

# **KBC Eco Fund**

## **Semi-annual report**

### **28 February 2022**

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



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# 1. General information on the Bevek

## 1.1. Organisation of the Bevek

### Office

2 Havenlaan - B-1080 Brussels, Belgium.

### Date of incorporation

27 March 1992

### Life

Unlimited.

### 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.

### Board of directors of the Bevek

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

### Management type

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

### Date of incorporation of the management company

30 december 1999.

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

Name	Title	
Wouter Vanden Eynde	<i>Independent Director</i>	
Stefan Van Riet	<i>Non-Executive Director</i>	
Pierre Konings	<i>Non-Executive Director</i>	
Katrien Mattelaer	<i>Non-Executive Director</i>	
Johan Daemen	<i>Non-Executive Director</i>	
Peter Andronov	<i>Chairman</i>	appointed 06/05/2021
Luc Popelier	<i>Chairman</i>	resigned 06/05/2021
Johan Lema	<i>President of the Executive Committee</i>	
Jürgen Verschaeve	<i>Managing Director</i>	
Frank Van de Vel	<i>Managing Director</i>	
Chris Sterckx	<i>Managing Director</i>	
Klaus Vandewalle	<i>Managing Director</i>	

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

Name	Title	
Johan Lema	<i>President of the Executive Committee</i>	
Jürgen Verschaeve	<i>Managing Director</i>	
Frank Van de Vel	<i>Managing Director</i>	
Chris Sterckx	<i>Managing Director</i>	
Klaus Vandewalle	<i>Managing Director</i>	

These persons may also be directors of various beveks.

## Auditor of the management company

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

## Financial portfolio management

Management of the investment policy has not been delegated.

## Financial service providers

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

## Custodian

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

### Custodian's activities

The custodian:

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

- iii. The investment restrictions specified in the applicable legal and regulatory provisions, the articles of association and the prospectus are respected;
- iv. The rules regarding fees and costs specified in the applicable legal and regulatory provisions, the articles of association and the prospectus are respected;
- v. The returns of the Bevek are appropriated in accordance with the applicable legal and regulatory provisions, the articles of association and the prospectus.

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

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

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

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

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

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

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

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

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

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

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

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

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

## Conflicts of interest

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

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

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

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

## Administration and accounting management

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

## Accredited auditor of the the Bevek

Mazars Bedrijfsrevisoren CVBA, Manhattan Office Tower -Bolwerklaan 21 b8, 1210, Brussel, represented by Dirk Stragier and Nele Van Laethem.

## Distributor

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

## Promoter

KBC

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

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

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

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

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

Not applicable

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



## 1.2. Management report

### 1.2.1. Information for the shareholders

#### Reclaims of foreign withholding taxes on dividends.

In some Member States of the European Union domestic investment funds benefit from exemptions or refunds of withholding taxes when they receive dividends from a domestic entity. The same tax benefits do not apply to non-resident investment funds investing cross-border. Such tax system is not in accordance with the free movement of capital within the European Union.

Since 2006 KBC investment funds yearly file requests for a refund of discriminatory withholding tax paid on dividends in France, Spain, Italy, Germany, Finland, Sweden, Norway and Austria. Refunds have already been received from French, Norwegian, Swedish, Spanish and Austrian fiscal administration. The funds no longer file requests in The Netherlands as a consequence of recent Dutch Court decisions.

There were no refunds this period.

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

##### 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 <b>shares</b> and <b>bonds</b> will be lent	When lending financial instruments a <b>maximum of 30% of the assets under management</b> will be involved.	<b>Depending on market conditions 0–30% of the assets under management</b> 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:  a) A credit institution; or b) An investment firm; or c) A settlement or clearing institution; or 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.  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:  - Moody's (Moody's Investors Service); - S&P (Standard & Poor's, a division of the McGraw-Hill Companies); en - Fitch (Fitch Ratings).  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.**

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

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

### 1.2.1.3. Social, ethical and environmental aspects

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 socially responsible investments. 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](http://www.kbc.be/investment-legal-documents) > *General exclusion policies for conventional funds and funds investing in socially responsible investments*. These exclusion criteria can be modified at any time by the management company.

