2019 through 28 June 2019 before 2 pm CET<br><br>Settlement for value: 3 July 2019 | 1 July 2019 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 1.00%<br><br>After the initial subscription period: 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.15% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# World DBI-RDT - Corporate Wealth shares

**There is a minimum subscription value of 1250000 EUR (both during as well as after the initial subscription period).**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6313621854 | 3 June 2019 through 28 June 2019 before 2 pm CET<br><br>Settlement for value: 3 July 2019 | 1 July 2019 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 1.00%<br><br>After the initial subscription period: 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.90% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# World DBI-RDT - Discretionary Shares

**This share class is reserved for trading to persons who acquire and hold the units on the basis of a discretionary management contract with KBC Asset Management NV or with another company associated with KBC Asset Management NV. The investor must have this status at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6313622860 | 3 June 2019 through 28 June 2019 before 2 pm CET<br><br>Settlement for value: 3 July 2019 | 1 July 2019 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 0.00%<br><br>After the initial subscription period: 0.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.75% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# World DBI-RDT - Institutional Shares

**This share class is reserved for institutional investors, as defined in Article 5 § 3 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, and requires a minimum subscription of 10000 EUR (both during as well as after the initial subscription period). The investor must have the status of institutional investor at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6313623876 | 3 June 2019 through 28 June 2019 before 2 pm CET<br><br>Settlement for value: 3 July 2019 | 1 July 2019 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 0.00%<br><br>After the initial subscription period: 0.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.35% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund World DBI-RDT Responsible Investing

# 1. Basic details

## Name

World DBI-RDT Responsible Investing

## Date of incorporation

5 June 2020

## Life

Unlimited

## Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

## Stock exchange listing

Not applicable.

# 2. Investment information

## Sub-fund's object

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.

### *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.

### *Selected strategy*

At least 95% of the assets are invested in a worldwide selection of shares.

The fund invests a minimum of 50% in shares whose dividends and capital gains are eligible for the system of 'dividend received deduction' (DRD).
Under normal circumstances, however, the sub-fund will aim to invest between 70% and 100% in shares whose dividends and capital gains qualify for the DRD regime.
This means that it is possible that the equity portfolio will not be fully invested in equities whose capital gains and dividends qualify for the DRD regime.
As a result, income distributed by the sub-fund may not be 100% eligible for the dividend received deducted.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 2 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the "**Responsible Investing Advisory Board**") comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'). More information on how the sub-fund promotes environmental and social characteristics can be found in the 'Annex for KBC Equity Fund World DBI-RDT Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG scor**e, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI World-Net Return index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent), divided by revenues (in mln USD).

A trajectory of -50% by 2030 versus the MSCI World-Net Return index in 2019 is followed.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at www.kbc.be/investment-legal-documents > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

More information about this and the concrete goals of the sub-fund can be found at www.kbc.be/investment-legal-documents > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI World-Net Return index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 3.00%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Equity Fund World DBI-RDT Responsible Investing'. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| **Cut-off time for receiving orders at the financial service providers in Belgium**[1]<br><br>**Date of published net asset value** | **Date the net asset value is calculated** | **Actual values used** | **Date of payment or repayment of the orders** |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D (every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D (every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

# 5. Types of shares and fees and charges

Only distribution shares are issued.

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to its shareholders.

Shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to switch to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

### *Taxation of dividends paid to shareholders liable for Belgian corporation tax*

The sub-fund aims, within the scope of the applicable legislation to enable its shareholders to qualify for the dividend received deduction (DRD) system, as regulated by Articles 202–205 of the Income Tax Code 1992 (ITC 92), in respect of the dividends they receive from the sub-fund.

The sub-fund’s articles of association provide to this end for an annual payout of at least 90% of the income it receives itself, this however after deduction of remuneration, commissions and charges.

The dividends paid by the sub-fund (including the ‘redemption bonuses’ paid to investors under Articles 18 and 186 ITC 92 in respect of purchase by the sub-fund of its own shares) qualify for the dividend received deduction in respect of the shareholder in so far as the underlying income of the sub-fund itself is derived from so-called ‘good’ income. ‘Good’ income refers either to dividends that meet the deduction criteria set out in Article 203(1.1–1.4) ITC 92 or to capital gains realised on shares qualifying for exemption under Article 192(1) ITC 92. In so far as the dividends received qualify for the DRD, they will be deducted from the taxable profit.

The DRD system applies to the following shareholders/investors: (1) domestic companies subject to corporation tax and (2) foreign companies with a permanent establishment in Belgium, which are subject to non-residents’ corporation tax and in so far as the received dividends may be allocated to the Belgian permanent establishment.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# World DBI-RDT Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6321630434 | 5 June 2020 through 29 June 2020 before 2 pm CET<br><br>Settlement for value: 2 July 2020 | 30 June 2020 | 500 EUR |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## One-off fees and charges charged to the investor ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.60% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# World DBI-RDT Responsible Investing - Corporate Shares

**There is a minimum subscription value of 250000 EUR (both during as well as after the initial subscription period).**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6321631440 | 5 June 2020 through 29 June 2020 before 2 pm CET<br><br>Settlement for value: 2 July 2020 | 30 June 2020 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 1.00%<br><br>After the initial subscription period: 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.25% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# World DBI-RDT Responsible Investing - Corporate Wealth shares

**There is a minimum subscription value of 1250000 EUR (both during as well as after the initial subscription period).**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6321632455 | 5 June 2020 through 29 June 2020 before 2 pm CET<br><br>Settlement for value: 2 July 2020 | 30 June 2020 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 1.00%<br><br>After the initial subscription period: 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund* unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share**

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 1.00% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# World DBI-RDT Responsible Investing - Discretionary Shares

**This share class is reserved for trading to persons who acquire and hold the units on the basis of a discretionary management contract with KBC Asset Management NV or with another company associated with KBC Asset Management NV. The investor must have this status at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6321635482 | 5 June 2020<br>through<br>29 June 2020<br>before 2 pm CET<br><br>Settlement for value:<br>2 July 2020 | 30 June 2020 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 0.00%<br><br>After the initial subscription period: 0.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund** unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share*

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.85% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# World DBI-RDT Responsible Investing - Institutional Shares

**This share class is reserved for institutional investors, as defined in Article 5 § 3 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, and requires a minimum subscription of 10000 EUR (both during as well as after the initial subscription period). The investor must have the status of institutional investor at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| DIS (Distribution shares) | EUR | BE6321636498 | 5 June 2020<br>through<br>29 June 2020<br>before 2 pm CET<br><br>Settlement for value:<br>2 July 2020 | 30 June 2020 | 500 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 0.00%<br><br>After the initial subscription period: 0.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| Fee for managing the investment portfolio | Max 0.45% | per year calculated on the basis of the average total net assets of the sub-fund.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# Information concerning the sub-fund World Responsible Investing

## 1. Basic details

### Name

World Responsible Investing

### Date of incorporation

2 November 2018

### Life

Unlimited

### Delegation of the management of the investment portfolio

There is no delegation of the management of the investment portfolio.

### Stock exchange listing

Not applicable.

## 2. Investment information

### Sub-fund's object

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.**

## *Selected strategy*

The sub-fund invests primarily in a worldwide selection of shares from any region, sector or theme.

Within the above limits, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

This approach will be gradually implemented in the portfolio, starting 2 September 2022. KBC Asset Management NV has a team of specialist researchers responsible for this dualistic approach. They are assisted by an independent advisory board (the "**Responsible Investing Advisory Board**") comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the dualistic approach and activities of the specialist researchers. The secretariat of the advisory board is handled by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with data suppliers with expertise in Responsible Investing that provide data to the specialized researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'). More information on how the sub-fund promotes environmental and social characteristics can be found in the 'Annex for KBC Equity Fund World Responsible Investing'. This annex specifically covers the pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies available on *www.kbc.be/investment-legal-documents* > Exclusion policy for Responsible Investing funds.

The application of these policies means that companies involved in such activities like the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision of the Responsible Investing Advisory Board.

Positive selection methodology

Within the defined investment universe and other limits described above, the responsible investment objectives of the sub-fund are the following:

(1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG scor**e, where ESG stands for 'Environmental, Social and Governance', and

(2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;

(3) support sustainable development , by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

**(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g., reduction in greenhouse gas emissions);
- attention to society (e.g., employee working conditions); and
- corporate governance (e.g., independence and diversity of the board of directors).

The ESG score for companies is an ESG risk score supplied by a data provider.

These lists are not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmark: MSCI All Countries World - Net Return Index.

More information on the ESG Score and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets can be revised upwards or downwards.

**(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity companies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes $CO_2$ equivalent), divided by revenues (in mln USD).

A trajectory of -50% by 2030 versus the MSCI All Countries World - Net Return Index in 2019 is followed.

More information on Carbon Intensity and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

**(3) UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives. Instruments of companies that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

More information about this and the concrete goals of the sub-fund can be found at *www.kbc.be/investment-legal-documents* > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

**Potential Exceptions**

It cannot be ruled out, however, that very limited investments may be made temporarily in assets that do not meet the above criteria. The reasons for this include the following:

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;

- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

In these cases, the fund manager will replace the assets concerned with more appropriate assets as soon as possible, always taking into account the sole interest of the investor.

In addition, for the purpose of efficient portfolio management, the fund manager may to a significant degree use derivatives relating to assets that would not be eligible for inclusion in the sub-fund, in so far as there is no serviceable and comparable alternative available on the market. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: MSCI All Countries World - Net Return Index.

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 composition of the portfolio will vary from that of the benchmark, as the composition of the benchmark is not fully consistent with the environmental and/or social characteristics promoted by the sub-fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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 3.50%. 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.

**Taxonomy related information**

At the date of this prospectus, the sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. The percentage invested in environmentally sustainable activities within the meaning of the EU Taxonomy Framework at all times is 0%. The underlying investments of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. This will be monitored on a regular basis and as soon as sufficiently reliable, timely and verifiable data from issuers or investee companies is available and final regulatory technical standards are published providing more detailed guidance on the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability disclosure in the financial services sector and on how Taxonomy information should be made public, the prospectus will be updated.

**Transparency of adverse sustainability impacts:**

The sub-fundconsiders the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. More information on the principal adverse impact indicators taken into account can be found at *www.kbc.be/investment-legal-documents* > General exclusion policy for conventional and Responsible Investing funds and *www.kbc.be/investment-legal-documents* > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at *www.kbc.be/investment-legal-documents* > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the ‘Annex for KBC Equity Fund World Responsible Investing’. A statement on how the sub-fund has considered the principal adverse impacts on sustainability factors during the reporting period can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

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.**

# 3. Risk

## Sub-fund's risk profile

**Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.**

Summary table of risks assessed by the sub-fund:

| **Risk type** | **Concise definition of the risk** | | **Explanation:** |
|---|---|---|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

## Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at *www.kbc.be/riskprofile*.

# 4. Information concerning the trading of shares

## How to buy and sell shares and switch between sub-funds

**If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association , and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.**

| Cut-off time for receiving orders at the financial service providers in Belgium[1]<br><br>Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|---|---|---|
| **D**<br>(every banking day [2] at 2 pm CET) | **D+1 banking day** | **D** if maximum 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET)<br><br>**D+1** if more than 20% of the actual values are already known on D<br>(every banking day [2] at 2 pm CET) | **D+3 banking days** |

[1] The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.
If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.
[2] with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

## Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

## Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

# 5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

## Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed 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, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

# World Responsible Investing - Classic Shares

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6307728129 | 2 November 2018 through 5 November 2018 before 2 pm CET<br><br>Settlement for value: 8 November 2018 | 6 November 2018 | 1 000 EUR |

## Recurrent fees and charges paid by the Bevek

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## One-off fees and charges charged to the investor ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 3.00%<br><br>After the initial subscription period: 3.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

**Recurrent fees and charges paid by the sub-fund** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# World Responsible Investing - Discretionary Shares

**This share class is reserved for trading to persons who acquire and hold the units on the basis of a discretionary management contract with KBC Asset Management NV or with another company associated with KBC Asset Management NV. The investor must have this status at the moment of subscription and for as long as the investor remains a shareholder of the share class. If it appears that the shares of this class of shares are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6338755968 | 9 January 2023 through 10 January 2023 before 2 pm CET<br><br>Settlement for value: 13 January 2023 | 11 January 2023 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6338756974 | 9 January 2023 through 10 January 2023 before 2 pm CET<br><br>Settlement for value: 13 January 2023 | 11 January 2023 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | During the initial subscription period: 0.00%<br><br>After the initial subscription period: 0.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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’ | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

# World Responsible Investing - Institutional B Shares

**This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 EUR (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.**

| *Types of shares offered to the public* | *Currency for the calculation of the net asset value* | *ISIN code* | *The initial subscription period/day (unless the subscription period is closed early)* | *The first net asset value following the initial subscription period/day* | *Initial subscription price* |
|---|---|---|---|---|---|
| CAP (Capitalisation shares) | EUR | BE6307729135 | 2 November 2018 through 5 November 2018 before 2 pm CET<br><br>Settlement for value: 8 November 2018 | 6 November 2018 | 1 000 EUR |

## *Recurrent fees and charges paid by the Bevek*

| | |
|---|---|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |

## *One-off fees and charges charged to the investor* ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | *Subscription* | *Redemption* | *Switching between subfunds* |
|---|---|---|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500%<br>After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

***Recurrent fees and charges paid by the sub-fund*** ***unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share***

| | | |
|---|---|---|
| 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.<br><br>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.<br><br>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year. |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year.<br>However, the fee will never exceed a maximum of 0.005% 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' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund Asia Pacific Responsible Investing

**Legal entity identifier (LEI):**
875500BHGW9XZQY7EX15

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: %. | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 10% better than the following benchmark: MSCI Pacific-Net Return index. |
| Carbon Intensity | A reduction of 50% by 2030 based on the following benchmark: MSCI Pacific-Net Return index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI Pacific-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**(1) Indicators related to the ESG-score**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI Pacific-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund Asia Pacific Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

The contribution of companies to climate change mitigation is measured based on their carbon

intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes $CO_2$ equivalent) divided by revenues (in million USD).