For some sub-funds, additional criteria relating to Socially Responsible Investing ("SRI") 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](http://www.kbc.be/investment-legal-documents) > *Exclusion policies for funds investing in socially responsible investments*.

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](http://www.kbc.be/investment-legal-documents) > *General exclusion policies for conventional funds and funds investing in socially responsible investments*).

## 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](http://www.kbc.be/investment-legal-documents) > *General exclusion policies for conventional funds and socially responsible Investment funds*); and
- II. additional criteria relating to Socially Responsible Investing ("SRI") 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](http://www.kbc.be/investment-legal-documents) > *Exclusion policies for socially responsible 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 SRI 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. Only

sub-fund that follow the Best-In-Class methodology have a binding rule: they only invest in companies with the lowest ESG risk rating in their sub-sector. The threshold varies. Relatively more companies are accepted from sub-sectors with a low ESG risk rating than from sub-sectors with a high ESG risk rating.

#### **1.2.1.4. Synthetic risk and reward indicator**

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

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

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

#### **1.2.1.5. Ongoing charges**

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

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

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

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

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

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

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

Fee sharing heeft geen invloed op de hoogte van de beheercommissie die a sub-fund to the management company. This management fee is subject to the limitations laid down in the articles of association. The limitations may only be amended after approval by the General Meeting.

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

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

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

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

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

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

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

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

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

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

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

No CSA accrual during this period.

#### 1.2.1.8. Recurrent fees and charges

<b>Recurrent fees and charges paid by the Bevek</b>	
Fees paid to directors insofar as the General Meeting has approved said fees.	250 EUR per meeting attended, linked to the director's actual attendance of/participation in the meetings of the Board of Directors. This fee is divided across all the sub-funds marketed.

<b>Recurrent fees and charges paid by the sub-fund</b>	
Fee paid to the statutory auditor of the Bevek	Fee of the statutory auditor: 4875 EUR/year (excluding VAT) and: 1598 EUR/year (excluding VAT) for structured sub-funds. These amounts can be indexed on an annual basis in accordance with the decision of the General Meeting.

#### 1.2.1.9. Non-recurrent fees and charges borne by the investor

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

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

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

## 1.2.2. General market overview

1 September 2021 – 28 February 2022

### General overview

#### The economic context

Although Covid-19 was not fully tamed due to developments such as the worldwide spread of the Delta variant, followed by the Omicron variant later in the year, the reporting period was dominated by the 'reopening' of the economies. Particularly in Europe, where the winter of 2020-21 was still marked by a new Covid-19 wave, no risks were taken until the vaccination programmes were sufficiently advanced. A normal economic life only became possible again in the course of the second quarter, which then led to a strong rebound.

During the third quarter, it became clear that the peak of the recovery was behind us. Especially in the US, the pace of expansion slowed down from the very high levels of around the turn of the year. The end of the very generous income support, combined with high inflation rates, tempered consumers' spending impulses. It also became clear that the stop-go scenario of the Covid-19 lockdowns had seriously unsettled the world economy. Disrupted supply channels caused delays in the delivery of cars, building materials, furniture, etc. The fact that the Chinese government meanwhile worked on reducing the local economy's growth in debt and that some countries in Asia where vaccination rates are still low had to partially pause economic life again in order to contain Covid-19 also contributed to the slowdown in growth.

The fourth quarter of 2021 and especially the first weeks of 2022 were marked by rising tensions between Russia and Ukraine. These tensions culminated in an invasion of Ukraine by Russian forces on 24 February, towards the end of the reporting period. The war caused expectations of economic growth to be revised downwards.

#### Monetary policy

The robust economic recovery and the spike in energy prices due to the war in Ukraine further increased inflation and made it clear in the reporting period that the very accommodative monetary policy introduced during the Covid-19 crisis could not be maintained indefinitely.

A number of central banks (e.g., in Latin America, Northern Europe and Central Europe) have already implemented their first rate hike.

The US Federal Reserve also changed tack during the reporting period. Since last summer, there have been hints of tapering the bond purchase programme. In December, it became clear that this process would be faster than initially expected. As a result of the war, the Fed announced that it would raise interest rates as early as the first quarter already. The European Central Bank, by contrast, indicated that it would adjust its stimulus policy to market conditions, taking into account that inflation might remain higher for a longer period of time. The ECB stated that it's ready to adjust its instruments if necessary to ensure that inflation reaches the target level of 2% in the medium term.

#### Currency markets

Differing expectations as far as monetary policy is concerned resulted in the euro losing ground during the reporting period. On balance, 5.2% was lost against the US dollar and 2.8% against the pound sterling, while the Swiss franc strengthened by 5.1%. Against the Japanese yen, the euro lost only a little ground (0.9%).

#### Stock markets

The global stock market (euro-denominated MSCI World AC) fell by 0.4% over the reporting period.

The second half of 2021 therefore continued the strong first half of the year. Despite the waves of coronavirus rolling over the world economy, above-average returns were achieved. Economic figures proved a pleasant surprise. GDP figures for the third quarter were also exceptionally high compared to a year earlier. Corporate earnings growth in excess of 40% in both Europe and the US was also an impressive performance. In the third quarter, however, there were some signs of a slowdown in growth and a number of emerging risks. These included Chinese regulation and real estate issues, as well as higher energy prices, shortages and supply problems in many sectors, partly due to the strong recovery in the first half of the year. In the fourth quarter, inflation continued to rise, but growth remained strong. Central banks announced policy adjustments, but interest rates remained low and supportive of stock markets.

Among the traditional markets, US shares continued to forge ahead, slightly above the global average. The US led the way in the recovery due to the highly successful vaccination campaign and stimulus measures introduced by President Biden. After the surge of the Delta variant in the summer, economic growth strengthened again in the fourth quarter. Corporate earnings once more greatly exceeded expectations in the third quarter. The strong dollar also helped boost returns for US shares. Over the reporting period, US shares rose by 1.1%.

The euro area got off to a good start in 2021, but has lagged behind particularly badly since the third quarter, despite a strong recovery in growth and the reopening of the economy in the summer months. New restrictions due to the Delta variant as well as concerns around the Omicron variant ended up holding back shares in the euro area, but higher energy prices also posed a new risk. The euro area lost 1.9% over the past six months. UK shares also lost ground in the third quarter due to the Delta variant, which seriously hit the UK, compounded by the effects of Brexit in the form of transport staff shortages and supply problems. The British stock market is quite internationally

oriented, however, and has gained more than 10% in the last six months. Japan also continued its recovery, especially in the third quarter. The country elected a new prime minister, with hopes of a stimulus programme to come. It was also finally able to get its vaccination campaign on track, which in turn allowed the recovery to kick in. Nevertheless, the Japanese stock market also lost ground, falling by 2.6%.

Shares from emerging markets (countries or regions that are expected to experience rapid economic growth to make up their lag with the West) experienced a number of challenges in 2021. Chinese shares lost further ground in the past six months, falling by 12.5%. Still the Chinese stock market surged at the start of 2021, but uncertainty around regulation of large media organisations and technology companies, combined with fears about the cooling of the economy, led to a correction. There followed an even sharper correction in the third quarter when the government regulation was ramped up and China's education sector was asked to delist. The uncertainty surrounding real estate giant Evergrande also prompted investors to be cautious. Other Asian countries did better. India's stock market slid by 2.7% in February, and as a result, the stock market has fallen 0.1% in the past six months. Latin America, by contrast, ended the period on a positive note with a 3.2% increase fuelled by the rise in commodity prices. Brazil rose by 1.2% over that period (and as much as 5.9% in February). The Russian stock market was hit by the conflict with Ukraine. In February, it fell by 52.1%, resulting in a 56.2% drop over the past six months. Turkey fell by 14.8% in the last six months. The unorthodox policy of President Erdogan, who insists on lower interest rates despite higher inflation, caused the Turkish lira to collapse.

2021 looked set to be the year of cyclicals. Thanks to factors such as the strong economic recovery in the US and Europe, the reopening of the economy following vaccination campaigns, large stimulus packages and low interest rates, producer confidence reached new heights. However, successive waves of coronavirus, China's flagging economy and supply chain problems all conspired to throw a spanner in the works. Materials shares rose by 3.8% in the period of August 2021 to February 2022. In January, there was an increase of 3.2%. Commodity prices picked up on the back of signs of a tentative recovery in China. The picture was different for industrials: they were hit by the uncertainty on the financial markets in February, leading to a decline of 3.2% over the past six months. Problems in supply chains and higher inflation seemed to weigh somewhat on sentiment, while the transport sector (+2.8% in February), which benefited from higher transport costs, performed well.