The number of tonnes of $CO_2$ emitted by a company is the sum of:

- the direct $CO_2$ emissions resulting from the company's own activities (scope 1); and
- the indirect $CO_2$ emissions resulting from the generation of purchased electricity (scope 2).

The indirect $CO_2$ emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

The sub-fund aims for a reduction of 50% by 2030 compared to the benchmark MSCI Pacific-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund Asia Pacific Responsible Investing ' at the end of 2019.

An immediate reduction of 30% is implemented for 2019, followed by a 3% reduction on an annual basis. The portfolio's weighted average will be assessed against that trajectory. Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund’s investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund’s investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas (‘GHG’) intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

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*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title “Information concerning the sub-fund Asia Pacific Responsible Investing” of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?’ of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title ‘Information concerning the sub-fund Asia Pacific Responsible Investing’.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

**What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section ‘What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?'.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title "Information concerning the sub-fund Asia Pacific Responsible Investing".

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title "Information concerning the sub-fund Asia Pacific Responsible Investing".

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

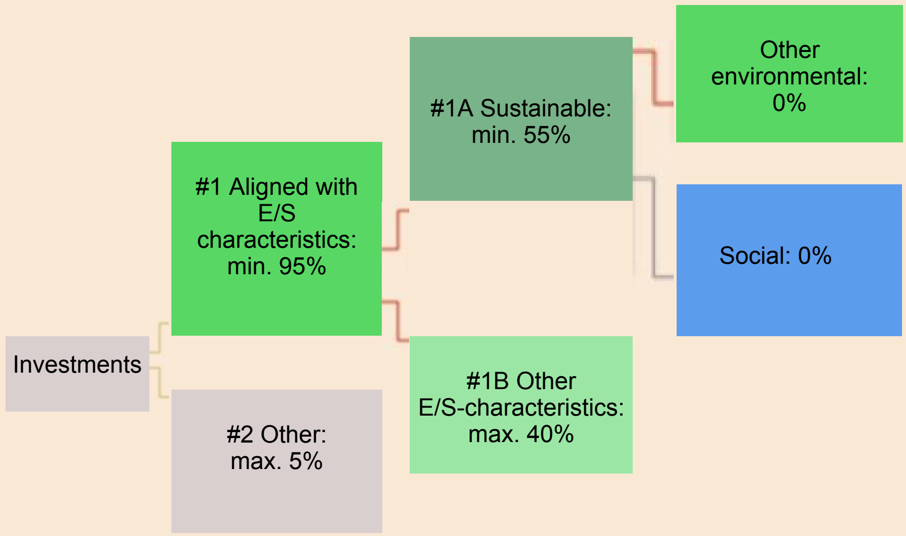
The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section 'What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**.**

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund Asia Pacific Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The assets are mainly invested in shares of companies from Japan and developed countries in the Asia-Pacific region.

No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.
Whether or not to invest in government bonds has no impact on this percentage.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'[1]?**

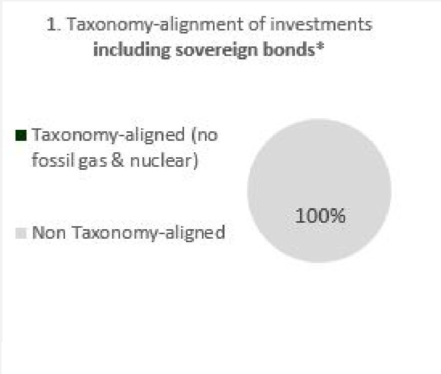
☐ Yes

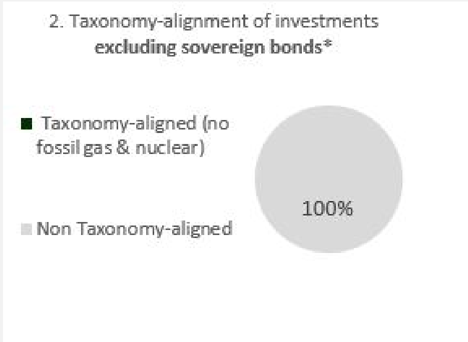
in fossil gas in nuclear energy

✖ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***



This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund Asia Pacific Responsible Investing". For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI Pacific-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: *www.kbc.be/SRD* > KBC Equity Fund Asia Pacific Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund Emerging Markets Responsible Investing

**Legal entity identifier (LEI):**
549300BD4WMIYX55Z705

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ Yes | ☒ No |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: % | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 10% better than the following benchmark: MSCI Emerging Markets-Net Return index. |
| Carbon Intensity | A reduction of 50% by 2030 based on the following benchmark: MSCI Emerging Markets-Net Return index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI Emerging Markets-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**(1) Indicators related to the ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI Emerging Markets-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund Emerging Markets Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the

section ‘What environmental and/or social characteristics are promoted by this financial product?’.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

The sub-fund aims for a reduction of 50% by 2030 compared to the benchmark MSCI Emerging Markets-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund Emerging Markets Responsible Investing ’ at the end of 2019.

An immediate reduction of 30% is implemented for 2019, followed by a 3% reduction on an annual basis. The portfolio’s weighted average will be assessed against that trajectory. Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section **‘**What environmental and/or social characteristics are promoted by this financial product?’.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title “Information concerning the sub-fund Emerging Markets Responsible Investing” of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?’ of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title ‘Information concerning the sub-fund Emerging Markets Responsible Investing’.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

**What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section ‘What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title “Information concerning the sub-fund Emerging Markets Responsible Investing”.

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title “Information concerning the sub-fund Emerging Markets Responsible Investing”.

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in ‘sustainable investments’ as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

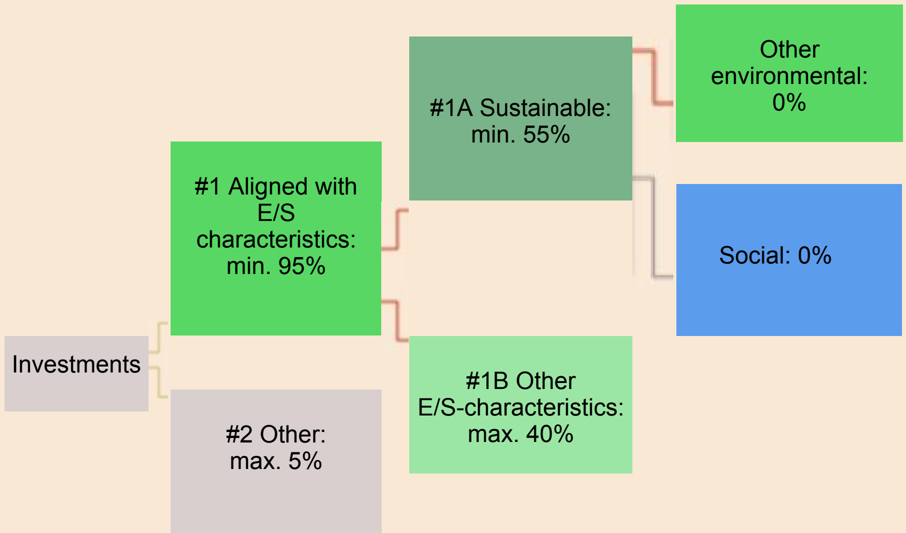
The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section ‘What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**.**

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund Emerging Markets Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

At least 90% of the assets will be invested, directly or indirectly, in shares of emerging market companies.

No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.
Whether or not to invest in government bonds has no impact on this percentage.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'[1]?**

Yes

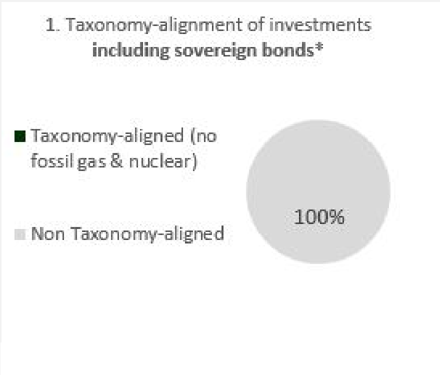
☐

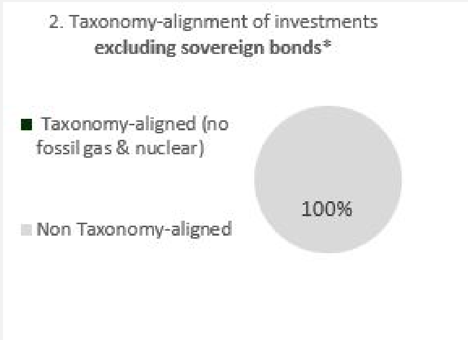
☐ in fossil gas ☐ in nuclear energy

☒ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund Emerging Markets Responsible Investing". For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI Emerging Markets-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: *www.kbc.be/SRD* > KBC Equity Fund Emerging Markets Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund EMU Small & Medium Caps Responsible Investing

**Legal entity identifier (LEI):**
875500XU7QBWLDMB5039

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: % | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 10% better than the following benchmark: MSCI EMU SMALL CAP - Net Return Index. |
| Carbon Intensity | A reduction of 50% by 2030 based on the following benchmark: MSCI EMU SMALL CAP - Net Return Index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI EMU SMALL CAP - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**(1) Indicators related to the ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI EMU SMALL CAP - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund EMU Small & Medium Caps Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the

section ‘What environmental and/or social characteristics are promoted by this financial product?’.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

The sub-fund aims for a reduction of 50% by 2030 compared to the benchmark MSCI EMU SMALL CAP - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund EMU Small & Medium Caps Responsible Investing ’ at the end of 2019.

An immediate reduction of 30% is implemented for 2019, followed by a 3% reduction on an annual basis. The portfolio’s weighted average will be assessed against that trajectory. Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

**What investment strategy does this financial product follow?**

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title "Information concerning the sub-fund EMU Small & Medium Caps Responsible Investing" of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?' of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title 'Information concerning the sub-fund EMU Small & Medium Caps Responsible Investing'.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

**What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?'.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section 'What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title “Information concerning the sub-fund EMU Small & Medium Caps Responsible Investing”.

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title “Information concerning the sub-fund EMU Small & Medium Caps Responsible Investing”.

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in ‘sustainable investments’ as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

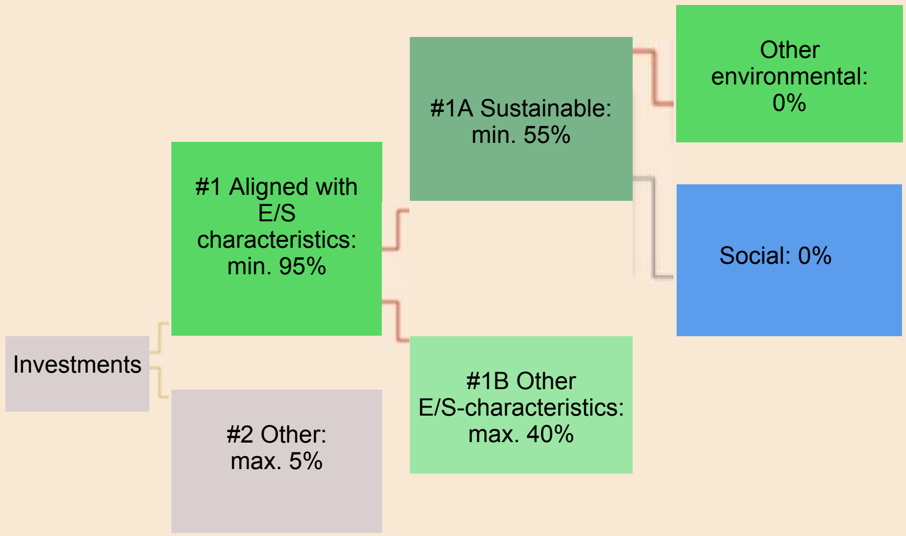
The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section ‘What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**.**

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund EMU Small & Medium Caps Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The assets are invested primarily in shares of companies in the euro area which have a small to medium market capitalisation.
No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.
Whether or not to invest in government bonds has no impact on this percentage.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'[(1)]?**

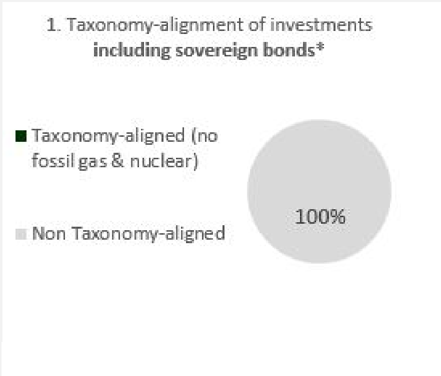
☐ Yes

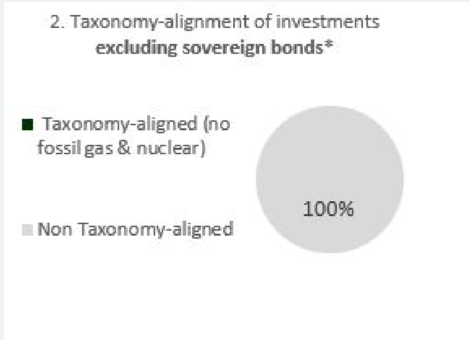
☐ in fossil gas ☐ in nuclear energy

☒ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund EMU Small & Medium Caps Responsible Investing”. For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI EMU SMALL CAP - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: www.kbc.be/SRD > KBC Equity Fund EMU Small & Medium Caps Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

| | |
|---|---|
| **Product Name:**<br>KBC Equity Fund Eurozone Responsible Investing | **Legal entity identifier (LEI):**<br>875500R3KEAZUPH7BE40 |

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: % | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 10% better than the following benchmark: MSCI EMU-Net Return index. |
| Carbon Intensity | A reduction of 50% by 2030 based on the following benchmark: MSCI EMU-Net Return index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI EMU-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**(1) Indicators related to the ESG-score**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI EMU-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund Eurozone Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

The contribution of companies to climate change mitigation is measured based on their carbon

intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

The sub-fund aims for a reduction of 50% by 2030 compared to the benchmark MSCI EMU-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund Eurozone Responsible Investing ' at the end of 2019.