The energy sector increased by no less than 51.14% over the past six months, a result of the rise in energy prices. This was due in part to higher demand and the still limited supply, but the military events in Ukraine also pushed up prices of both gas and oil. In February, the energy sector grew by 35.8%.

The financial sector rose by 18.6% in the reporting period on the back of rising interest rates and robust economic growth. In February, there was still an increase of 8.5%. Only in the last week of February did financial markets lose ground.

Consumer discretionary sectors were also impacted, and lost 15.6% over the past six months, of which 5.6% in 2022 alone. The retail sector, which did well in the Covid-19 period, fell very sharply, losing 25.2%, with almost half of that in February alone (11.7%). Supply chain problems and rising transportation costs adversely affected the retail sector, but the potential impact on consumer confidence due to rising inflation was also a negative factor. Consumer discretionary (e.g., luxury goods) also fell by 9.3% due to the uncertainty. The automotive sector performed well, gaining 2.4% since the end of August 2021, and even rising by 7% in February. The main factor here was the easing of the semiconductor supply problems. The automotive sector was able to gain some ground (+19%), although this was mainly due to stock market giant Tesla. Consumer services (tourism, restaurants) made gains, especially in the middle of the 2021, but largely lost them again due to the wave of Delta infections and the rise of the Omicron variant, and in February, the situation in Ukraine.

Consumer staples declined by 3.2% during the reporting period. The sector climbed 5.4% in the month of February, largely due to the buoyancy of food companies, which are defensive stocks.

Utilities, another defensive sector, also performed well in February (+4.7%) but not enough to produce a positive result over six months. Over that period, utilities fell by 4%. Health care has been performing weakly since August 2021 with a 1.9% decrease mainly due to the decline in the biotech sector. Pharma and biotech combined fell by 3.1% in February, medical technology by 0.6%.

Technology held up over the past six months and rose by 2.1%. The biggest increase was due to the problems in semiconductors. This subsector has risen by no less than 18.9% since August 2021. In February, the semiconductor sector increased by 5.4%. Hardware performed equally well (+6% in February) but the interest-sensitive software sector fell by 10.6% in February. Communication services consists of the telecom subsector (defensive), and media and entertainment subsector (more focused on IT). Telecom fell by 10.3% over the past six months, while media was down by 12.3%, mainly due to the waning interest in video games following the lifting of lockdowns.



## Bond markets

Since the end of August 2021, bond yields in the US and the euro area have been on a bumpy but mostly upward trajectory. Overall, US and German 10-year yields increased by more than 0.5% over that period. In mid-February, this rise was even more pronounced, but the situation regarding the war in Ukraine caused a flight to safer financial assets, prompting a sharp drop in yields. Economic growth in the euro area flourished, but by the end of 2021, a new wave of infections and fears for Omicron slowed down activity and prompted additional restrictive measures to be taken. Together with higher commodity prices, inflation has also soared well above the rate targeted by policymakers. Bond yields in the euro area are still low and sometimes negative due to the continuing, extremely accommodative monetary policy of the European Central Bank (ECB) combined with the modest inflation outlook.

The ECB continues to support the economy and financial markets by pursuing a very loose monetary policy. Before the recent events in Ukraine, it looked like the bond purchase programme would be scaled back in stages and would probably come to an end in the second half of the year. This would then open the door to a first rate hike by the end of the year. It remains to be seen whether the central banks will adjust this roadmap in light of the situation regarding the war. While there will probably be a significant adverse impact on growth in Europe, the level of inflation will also increase once again. A difficult situation for the central bank.

The ECB's flexible monetary policy and the European support plan (Next Generation EU) have also underpinned demand for riskier bonds over the past few months. The tapering of the bond purchase programme will change the situation and may result in more volatility. Peripheral countries and corporate bonds are particularly vulnerable and have seen their risk premiums rise in recent weeks in anticipation of this situation.