An immediate reduction of 30% is implemented for 2019, followed by a 3% reduction on an annual basis. The portfolio's weighted average will be assessed against that trajectory. Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

✖ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

## What investment strategy does this financial product follow?

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title “Information concerning the sub-fund Eurozone Responsible Investing” of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?’ of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title ‘Information concerning the sub-fund Eurozone Responsible Investing’.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section ‘What environmental and/or social characteristics are promoted by this financial product?.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

### What is the policy to assess good governance practices of the investee companies?

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

### What is the asset allocation planned for this financial product?

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title “Information concerning the sub-fund Eurozone Responsible Investing”.

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title “Information concerning the sub-fund Eurozone Responsible Investing”.

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in ‘sustainable investments’ as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

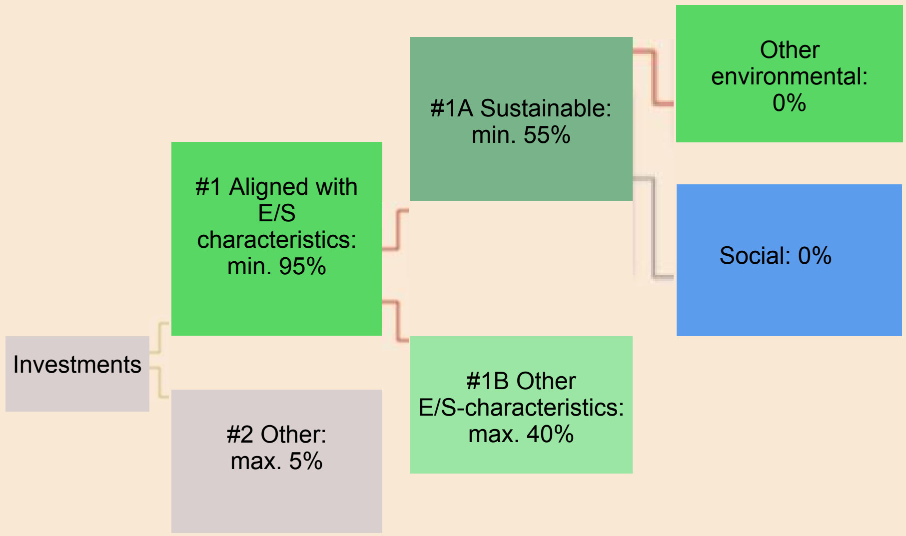
The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section ‘What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**.**

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund Eurozone Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The assets are mainly invested in shares of companies in the euro area.
No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.
Whether or not to invest in government bonds has no impact on this percentage.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'[(1)]?**

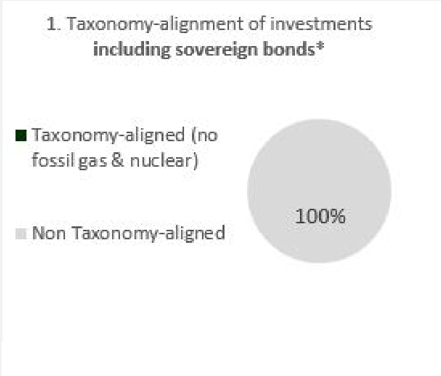
☐ Yes

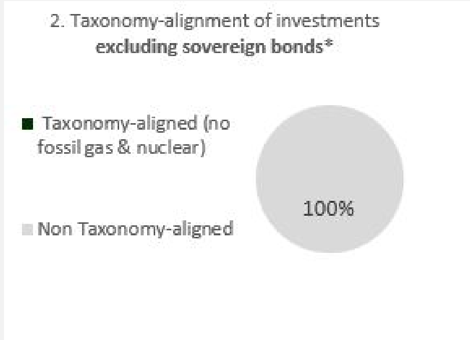
☐ in fossil gas ☐ in nuclear energy

No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund Eurozone Responsible Investing”. For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI EMU-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: www.kbc.be/SRD > KBC Equity Fund Eurozone Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund Global Value Responsible Investing

**Legal entity identifier (LEI):**
875500JSEPD3I6G1V867

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: % | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 10% better than the following reference portfolio: MSCI World - Net Return Index. |
| Carbon Intensity | A reduction of 50% by 2030 based on the following reference portfolio: MSCI World - Net Return Index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the reference portfolio MSCI World - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**(1) Indicators related to the ESG-score**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the reference portfolio MSCI All Countries World EUR - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund Global Value Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

The sub-fund aims for a reduction of 50% by 2030 compared to the reference portfolio MSCI World - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund Global Value Responsible Investing ’ at the end of 2019.

An immediate reduction of 30% is implemented for 2019, followed by a 3% reduction on an annual basis. The portfolio’s weighted average will be assessed against that trajectory. Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the

Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.

- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

**What investment strategy does this financial product follow?**

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title "Information concerning the sub-fund Global Value Responsible Investing" of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?' of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title 'Information concerning the sub-fund Global Value Responsible Investing'.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?'.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section 'What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?'.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title "Information concerning the sub-fund Global Value Responsible Investing".

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title "Information concerning the sub-fund Global Value Responsible Investing".

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can

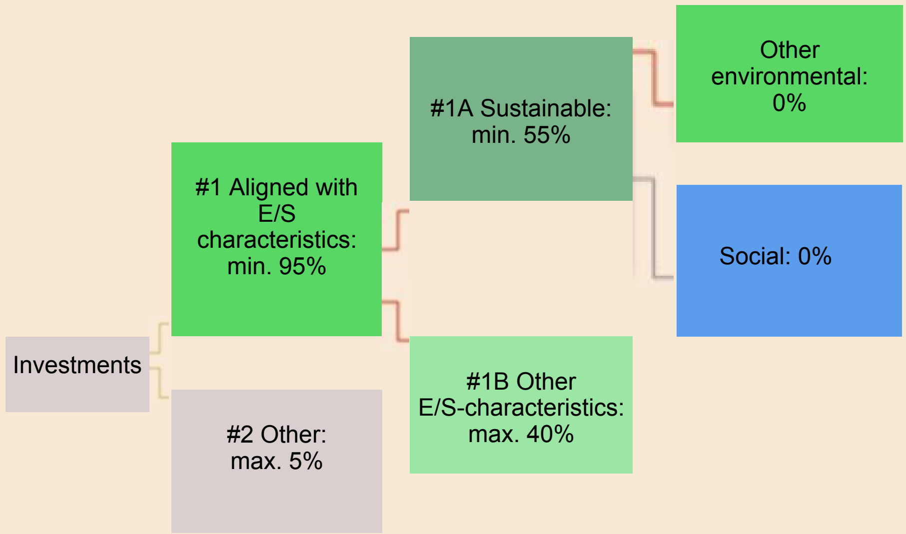
also be found in the section ‘What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?.

Taxonomy-aligned activities are expressed as a share of:

**-turnover** reflecting the share of revenue from green activities of investee companies.

**-capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

**-operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund Global Value Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The sub-fund invests primarily in shares of companies that fit within the ‘Structural value’ theme. Companies within this theme include those offering shares with high dividend yields and/or share buyback policies. Consideration is also given to companies for which a relatively low valuation (expressed, for example, by a high book-to-market ratio) could indicate potential for short- or medium-term capital gain on the investment. The book-to-market ratio is the result of the carrying value (calculated as the value of assets less liabilities) of a company divided by its market value (calculated as the number of shares outstanding multiplied by the price per share). Investments are made in a worldwide selection of shares.

No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage

invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.
Whether or not to invest in government bonds has no impact on this percentage.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[(1)]?**

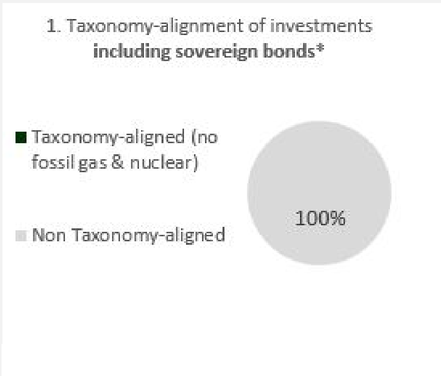
☐ Yes

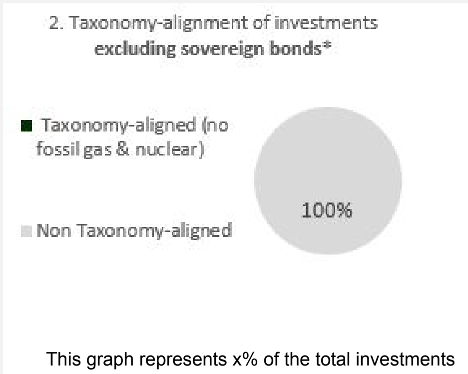
☐ in fossil gas ☐ in nuclear energy

☒ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a economic activities under the EU-Taxonomy.

work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund Global Value Responsible Investing". For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the reference portfolio MSCI All Countries World EUR - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: www.kbc.be/SRD > KBC Equity Fund Global Value Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund Minimum Variance Responsible Investing

**Legal entity identifier (LEI):**
5493000DDUOOPAQH2R82

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: % | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 10% better than the following reference portfolio: MSCI All Countries World EUR - Net Return Index. |
| Carbon Intensity | A reduction of 50% by 2030 based on the following reference portfolio: MSCI All Countries World EUR - Net Return Index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the reference portfolio MSCI All Countries World EUR - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**(1) Indicators related to the ESG-score**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the reference portfolio MSCI All Countries World EUR - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund Minimum Variance Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

The sub-fund aims for a reduction of 50% by 2030 compared to the reference portfolio MSCI All Countries World EUR - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund Minimum Variance Responsible Investing ' at the end of 2019.

An immediate reduction of 30% is implemented for 2019, followed by a 3% reduction on an annual basis. The portfolio’s weighted average will be assessed against that trajectory. Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the

Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.

- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

✖ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

**What investment strategy does this financial product follow?**

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title "Information concerning the sub-fund Minimum Variance Responsible Investing" of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?' of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title 'Information concerning the sub-fund Minimum Variance Responsible Investing'.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

**What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?'.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section 'What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?'.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title "Information concerning the sub-fund Minimum Variance Responsible Investing".

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title "Information concerning the sub-fund Minimum Variance Responsible Investing".

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

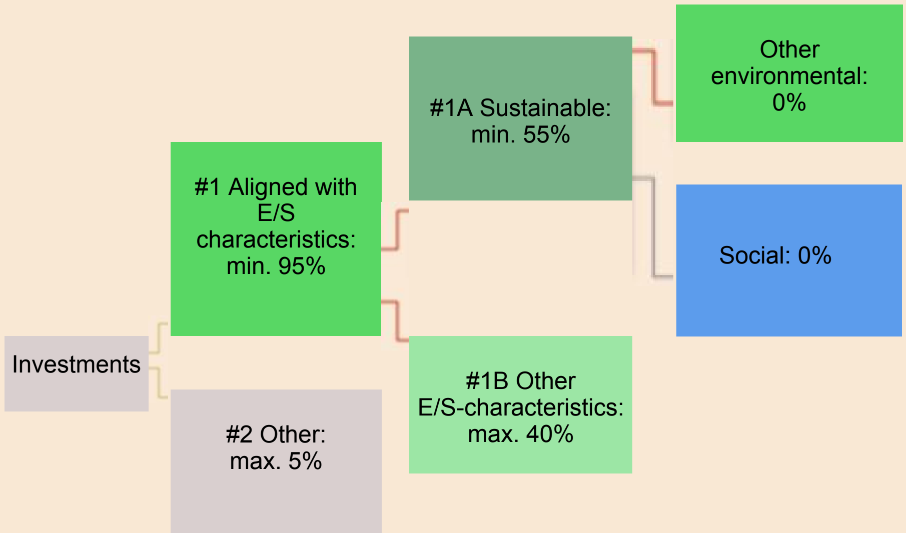
The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section 'What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**.**

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading "Information concerning the sub-fund Minimum Variance Responsible Investing".

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The assets are invested directly or indirectly in a diversified selection of global shares .

The objective is to generate a high return while minimising the fluctuations in the value of the sub-fund. The composition of the portfolio is based on a quantitative model aimed at minimising expected volatility.
The main parameters of the model are historical data on the price movements of individual stocks, their correlation with the broad market and their mutual correlation. As a result, the sub-fund may invest to a greater or lesser extent in one or several themes, sectors or regions.
No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU

taxonomy is 0%.
Whether or not to invest in government bonds has no impact on this percentage.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'(1)?**

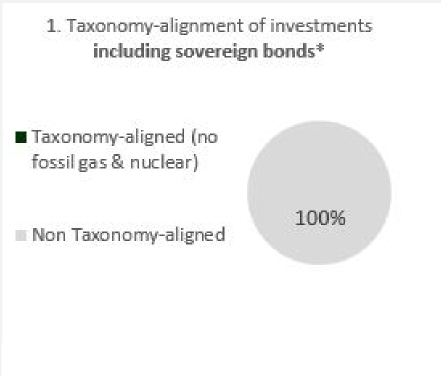
☐ Yes

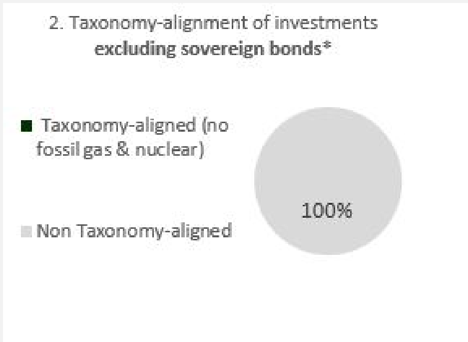
☐ in fossil gas ☐ in nuclear energy

☒ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has under the EU-Taxonomy.

created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund Minimum Variance Responsible Investing”. For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the reference portfolio MSCI All Countries World EUR - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: www.kbc.be/SRD > KBC Equity Fund Minimum Variance Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund North America Responsible Investing

**Legal entity identifier (LEI):**
875500CSDCOYBT8YKZ27

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: %. | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 10% better than the following benchmark: MSCI North America-Net Return index. |
| Carbon Intensity | A reduction of 50% by 2030 based on the following benchmark: MSCI North America-Net Return index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI North America-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**(1) Indicators related to the ESG-score**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI North America-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund North America Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the

section ‘What environmental and/or social characteristics are promoted by this financial product?’.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

The sub-fund aims for a reduction of 50% by 2030 compared to the benchmark MSCI North America-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund North America Responsible Investing ’ at the end of 2019.

An immediate reduction of 30% is implemented for 2019, followed by a 3% reduction on an annual basis. The portfolio’s weighted average will be assessed against that trajectory. Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

**What investment strategy does this financial product follow?**

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title “Information concerning the sub-fund North America Responsible Investing” of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?’ of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title ‘Information concerning the sub-fund North America Responsible Investing’.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

**What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

<u>Negative screening</u>

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

<u>The positive selection methodology</u>

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section ‘What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title “Information concerning the sub-fund North America Responsible Investing”.

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title “Information concerning the sub-fund North America Responsible Investing”.

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in ‘sustainable investments’ as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

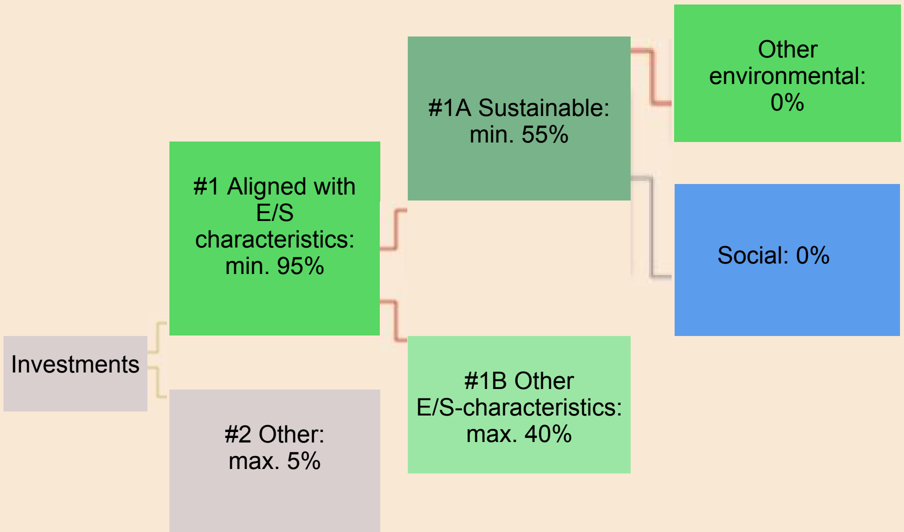
The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section ‘What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**.**

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund North America Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The assets are mainly invested in shares of companies from the United States and Canada.
No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.
Whether or not to invest in government bonds has no impact on this percentage.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'[(1)]?**

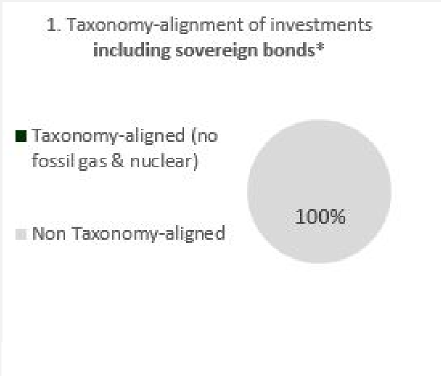
☐ Yes

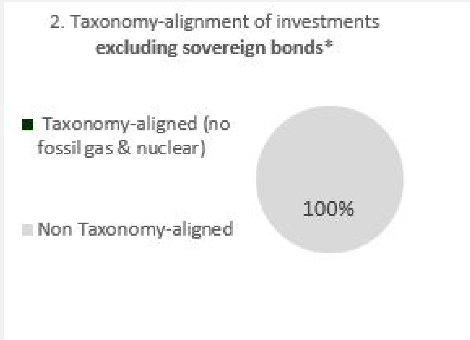
☐ in fossil gas ☐ in nuclear energy

No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund North America Responsible Investing”. For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI North America-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: *www.kbc.be/SRD* > KBC Equity Fund North America Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund North American Continent Responsible Investing

**Legal entity identifier (LEI):**
875500S353CF3CLO9W82

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: %. | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 10% better than the following benchmark: MSCI North America-Net Return index. |
| Carbon Intensity | A reduction of 50% by 2030 based on the following benchmark: MSCI North America-Net Return index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI North America-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**(1) Indicators related to the ESG-score**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI North America-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund North American Continent Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the

section ‘What environmental and/or social characteristics are promoted by this financial product?’.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

The sub-fund aims for a reduction of 50% by 2030 compared to the benchmark MSCI North America-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund North American Continent Responsible Investing ’ at the end of 2019.

An immediate reduction of 30% is implemented for 2019, followed by a 3% reduction on an annual basis. The portfolio’s weighted average will be assessed against that trajectory. Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund’s investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund’s investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas (‘GHG’) intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

**What investment strategy does this financial product follow?**

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title “Information concerning the sub-fund North American Continent Responsible Investing” of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?’ of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title ‘Information concerning the sub-fund North American Continent Responsible Investing’.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

**What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section ‘What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title “Information concerning the sub-fund North American Continent Responsible Investing”.

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title “Information concerning the sub-fund North American Continent Responsible Investing”.

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in ‘sustainable investments’ as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

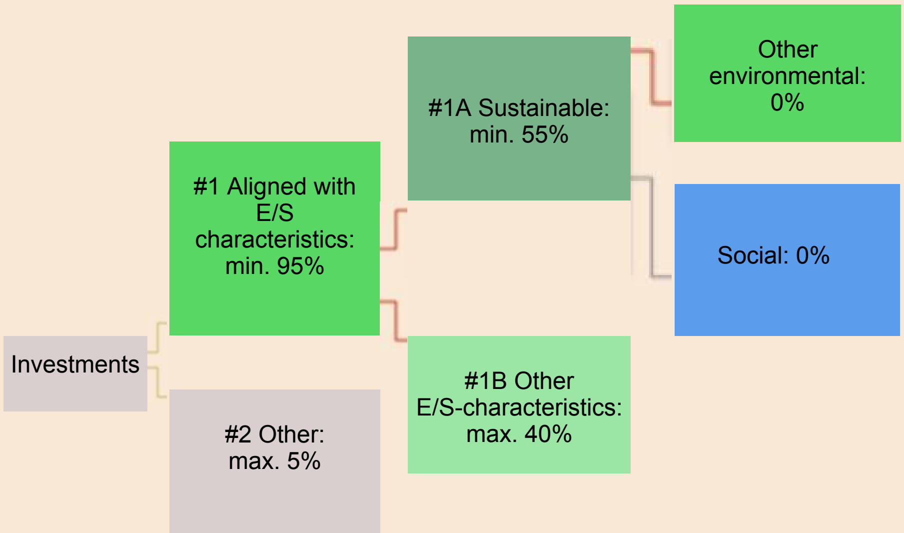
The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section ‘What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**.**

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund North American Continent Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The assets are mainly invested in shares of companies from continental North America .
No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.
Whether or not to invest in government bonds has no impact on this percentage.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'[1]?**

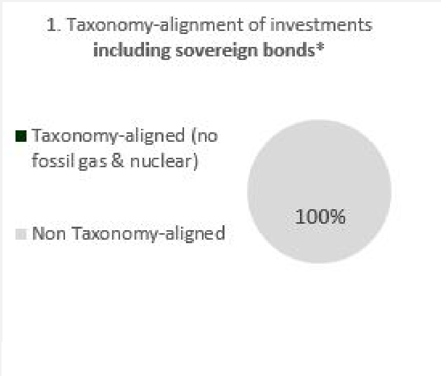
Yes

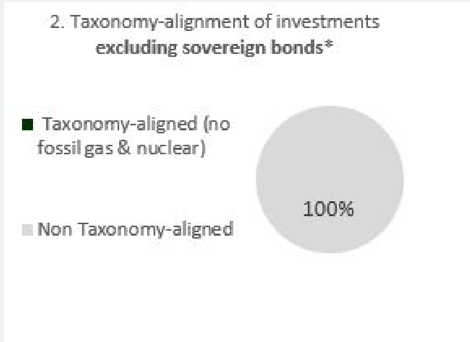
in fossil gas    in nuclear energy

No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund North American Continent Responsible Investing". For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI North America-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: www.kbc.be/SRD > KBC Equity Fund North American Continent Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund Rest of Europe Responsible Investing

**Legal entity identifier (LEI):**
875500FKXMTWGI6B1324

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ Yes | ☒ No |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: %. | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 10% better than the following benchmark: MSCI Europe Ex EMU - Net Return Index. |
| Carbon Intensity | A reduction of 50% by 2030 based on the following benchmark: MSCI Europe Ex EMU - Net Return Index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI Europe Ex EMU - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**(1) Indicators related to the ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI Europe Ex EMU - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund Rest of Europe Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the

section ‘What environmental and/or social characteristics are promoted by this financial product?’.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

The sub-fund aims for a reduction of 50% by 2030 compared to the benchmark MSCI Europe Ex EMU - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund Rest of Europe Responsible Investing ’ at the end of 2019.

An immediate reduction of 30% is implemented for 2019, followed by a 3% reduction on an annual basis. The portfolio’s weighted average will be assessed against that trajectory. Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section **‘**What environmental and/or social characteristics are promoted by this financial product?’.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title “Information concerning the sub-fund Rest of Europe Responsible Investing” of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?’ of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title ‘Information concerning the sub-fund Rest of Europe Responsible Investing’.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

**What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

<u>Negative screening</u>

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

<u>The positive selection methodology</u>

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section ‘What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title “Information concerning the sub-fund Rest of Europe Responsible Investing”.

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title “Information concerning the sub-fund Rest of Europe Responsible Investing”.

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in ‘sustainable investments’ as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

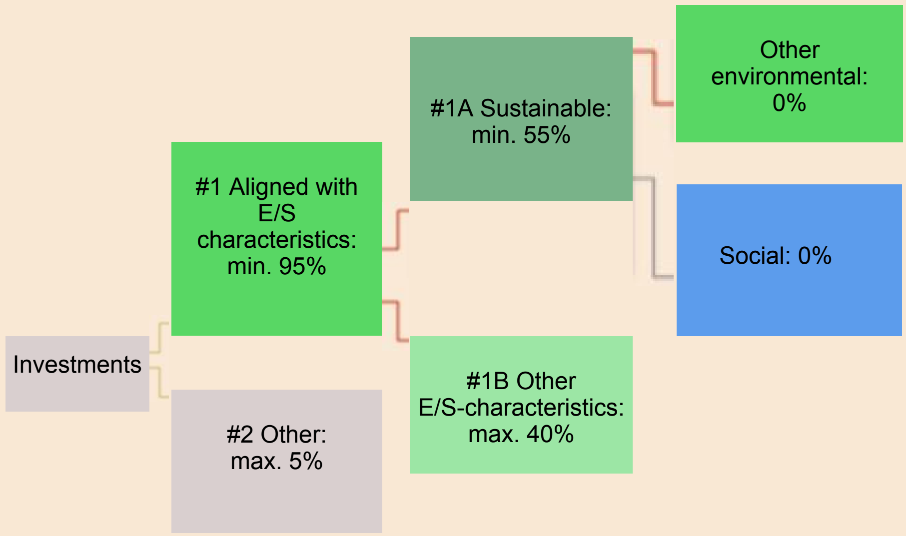
The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section ‘What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**.**

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund Rest of Europe Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The assets are mainly invested in shares of companies from Member States of the European Union that are not members of the euro area, as well as The United Kingdom, Switzerland and Norway.
No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.
Whether or not to invest in government bonds has no impact on this percentage.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'[(1)]?**

☐ Yes

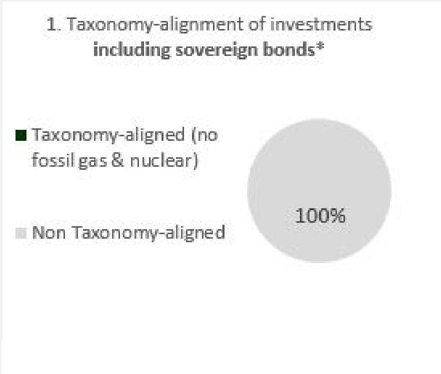
in fossil gas　　　　in nuclear energy

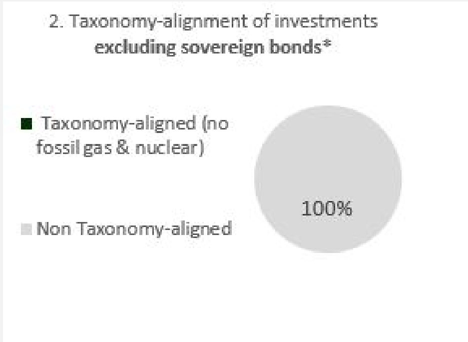
☐ ☐

☒ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund Rest of Europe Responsible Investing”. For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI Europe Ex EMU - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: www.kbc.be/SRD > KBC Equity Fund Rest of Europe Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund USA & Canada Responsible Investing

**Legal entity identifier (LEI):**
875500L94SBV73UU7T30

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: %. | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 10% better than the following benchmark: MSCI North America-Net Return index. |
| Carbon Intensity | A reduction of 50% by 2030 based on the following benchmark: MSCI North America-Net Return index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI North America-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**(1) Indicators related to the ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI North America-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund USA & Canada Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the

section ‘What environmental and/or social characteristics are promoted by this financial product?’.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes $CO_2$ equivalent) divided by revenues (in million USD).