Over the reporting period, the results for European bonds were negative. Returns on euro-denominated government bonds with a term to maturity of between one and five years are hovering around -1.1%, while they are -3.5% for a diversified basket of maturities. Corporate bonds are down about 4.7%. The US dollar exchange rate strengthened sharply and is up around 5.5% against the euro.

## Outlook

### The economic context

The economic outlook has become more uncertain. For 2022, there are significant downside economic risks and the emergence of the Omicron variant is a reminder that the pandemic is still playing a prominent role in the macroeconomic landscape. The omicron variant is wreaking havoc, especially in China. Elsewhere, the number of infections has fallen sharply, making restrictions melt like snow in the sun. The reopenings are boosting the economy, benefiting the service sector in particular. Further inflation is being caused by a number of supply shocks related to the pandemic. These are also weighing on the short-term economic outlook.

Although growth is inevitably slowing down somewhat in the wake of the spectacular recovery following the reopenings in 2021, growth figures remain above average and are allowing for an additional increase in corporate earnings. The fact that analysts are estimating earnings growth for 2022 conservatively leaves scope for positive surprises.

In the euro area, the most recent wave of coronavirus is now retreating rapidly and hopes are growing that this time the reopening of the economy will have a more permanent nature. But precisely now, the economy is facing a new crisis, the war in Ukraine. The higher energy price will have an adverse effect on economic growth. These higher prices will undermine purchasing power and weigh on business confidence, which may trigger additional cost shocks. Perhaps the biggest negative shock to growth will come in the second quarter of 2022. The growth outlook for the whole of 2022 was lowered by 0.8 percentage points to 2.7%. For 2023, the growth outlook was lowered from 2.4% to 2.1%.

The US economy is less directly exposed to the developments in Ukraine and the strict sanctions against Russia. However, higher energy prices and the resulting inflation may also weigh on consumer confidence and consumption in the US. Apart from the current geopolitical context, the US economy is showing a strong recovery. Business confidence improved from 57.6 in January to 58.6 in February, thanks to an increase in new orders. The labour market is also doing very well, with a net increase of 678 000 jobs in February. Despite these positive developments, expectations for real GDP growth were revised downwards from 3.3% to 3.1% in 2022 and an unchanged growth of 2.3% in 2023.

Inflation continues to rise in all advanced economies to the highest levels in several decades. The war in Ukraine is having a particularly strong impact in the euro area. In February, inflation surprisingly rose to 5.8%, while core inflation accelerated from 2.3% in January to 2.7% in February. There were signs that inflation would fall in the second half of the year. The recent rise in energy prices may mean that the inflation peak will come later than expected. However, we are maintaining our expectation that inflation will gradually cool in the course of 2022 in both the euro area and the US.

### Monetary policy

The Fed opted for a more restrictive monetary policy stance in its last meeting, which is to say that the pace of tapering has been accelerated with the target of stopping purchases at the end of the first quarter. This makes an initial increase of the interest rate possible by the end of the second quarter of 2022. The sharp rise in inflation in the US led the Fed to announce that it would raise interest rates in the first quarter, followed by a series of adjustments in 2022. Meanwhile, the ECB is taking a much more cautious approach. The increased uncertainty

caused by the emergence of the Omicron variant has led to a more gradual tapering of the Pandemic Emergency Purchase Programme (PEPP). We are maintaining our expectation that the ECB will not raise its key rate in 2022.

### **Currency markets**

Due to the developments in Ukraine, the US dollar has strengthened against the euro to 1.10. The US dollar is expected to drop to 1.17 against the euro by year-end. The pronounced weakening will be driven largely by the growing twin deficit, i.e. a current account deficit and a budget deficit, and the resultant borrowing requirements.