The number of tonnes of $CO_2$ emitted by a company is the sum of:

- the direct $CO_2$ emissions resulting from the company's own activities (scope 1); and
- the indirect $CO_2$ emissions resulting from the generation of purchased electricity (scope 2).

The indirect $CO_2$ emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

The sub-fund aims for a reduction of 50% by 2030 compared to the benchmark MSCI North America-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund USA & Canada Responsible Investing ’ at the end of 2019.

An immediate reduction of 30% is implemented for 2019, followed by a 3% reduction on an annual basis. The portfolio’s weighted average will be assessed against that trajectory. Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

**What investment strategy does this financial product follow?**

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title “Information concerning the sub-fund USA & Canada Responsible Investing” of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?’ of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title ‘Information concerning the sub-fund USA & Canada Responsible Investing’.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

**What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section ‘What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title “Information concerning the sub-fund USA & Canada Responsible Investing”.

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title “Information concerning the sub-fund USA & Canada Responsible Investing”.

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in ‘sustainable investments’ as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

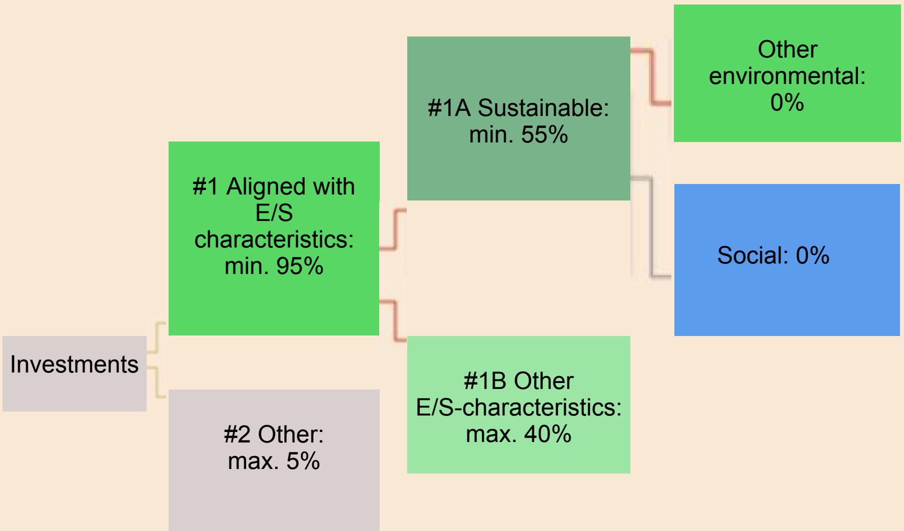
The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section ‘What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?.

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund USA & Canada Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The assets are mainly invested in shares of companies from North America.

No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.
Whether or not to invest in government bonds has no impact on this percentage.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'[1]?**

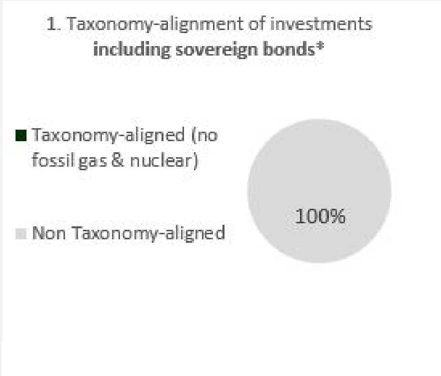
☐ Yes

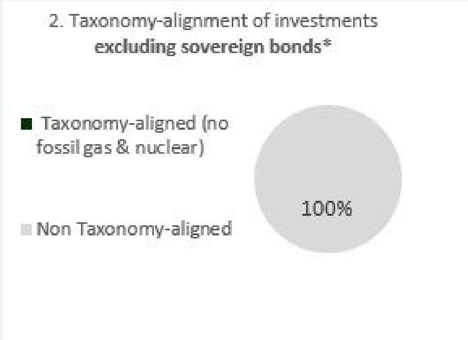
☐ in fossil gas ☐ in nuclear energy

✖ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund USA & Canada Responsible Investing". For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI North America-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: *www.kbc.be/SRD* > KBC Equity Fund USA & Canada Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund We Care Responsible Investing

**Legal entity identifier (LEI):**
549300C60FZDN3VNUF17

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: %. | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 5% better than the following benchmark: MSCI All Countries World - Net Return Index. |
| Carbon Intensity | In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point applied for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).<br>The unique starting point of the sub-fund is 75% of the value of this benchmark at the end of 2019.<br>The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio was compared to this pathway. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI All Countries World - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**(1) Indicators related to the ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company’s management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company’s exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI All Countries World - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund We Care Responsible Investing’.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point will apply for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).

The unique starting point of the sub-fund is 75% of the value of this benchmark at the end of 2019.

The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio will be compared to this pathway.

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the

Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.

- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do not significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

✖ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

**What investment strategy does this financial product follow?**

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title “Information concerning the sub-fund We Care Responsible Investing” of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?’ of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title ‘Information concerning the sub-fund We Care Responsible Investing’.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section 'What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?'.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title "Information concerning the sub-fund We Care Responsible Investing".

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title "Information concerning the sub-fund We Care Responsible Investing".

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section 'What are the objectives of the sustainable investments that the

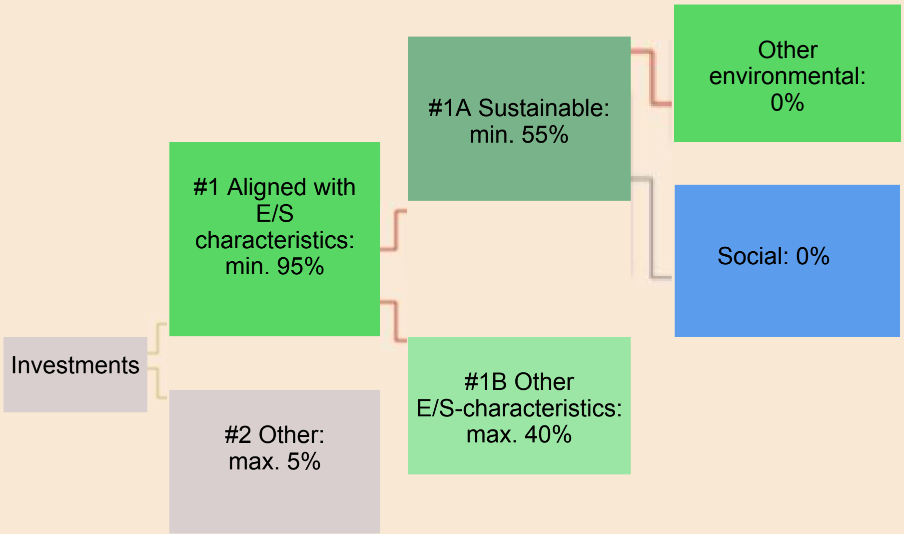
financial product partially intends to make and how does the sustainable investment contribute to such objectives?.

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund We Care Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The subfund invests primarily in shares of companies that are contributing to the medical well-being of society through their products and services, such as:
- Production and development of medicine
- Biotech
- Medical technology
- Diagnostics, symptom recognition and tests
- Digital health care
- Care for elderly and sick people
- Outsourcing of medical activities
- Distribution of medical supplies
- Health and life insurance
- Etc.

A current overview can be found at www.kbc.be/thematic-funds
.

No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"

Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'[(1)]?**

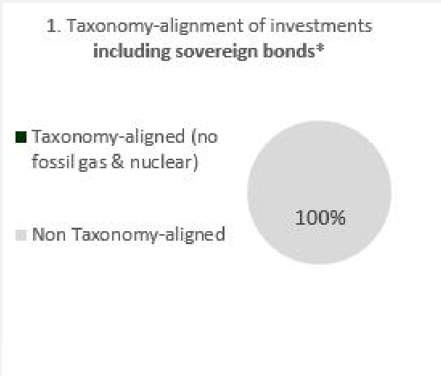
☐ Yes

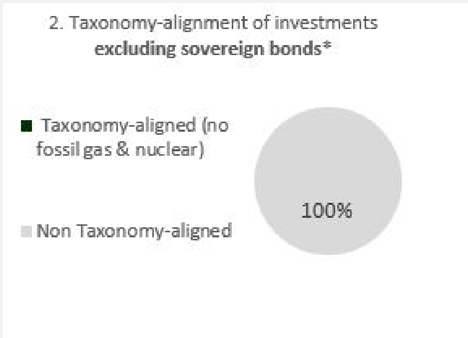
☐ in fossil gas ☐ in nuclear energy

☒ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account** the

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies.

criteria for environmentally sustainable economic activities under the EU-Taxonomy.

Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund We Care Responsible Investing". For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI All Countries World - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: www.kbc.be/SRD > KBC Equity Fund We Care Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund We Digitize Responsible Investing

**Legal entity identifier (LEI):**
549300VXRJ6XIL0EYI96

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: %. | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 20% better than the following benchmark: MSCI All Countries World - Net Return Index. |
| Carbon Intensity | In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point applied for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).<br>The unique starting point of the sub-fund is 75% of the value of this benchmark at the end of 2019.<br>The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio was compared to this pathway. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI All Countries World - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**(1) Indicators related to the ESG-score**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI All Countries World - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund We Digitize Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point will apply for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).

The unique starting point of the sub-fund is 75% of the value of this benchmark at the end of 2019.

The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio will be compared to this pathway.

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the

Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.

- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

✖ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

**What investment strategy does this financial product follow?**

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title "Information concerning the sub-fund We Digitize Responsible Investing" of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?' of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title 'Information concerning the sub-fund We Digitize Responsible Investing'.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

**What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?'.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section ‘What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title “Information concerning the sub-fund We Digitize Responsible Investing”.

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title “Information concerning the sub-fund We Digitize Responsible Investing”.

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in ‘sustainable investments’ as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can

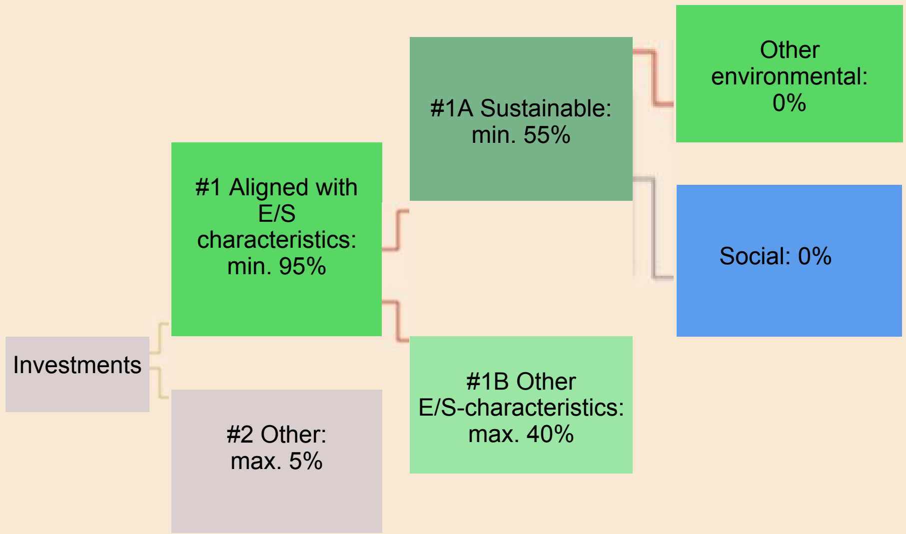
also be found in the section 'What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**.**

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading "Information concerning the sub-fund We Digitize Responsible Investing".

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The sub-fund aims to generate a return by investing primarily in shares of companies whose products and services support the digital evolution, such as:
·Electronics
·Big data and artificial intelligence
·Quantum computing
·Cloud services and cloud computing
·Cybersecurity
·Semiconductors
·Data services to companies
·Software for professional purposes
·IT consultancy
·Network infrastructure
·Digital marketplaces
·Etc.
A current overview can be found at www.kbc.be/thematic-funds
.

No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?**

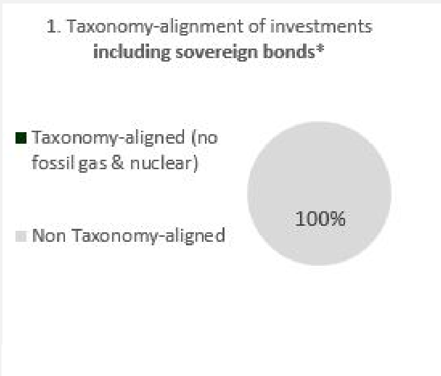
☐ Yes

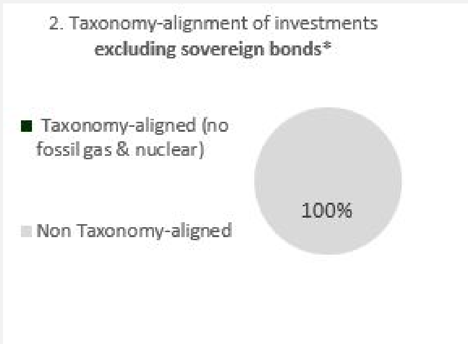
☐ in fossil gas ☐ in nuclear energy

☒ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy.

objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund We Digitize Responsible Investing”. For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI All Countries World - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: www.kbc.be/SRD > KBC Equity Fund We Digitize Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund We Like Responsible Investing

**Legal entity identifier (LEI):**
549300G0BNG5C3LT5979

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: % | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 10% better than the following benchmark: MSCI All Countries World - Net Return Index. |
| Carbon Intensity | In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point applied for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).<br>The unique starting point of the sub-fund is 75% of the value of this benchmark at the end of 2019.<br>The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio was compared to this pathway. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI All Countries World - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**(1) Indicators related to the ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI All Countries World - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund We Like Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point will apply for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).

The unique starting point of the sub-fund is 75% of the value of this benchmark at the end of 2019.

The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio will be compared to this pathway.

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the

Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.

- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

✖ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

**What investment strategy does this financial product follow?**

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title “Information concerning the sub-fund We Like Responsible Investing” of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?’ of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title ‘Information concerning the sub-fund We Like Responsible Investing’.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section ‘What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title “Information concerning the sub-fund We Like Responsible Investing”.

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title “Information concerning the sub-fund We Like Responsible Investing”.

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in ‘sustainable investments’ as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section ‘What are the objectives of the sustainable investments that the

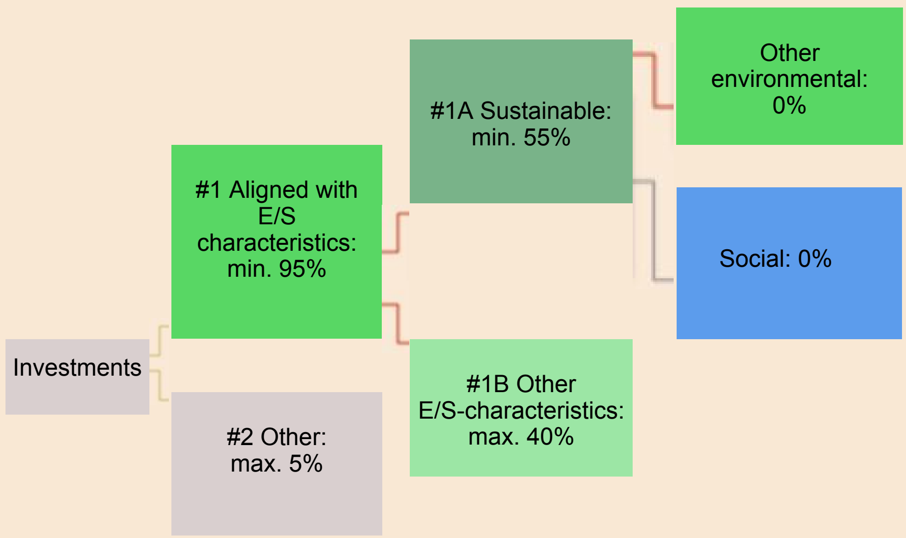
financial product partially intends to make and how does the sustainable investment contribute to such objectives?.

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund We Like Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The subfund invests primarily in shares of companies
that cater for products and services that consumers perceive as adding value beyond their basic needs, such as:
- Sport
- Travel and culture
- Restaurants, takeaway meals and fast food
- Cosmetics and beauty products
- Media and gaming
- Luxury goods
- Pets and care
- Personal mobility
- E-commerce
- Wealth management
- Etc.

A current overview can be found at www.kbc.be/thematic-funds
.

No minimum percentage is set for government bonds in the portfolio as defined in the chart under

"Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'[(1)]?**

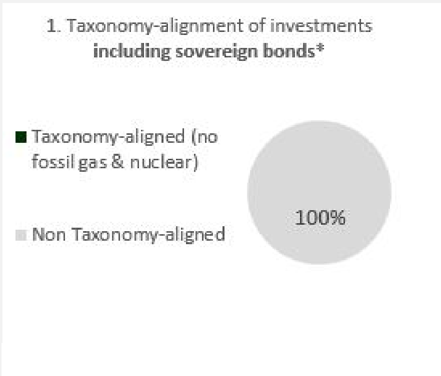
☐ Yes

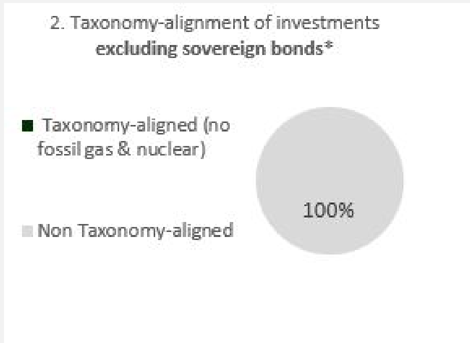
☐ in fossil gas ☐ in nuclear energy

☒ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do**

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are

**not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund We Like Responsible Investing". For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI All Countries World - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: *www.kbc.be/SRD* > KBC Equity Fund We Like Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund We Live Responsible Investing

**Legal entity identifier (LEI):**
549300PFJ5BX0HHHJF43

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: % | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 7.5% better than the following benchmark: MSCI All Countries World - Net Return Index. |
| Carbon Intensity | In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point applied for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).<br>The unique starting point of the sub-fund is 100% of the value of this benchmark at the end of 2019.<br>The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio was compared to this pathway. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI All Countries World - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**(1) Indicators related to the ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI All Countries World - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund We Live Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point will apply for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).

The unique starting point of the sub-fund is 100% of the value of this benchmark at the end of 2019.

The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio will be compared to this pathway.

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the

Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.

- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

✖ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

**What investment strategy does this financial product follow?**

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title “Information concerning the sub-fund We Live Responsible Investing” of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?’ of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title ‘Information concerning the sub-fund We Live Responsible Investing’.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

**What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

<u>Negative screening</u>

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section 'What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?'.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title "Information concerning the sub-fund We Live Responsible Investing".

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title "Information concerning the sub-fund We Live Responsible Investing".

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section 'What are the objectives of the sustainable investments that the

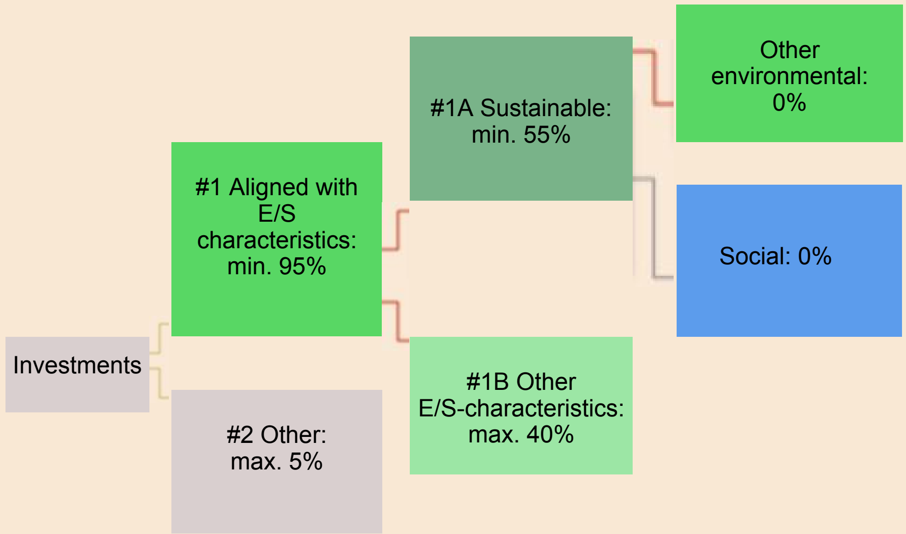
financial product partially intends to make and how does the sustainable investment contribute to such objectives?.

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund We Live Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The subfund invests primarily in shares of companies that cater for products and services that consumers need in everyday life, such as:
- Utilities for water, Internet and electricity, for example
- Computer equipment, software and communication devices for everyday use
- Food and beverages
- Household goods
- Products for hygiene and daily care
- Household appliances
- DIY items
- Textiles and clothing
- E-commerce
- Everyday banking
- Etc.

A current overview can be found at www.kbc.be/thematic-funds
.

No minimum percentage is set for government bonds in the portfolio as defined in the chart under

"Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[(1)]?**

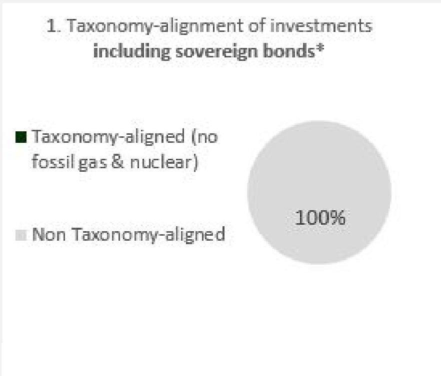
☐ Yes

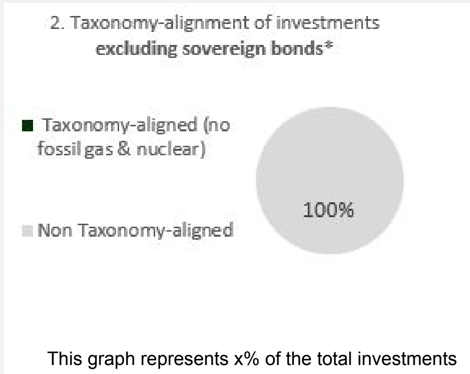
☐ in fossil gas ☐ in nuclear energy

☒ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do**

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are

**not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund We Live Responsible Investing". For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI All Countries World - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: www.kbc.be/SRD > KBC Equity Fund We Live Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund We Shape Responsible Investing

**Legal entity identifier (LEI):**
549300NUY6EEDJE32R83

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: %. | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 5% better than the following benchmark: MSCI All Countries World - Net Return Index. |
| Carbon Intensity | In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point applied for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).<br>The unique starting point of the sub-fund is 200% of the value of this benchmark at the end of 2019.<br>The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio was compared to this pathway. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI All Countries World - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**(1) Indicators related to the ESG-score**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI All Countries World - Net Return Index  as described in the prospectus under the heading 'Information regarding the sub-fund We Shape Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

In order to reflect the specific theme related characteristics of this sub-fund, a unique starting point will apply for the calculation of the carbon intensity reduction path, which can be higher or lower than the benchmark (MSCI All Countries World - Net Return Index ).

The unique starting point of the sub-fund is 200% of the value of this benchmark at the end of 2019.

The sub-fund commits to a 50% reduction path by 2030, versus the starting point end 2019, with an immediate reduction of 30% taken into account in 2019. The weighted average of the portfolio will be compared to this pathway.

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the

Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.

- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

✖ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

**What investment strategy does this financial product follow?**

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title "Information concerning the sub-fund We Shape Responsible Investing" of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?' of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title 'Information concerning the sub-fund We Shape Responsible Investing'.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?'.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section ‘What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title “Information concerning the sub-fund We Shape Responsible Investing”.

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title “Information concerning the sub-fund We Shape Responsible Investing”.

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in ‘sustainable investments’ as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can

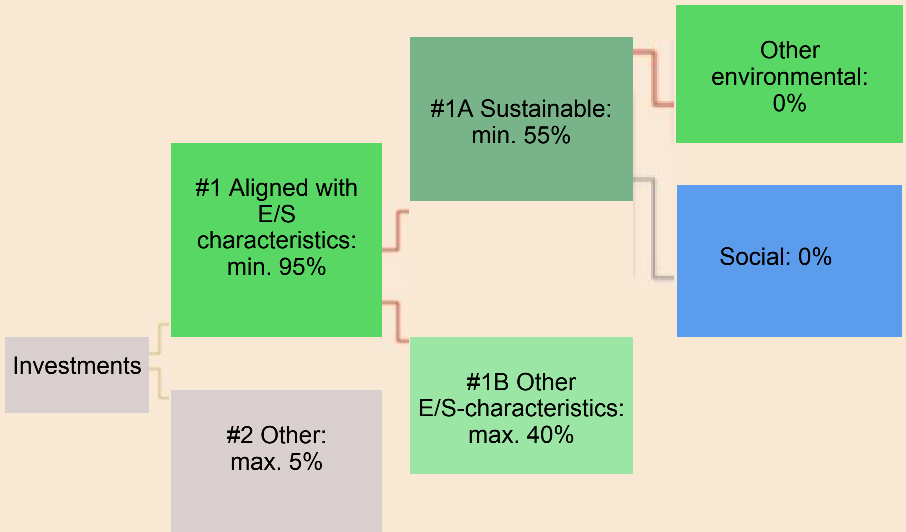
also be found in the section 'What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**.**

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading "Information concerning the sub-fund We Shape Responsible Investing".

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The subfund invests primarily in shares of companies that are shaping the society of the future through their products and services, such as:
- Automation and robotisation
- Solutions for energy transition and storage
- Infrastructure and installations for transport and freight vehicles
- Facilities needed in a circular economy
- Water purification, soil decontamination and air quality improvement
- Machines and installations for more efficient agriculture and forestry
- Industrial plants and machines
- Building materials and construction activities
- Materials
- Logistical solutions
- Credit facilities and financial services to companies and governments
- Etc.

A current overview can be found at www.kbc.be/thematic-funds

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No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'[1]?**

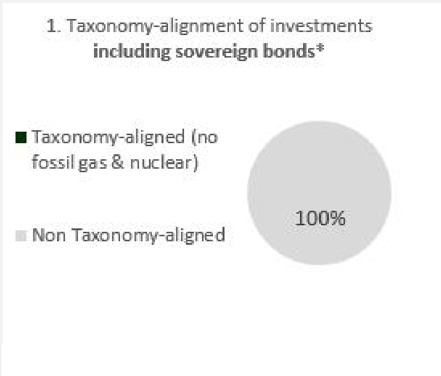
☐ Yes

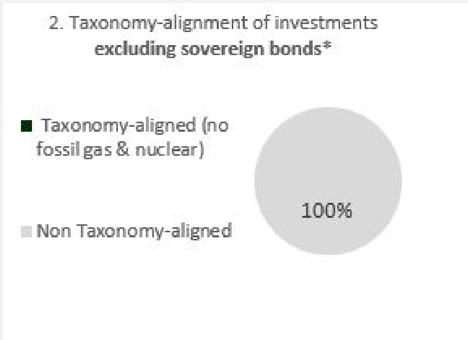
☐ in fossil gas ☐ in nuclear energy

☒ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund We Shape Responsible Investing”. For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI All Countries World - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: *www.kbc.be/SRD* > KBC Equity Fund We Shape Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund World DBI-RDT Responsible Investing

**Legal entity identifier (LEI):**
875500EU7S8IEP3KKL21

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

☐ **Yes**

☐ It will make a minimum of **sustainable investments with an environmental objective**: %

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: %.

☒ **No**

☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☒ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments.**

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 10% better than the following benchmark: MSCI World-Net Return index. |
| Carbon Intensity | A reduction of 50% by 2030 based on the following benchmark: MSCI World-Net Return index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI World-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**(1) Indicators related to the ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company’s management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company’s exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI World-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund World DBI-RDT Responsible Investing’.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

The contribution of companies to climate change mitigation is measured based on their carbon

intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO2 equivalent) divided by revenues (in million USD).

The number of tonnes of CO2 emitted by a company is the sum of:

- the direct CO2 emissions resulting from the company's own activities (scope 1); and
- the indirect CO2 emissions resulting from the generation of purchased electricity (scope 2).

The indirect CO2 emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

The sub-fund aims for a reduction of 50% by 2030 compared to the benchmark MSCI World-Net Return index as described in the prospectus under the heading 'Information regarding the sub-fund World DBI-RDT Responsible Investing ' at the end of 2019.

An immediate reduction of 30% is implemented for 2019, followed by a 3% reduction on an annual basis. The portfolio's weighted average will be assessed against that trajectory. Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the "sustainable development" label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

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*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title “Information concerning the sub-fund World DBI-RDT Responsible Investing” of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?’ of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. ‘sustainable investments’).

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title ‘Information concerning the sub-fund World DBI-RDT Responsible Investing’.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

**What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section ‘What environmental and/or social characteristics are promoted by this financial product?.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

**What is the policy to assess good governance practices of the investee companies?**

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title “Information concerning the sub-fund World DBI-RDT Responsible Investing”.

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title “Information concerning the sub-fund World DBI-RDT Responsible Investing”.

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in ‘sustainable investments’ as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

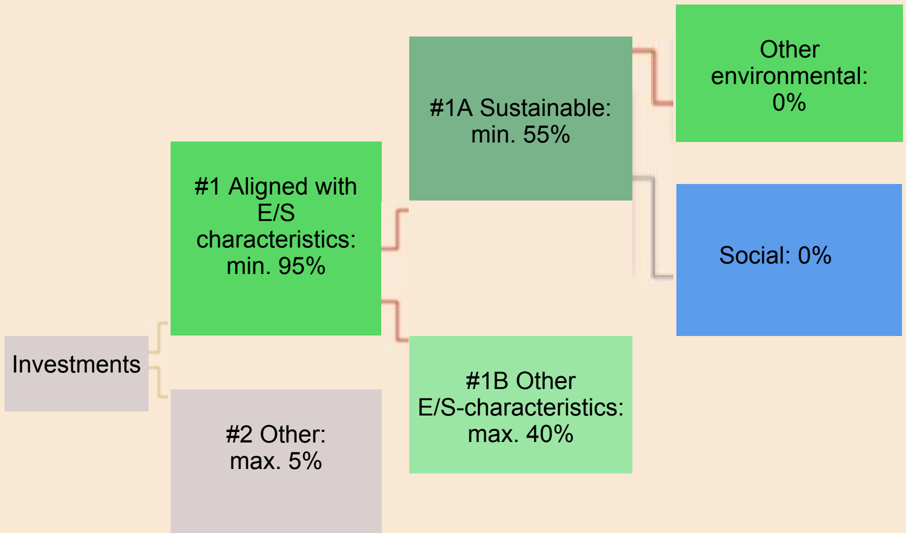
The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section ‘What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**.**

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund World DBI-RDT Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

At least 95% of the assets are invested in a worldwide selection of shares.

The fund invests a minimum of 50% in shares whose dividends and capital gains are eligible for the system of 'dividend received deduction’ (DRD).
Under normal circumstances, however, the sub-fund will aim to invest between 70% and 100% in shares whose dividends and capital gains qualify for the DRD regime.
This means that it is possible that the equity portfolio will not be fully invested in equities whose capital gains and dividends qualify for the DRD regime.
As a result, income distributed by the sub-fund may not be 100% eligible for the dividend received deducted.

No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.
Whether or not to invest in government bonds has no impact on this percentage.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'[(1)]?**

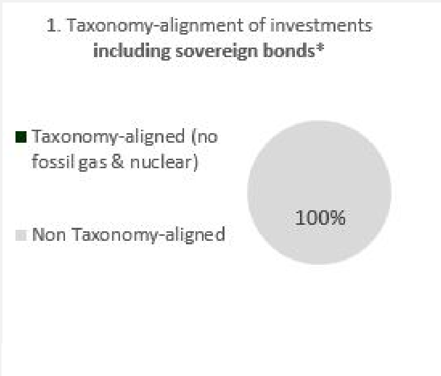
☐ Yes

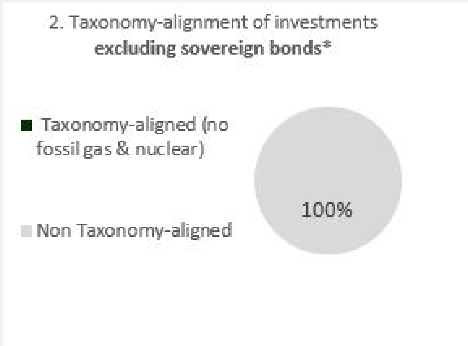
☐ in fossil gas ☐ in nuclear energy

☒ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***



This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund World DBI-RDT Responsible Investing". For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI World-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: www.kbc.be/SRD > KBC Equity Fund World DBI-RDT Responsible Investing

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**
KBC Equity Fund World Responsible Investing

**Legal entity identifier (LEI):**
87550036PRT3IRM8GY67

# Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

| ☐ **Yes** | ☒ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: % | ☒ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: %. | ☐ It promotes E/S characteristics, but **will not make any sustainable investments.** |

**What environmental and/or social characteristics are promoted by this financial product?**

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of 55% of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments'). The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy framework. The percentage invested at all times in environmentally sustainable activities within the meaning of the Taxonomy framework is 0%. The underlying investments of this sub-fund do not take into account the EU risk criteria for environmentally sustainable economic activities.

This sub-fund:

- promotes the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promotes climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;

- supports sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The concrete objectives of the sub-fund are:

| | Objective |
|---|---|
| **Instruments issued by companies** | |
| ESG risk score | 10% better than the following benchmark: MSCI All Countries World - Net Return Index. |
| Carbon Intensity | A reduction of 50% by 2030 based on the following benchmark: MSCI All Countries World - Net Return Index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%. |
| UN Sustainable Development Goals | A minimum of 60% of the investments in instruments issued by companies should contribute to UN Sustainable Development Goals. |
| **Minimum % Sustainable Investments** | A minimum of 55% of sustainable investments. |
| **Other specific objectives** | Not applicable. |

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI All Countries World - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**(1) Indicators related to the ESG-score**

The contribution to the integration of sustainability into policy decisions of the companies is measured based on an ESG risk score. This score represents the aggregated performance assessment of a given entity with respect to general environmental, social and governance themes. The main factors underpinning the ESG criteria are:

- respect for the environment (e.g. reduction in greenhouse gas emissions);
- attention to society (e.g. employee working conditions); and
- corporate governance (e.g. independence and diversity of the board of directors).

The ESG risk score is a measure of a company's environmental, social and governance (ESG) risks. To determine this score, relevant key ESG issues for the sub-sector in question are considered, along with the quality of the company's management team and any possible ESG controversies involving the company in the recent past. The ESG risk score for companies measures the difference between a company's exposure to ESG risks relevant to its sector and the extent to which a company hedges those risks. The lower a company's ESG risk score on a scale of 0 to 100, the less its sustainability risk. The ESG risk scores for companies are based on data supplied by data provider Sustainalytics.

In addition to excluding companies with a severe ESG risk (i.e. an ESG risk rating > 40), the sub-fund will promote best practices by using an overall ESG risk score that is 10% below that of the benchmark MSCI All Countries World - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund World Responsible Investing'.

This list of factors underpinning the ESG criteria is not exhaustive and may be changed under the supervision of the Responsible Investing Advisory Board.

The ESG objectives will be evaluated annually and may be adjusted. External circumstances such as market movements and updates of data regarding the ESG-risk score can lead to investment solutions failing to achieve this objective. In that case the investment solution will be adapted to meet the objective again within a time frame that takes into account the client's best interest.

More information on the sub-fund's concrete objectives can be found in the summary table in the section 'What environmental and/or social characteristics are promoted by this financial product?'.

**(2) Indicators related to the carbon intensity**

The objective to promote climate change mitigation by preferring companies with lower carbon intensity in order to reach a predetermined carbon intensity objective, applies to at least 90% of the portfolio. The objective does not apply to companies for which data is not available.

More information on the sub-fund's concrete objectives can be found in the summary table in the

section ‘What environmental and/or social characteristics are promoted by this financial product?’.

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes $CO_2$ equivalent) divided by revenues (in million USD).

The number of tonnes of $CO_2$ emitted by a company is the sum of:

- the direct $CO_2$ emissions resulting from the company's own activities (scope 1); and
- the indirect $CO_2$ emissions resulting from the generation of purchased electricity (scope 2).

The indirect $CO_2$ emissions resulting from the activities of suppliers and customers, for example (scope 3), are not included in the sum. Carbon intensity calculations are based on data sourced from Trucost. Within the sub-fund, the carbon intensity score based on scope 1 and scope 2 emissions is assigned to at least 90% of the companies in the sub-fund.

The sub-fund aims for a reduction of 50% by 2030 compared to the benchmark MSCI All Countries World - Net Return Index as described in the prospectus under the heading 'Information regarding the sub-fund World Responsible Investing ’ at the end of 2019.

An immediate reduction of 30% is implemented for 2019, followed by a 3% reduction on an annual basis. The portfolio’s weighted average will be assessed against that trajectory. Carbon intensity at the portfolio level is calculated based on the weighted average of the carbon intensity of the positions in the sub-fund. This calculation does not take technical items such as cash and derivatives into account, and companies without data are also excluded. The weights used in the calculation depend on the size of the positions in the sub-fund, rescaled for the items without data. The companies for which no data is available are included in the negative screening and given an overall ESG risk rating. External circumstances such as market movements and updates of data regarding the carbon intensity can lead to investment solutions not meeting this target trajectory. In that case the investment solution will be adapted to meet the trajectory again within a time frame that takes into account the client's best interest.

Carbon intensity targets are monitored and evaluated annually. The targets can be revised upwards or downwards. For example, if companies do not show sufficient progress in reducing their carbon intensity and if this cannot be compensated for through portfolio optimisation, KBC Asset Management NV may be forced to adjust the target upwards. It is also possible that at some point the carbon intensity will reach a lower level much faster than expected. When companies make very good progress in terms of carbon intensity, KBC Asset Management NV wants to be able to follow that acceleration in the portfolio. In that case the target can be adjusted downwards.

**(3) Indicators related to the UN Sustainable Development Goals**

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the achievement of the UN Sustainable Development Goals. The UN Sustainable Development Goals include both social and environmental objectives.

More information on the sub-fund's concrete objectives can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Companies that contribute to the UN Sustainable Development Goals are defined as those that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals.

In addition, the Responsible Investing Advisory Board can also award the “sustainable development” label to instruments.

The targets are checked and evaluated annually. The targets can be revised upwards or downwards. The minimum percentage of companies contributing to the achievement of the UN Sustainable Development Goals may be revised to take into account any stricter requirements that KBC Asset Management NV wishes to impose on the sub-fund. Therefore, the revision will depend on the future development of the responsible investment strategy, but also on the progress made by companies with regard to sustainability.

**What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

**(1) UN Sustainable Development Goals**

The sub-fund commits to investing a minimum proportion of the portfolio in companies that contribute to the UN Sustainable Development Goals to support sustainable development.

More information about the concrete objectives of the sub-fund can be found in the summary table in the section ‘What environmental and/or social characteristics are promoted by this financial product?’.

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, are designated as "sustainable investments".

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and antibribery matters.

The sustainable investments that the sub-fund partially intends to make do not cause significant harm to the sustainable investment objective due to negative screening.

The sub-fund takes into account all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 and the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288 through the negative screening.

The negative screening entails the advance exclusion from the responsible investment universe by the sub-fund of companies that do not align with the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, arms, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, whereas strict criteria apply to companies that are active in the palm oil industry. All companies that derive at least 5% of their revenues from the production or 10% of their revenues from the sale of fur or special leather, are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate fundamental principles of environmental protection, social responsibility and good governance (through the normative screening, through a poor ESG risk rating, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These negative screening principles are not exhaustive and may be modified on the advise of the Responsible Investing Advisory Board.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Through the exclusion policy for responsible investment funds, and in particular through the normative screening and ESG risk assessment, all indicators for the principal adverse impacts of the investment decisions on sustainability factors as listed in Table 1 of Annex 1 of the Delegated Regulation 2022/1288 as well as the relevant indicators for the principal adverse impacts of the investment decisions on sustainability factors in Tables 2 and 3 of Annex 1 of the Delegated Regulation 2022/1288, are taken into account for instruments issued by companies. The sub-fund does not invest in companies that seriously violate the Principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. All companies involved in serious controversies related to environmental, social or good governance issues are excluded as well. Also excluded are companies that deviate significantly (a score of -10) from any of the first 15 UN Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk rating of more than 40 according to data provider Sustainalytics.

On top of the normative screening and the ESG risk assessment, using the positive selection methodology regarding carbon intensity and the exclusions in the exclusion policy for responsible investment funds, the following indicators for adverse impacts on sustainability factors are also taken into account as follows for all investments of this sub-fund:

- **Indicator 3**: greenhouse gas ('GHG') intensity of investee companies is taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector is taken into account as the sub-fund does not invest in companies that are active in the fossil fuel sector.
- **Indicator 10**: Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is taken into account as the sub-fund does not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14**: exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account as the sub-fund does not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV will enter into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators for adverse impacts on sustainability factors that the sub-fund can take into account is included in Annex 1 of Delegated Regulation (EU) 2022/1288.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details*

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, are excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assesses the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures are taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ Yes

The principal adverse impacts on sustainability factors are explicitly taken into account for all investments of the sub-fund through the exclusion policies applied. In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies.

More information on the principal adverse impacts on sustainability factors can be found under the section "How have the indicators for adverse impacts on sustainability factors been taken into account?" of this appendix.

The information on principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, published after 1 January 2023.

☐ No

## What investment strategy does this financial product follow?

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The general investment strategy of the sub-fund is described in section 2. 'Investment information' under title "Information concerning the sub-fund World Responsible Investing" of the prospectus.

Within the constraints described in the general investment strategy, the sub-fund pursues responsible investment objectives based on a dualistic approach: a negative screening and a positive selection methodology.

More information regarding the negative screening and positive selection methodology can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?' and the section 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?' of this annex.

The sub-fund promotes a combination of environmental and social characteristics and, even though it does not have sustainable investments as an objective, it shall invest a minimum proportion of its assets in economic activities that contribute to the achievement of environmental or social objectives (i.e. 'sustainable investments').

The companies in which it invests must follow good governance practices.

It cannot be ruled out that very limited investments may be made temporarily in assets that no longer contribute to achieving environmental or social objectives promoted by the sub-fund.

Among other things, this can be due to external circumstances, erroneous data, corporate events, and updates to the screening criteria. In these cases, the assets concerned will be replaced with more appropriate assets as quickly as possible, always taking into account the sole interest of the investor. More information can be found in the prospectus under possible exceptions as described in section 2. Investment information of title 'Information concerning the sub-fund World Responsible Investing'.

In addition, compliance of the eligible responsible universes is ensured at all times through the use of compliance rules enforced in the front office system.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The negative screening and positive selection methodology are the binding elements in the selection of investments to achieve each of the environmental or social characteristics promoted by the sub-fund.

Negative screening

The end result of this negative screening procedure is that the sub-fund excludes companies in advance from the Responsible Investment universe which fall foul of the exclusion policies that apply to this sub-fund.

More information on the negative screening can be found in the section 'How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?'.

The positive selection methodology

The sub-fund will promote the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG risk score and promote climate change mitigation, by preferring companies with lower Carbon Intensity, with the goal of meeting a predetermined carbon intensity target. The sub-fund will also support sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

More information on the concrete objectives applicable to this sub-fund regarding ESG-risk score, carbon intensity and the UN Sustainable Development Goals can be found in the overview table under section 'What environmental and/or social characteristics are promoted by this financial product?.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the abovementioned investment strategy.

### What is the policy to assess good governance practices of the investee companies?

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The four principles regarding good governance practices, i.e. i) sound management structures, ii) employee realtions, iii) remuneration of staff and iv) tax compliance, are taken into account in the negative screening, whereby the sub-fund excludes companies that violate the exclusion policies. In addition to excluding companies involved in certain activities, this screening also ensures that companies who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded through the assessment of controversies and by evaluating companies based in countries that encourage unfair tax practices.

Private issuers are assigned an ESG risk score. The indicators used in this assessment vary depending on the company's subsector, but good governance is always taken into account. Companies with an ESG risk score higher than 40, based on data from the data provider Sustainalytics, are excluded, as well as companies that strongly conflict with one of the first 15 UN Sustainable Development Goals (a score of -10, based on the MSCI SDG Net Alignment Score). Ad-hoc exclusions or deviations can be applied to certain companies on the advice of the Responsible Investing Advisory Board.

More information on the negative screening can be found in the section ‘How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?’.

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in soecific assets.

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 in the prospectus under title “Information concerning the sub-fund World Responsible Investing”.

Within these categories of eligible assets, the sub-fund fund aims to invest at least 95% of the assets in assets that promote environmental or social characteristics.

In addition, the sub-fund invests in technical investments, such as cash and derivatives, and assets in which the sub-fund temporarily invests following a scheduled update of the eligible universe that determines which assets promote environmental and/or social characteristics, for which there are no environmentall or social safeguards. The sub-fund may hold or invest in these types of assets to achieve its investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Derivatives are used to hedge risks as specified in title 'Permitted derivative transactions' as dexcribed in the prospectus under section 2. Investment information of title “Information concerning the sub-fund World Responsible Investing”.

Investments in derivatives are not used to promote environmental or social characteristics and also will not affect them.

In addition, the sub-fund commits to invest at least 55% of the assets in ‘sustainable investments’ as defined by art. 2.17 SFDR. The sub-fund does not distinguish between sustainable investments with an environmental objective and sustainable investments with a social objective.

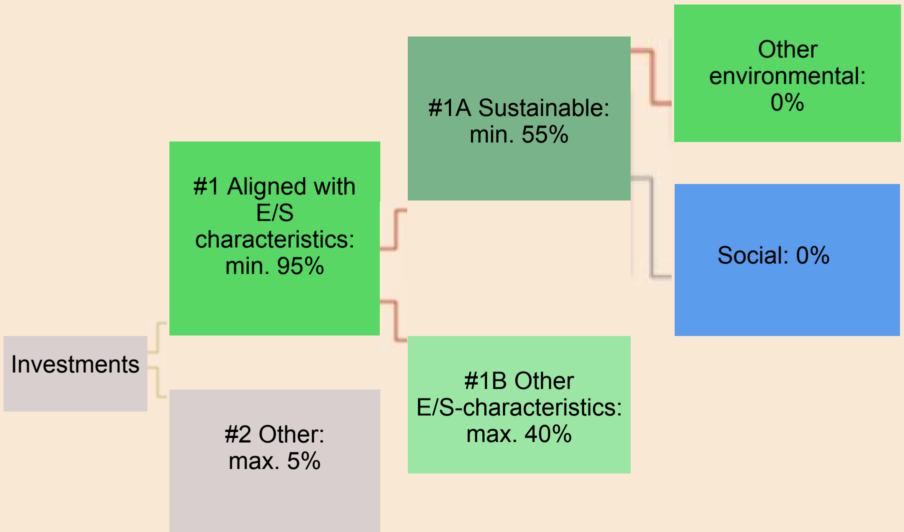
The objective with respect to sustainable investments for this sub-fund is equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are classified as "sustainable" by the Responsible Investing Advisory Board. More information can also be found in the section ‘What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**.**

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither alligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the sub-fund and will not affect them.

Derivatives are used to hedge risks as specified in the permitted derivatives transactions as described in the prospectus in section 2. Investment information under the heading “Information concerning the sub-fund World Responsible Investing”.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

The sub-fund invests primarily in a
worldwide selection of shares
from any region, sector or theme.

No minimum percentage is set for government bonds in the portfolio as defined in the chart under "Does the financial product invest in EU taxonomy compliant fossil gas and/or nuclear energy activities?"
Consequently, the visual representation of the portfolio composition in '1. Taxonomy-alignment of investments including sovereign bonds' does not differ from the visual representation of portfolio composition in '2. Taxonomy-aligment of investments excluding sovereign bonds'. The percentage invested at all times in environmentally sustainable activities within the meaning of the EU taxonomy is 0%.
Whether or not to invest in government bonds has no impact on this percentage.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy'[1]?**

Yes

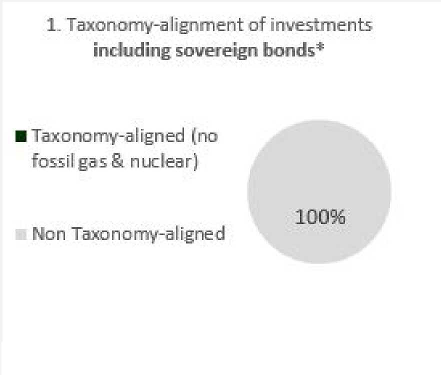
☐

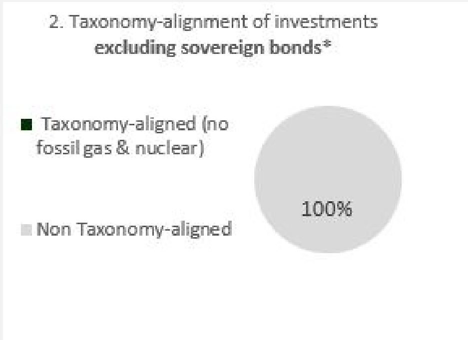
☐ in fossil gas ☐ in nuclear energy

☒ No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




This graph represents x% of the total investments

* *For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures.*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

The sub-fund commits to invest at least 55% in sustainable investments as defined by art. 2.17 SFDR. No distinction is made between environmentally sustainable investments and socially sustainable investments. The sub-fund does not commit to invest a minimum share thereof in instruments with an environmental objective that are not aligned with the EU Taxonomy. Therefore, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is thus 0%.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 0%.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

There are technical investments such as cash and derivatives that are not part of the screening methodology. The sub-fund may hold or invest in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks. Investments in derivatives are not used to promote environmental or social characteristics and will not affect them. Derivatives are used to hedge risks as specified in the title "Permitted Derivative Transactions" as described in the prospectus under section 2. Investment information of title "Information concerning the sub-fund World Responsible Investing”. For the investments under "#2 Other" there are no environmental or social minimum safeguards.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI All Countries World - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

**How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

**How does the designated index differ from a relevant broad market index?**

Not applicable.

**Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website**: www.kbc.be/SRD > KBC Equity Fund World Responsible Investing

# ADDITIONAL INFORMATION FOR INVESTORS IN GERMANY

## Right to market Shares in Germany

KBC Equity Fund (the “Company”) has notified its intention to market Shares in the Federal Republic of Germany. Since completion of the notification process the Company has the right to market Shares in Germany.

**No notification has been submitted for the sub-funds**

**CSOB Akciovy fond dividendovych firem,**
**EMU Small & Medium Caps,**
**Eurozone DBI-RDT,**
**Family Enterprises,**
**Fundamental Opportunities,**
**Fundamental Opportunities DBI-RDT,**
**Rest of Europe,**
**Asia Pacific Responsible Investing,**
**EMU Small & Medium Caps Responsible Investing,**
**Eurozone Responsible Investing,**
**Minimum Variance Responsible Investing,**
**North America Responsible Investing,**
**North American Continent Responsible Investing,**
**Rest of Europe Responsible Investing,**
**USA & Canada Responsible Investing,**
**World Responsible Investing,**
**World DBI-RDT Responsible Investing and**
**World DBI-RDT**

**and consequently these sub-funds must not be marketed in Germany.**

## Facility Agent in Germany

Facility services according to Sec. 306a (1) no. 1. to 6. German Investment Code (“KAGB”) are provided in Germany by:

Oldenburgische Landesbank AG
Stau 15/17
D-26122 Oldenburg

(the “German Facility Agent”).

All functions referred to in Sec. 306a (1) no. 1. to 6. KAGB are to be performed by the German Facility Agent towards German Shareholders and the German Facility Agent will receive all relevant information and documents from the Company.

Subscription, payment, redemption and conversion orders for Shares of German Shareholders may be processed by the German Facility Agent in accordance with the conditions set out in the sales documents referred to in Sec. 297 (4) sentence 1 KAGB.

The German Facility Agent provides Shareholders in Germany with information on how orders referred to above can be made and how redemption proceeds are paid.

Appropriate procedures and arrangements have been established by the management company to ensure that there are no restrictions on investors exercising their rights arising from their investment in the Company. The German Facility Agent facilitates the access to procedures and arrangements in relation to the exercise of German Shareholders’ rights arising from their investments in the Company and provides detailed information thereon.

Copies of the Articles of Incorporation, the Prospectus, the Key Information Documents (key information documents for packaged retail and insurance-based investment products; PRIIPs-KIDs) as well as the audited annual report and, if subsequently published, the unaudited semi-annual report may be obtained free of charge in paper form at the registered office of the German Facility Agent.

The subscription, conversion and redemption prices as well as other information to shareholders that shareholders are entitled to receive at the registered office of the Company are available in Germany at the German Facility Agent.

Furthermore, information about the ongoing charges and the portfolio turnover rate for preceding periods can be obtained during normal business hours on any Business Day at the registered office of the German Facility Agent.

The German Facility Agent provides German Shareholders with information relevant to the tasks that it performs on a durable medium.

The German Facility Agent acts as the contact point for communication with the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin).

**Publications**

In Germany, the subscription and redemption prices will be published on https://www.kbc.be/privatkunden/de/anlegen/nettoinventarwerte/werte.html?zone=topnav.
Shareholder notifications, if any, will be published in Germany in the Federal Gazette.

In the cases enumerated in Sec. 298 (2) KAGB, Shareholders additionally will be notified by means of a durable medium in terms of Sec. 167 KAGB.

# ADDITIONAL INFORMATION FOR INVESTORS IN AUSTRIA

## Right to publicly market Shares in Austria

KBC Equity Fund (the “Company”) has notified its intention to publicly market Shares in the following of its sub-funds in Austria. Since completion of the notification process the Company has the right to publicly market Shares in the following sub-funds in Austria:

**Asia Pacific**
**Belgium**
**Buyback America**
**Buyback Europe**
**Emerging Markets**
**Emerging Markets Responsible Investing**
**Europe**
**Eurozone**
**Flanders**
**Global Value Responsible Investing**
**High Dividend**
**High Dividend Eurozone**
**High Dividend North America**
**Medical Technologies**
**New Asia**
**New Shares**
**North America**
**North American Continent**
**Quant Global 1**
**Strategic Satellites**
**Trends**
**USA & Canada**
**US Small Caps**
**We Care Responsible Investing**
**We Digitize Responsible Investing**
**We Like Responsible Investing**
**We Live Responsible Investing**
**We Shape Responsible Investing**
**World**

## Facility in Austria

Facility services according to Section 140 (1) InvFG 2011 in connection with Sections 139 (1a) and 139 (8) InvFG 2011, implementing Art. 92 (1) lit. a) to f) of Directive 2009/65/EC as amended by Directive (EU) 2019/1160, are provided in Austria by:

Erste Bank der oesterreichischen Sparkassen AG
Am Belvedere 1
A-1100 Vienna/Austria
e-mail: foreignfunds0540@erstebank.at