### **Financial markets**

The war in Ukraine has completely changed the investor landscape, causing us to scale back our holdings of shares. We are investing, for the time being at least, slightly below the benchmark. A rapid end to the war in Ukraine is still a possibility. Given the unpredictability of war and of geopolitics in general, however, we also need to factor in a more dramatic scenario. This situation does not have to develop into a full-scale European war, but any scenario in which Russian oil and gas supplies would be cut off (whether through sanctions or through retaliatory action on the part of Moscow) would cause enormous economic damage. Europe is heavily dependent on Russian oil and gas, and replacing them, even by the winter of 2022-23, seems an impossible task. The world is facing a supply shock, which analysts believe will push up the price of oil to at least 140 dollars a barrel. That will cause inflation to rise sharply, leading almost inevitably to a serious erosion of consumer and investor confidence. The rest of the world might be able to shield itself a little better from the effects of such a scenario, but it would probably push Europe into an economic downturn. This prospect is undoubtedly causing the financial markets to adopt a defensive position, which could trigger a significant decline in share prices.

To be clear, the scenario of an energy shock is not the one we regard as being most likely at the moment and there is no question of acting in panic. However, ignoring such a scenario completely would be imprudent. The actions we have taken in our investment portfolios over recent days and weeks should be seen in this context. We first reduced shareholdings from well above their benchmark level to well below it. Now that oil prices have fallen somewhat and a negotiated solution to the conflict does not seem to have been ruled out, we have again reduced this underweighting. Continuously making adjustments according to the political and economic reality remains more important than ever.

Interest rates have climbed sharply higher in recent weeks and are now above the level of before the Russian invasion of Ukraine. Nevertheless, interest rates still remain very low compared to the projected rate of inflation. Further interest rate increases are therefore on the cards, especially now that the US central bank has started a cycle of rate hikes, so we remain invested below the benchmark level for bonds.

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

The cash position in euros is being held in order to respond to opportunities as they arise.

## Stock markets

The Russian invasion of Ukraine is affecting our strategy for shares. Although the global economic impact will remain limited, the euro area seems to have been more severely hit by this crisis. Because of increased energy prices and the adverse impact on investor and consumer confidence, we have reduced the weighting of the euro area to below its benchmark level (slightly underweight) and we are investing somewhat more in the US and the Pacific region. We remain slightly overweight in UK shares, which have become fairly cheap after performing poorly for several years.

We raised our recommendation for Emerging Asia and China to positive in mid-February. The significant uncertainty for investors in China prompted us to somewhat reduce the weighting of Asian emerging markets in the summer months of last year. Our main reasons for doing this were the new regulations for Chinese technology companies, weak Chinese economic growth and real estate issues (Evergrande). The publication of improved figures in recent months, including those for business confidence, indicate that the slowdown is bottoming out. In addition, the central bank decided that it would support the economy, and infrastructure works are in the pipeline. For these reasons, Chinese shares are now slightly overweight. With the crisis situation in Ukraine, we are moving Japan and the wider Pacific region towards neutrality. Japan has one of the highest vaccination rates, the Omicron variant was unable to gain a foothold there, economic recovery is well and truly under way, and the government seems keen to support the recovery.

Within the sectors, we have also become somewhat more cautious, especially for the European ones. We are in the middle of the economic cycle, i.e. economic growth is still strong, but starting to slow down. Higher inflation figures and forecast rate hikes are also causing some shifts in the portfolio, with considerable differences at sector level, too.

Consequently, we are still seeing return-generating opportunities for shares that could benefit from the further reopening of the economy (hospitality, tourism, etc.), but also luxury and sports goods. However, this consumer discretionary sector also includes e-commerce companies, which have lost some of their attraction after their robust growth of the past two years, and traditional retailers, which are coming under pressure from higher inflation and somewhat waning consumer confidence in the US. We have further reduced the proportion of retailers because of the potential negative impact, especially in Europe, of the crisis situation in Ukraine. We have also reduced the automotive subsegment following the strong rally and fears of a fall in consumer confidence. In addition, we remain underweight for the US automotive industry, which is strongly dominated by Tesla. We have a slightly underweight recommendation for the consumer discretionary sector.

Meanwhile, we have changed the recommendation for industrial companies to neutral. The demand for capital goods remains high, partly due to (green) investment programmes and digitalisation, but in the short term the conflict in Ukraine, and high energy and input prices are weighing on the earnings outlook for the sector. We are also adopting a neutral stance towards the transportation subsector, although these companies stand to benefit from higher logistics demand and prices. The weighting of the materials sector (mining and chemicals) was increased a little in January. It appears that the Chinese government is looking to stimulate the economy in order to boost growth, which is a key driver of this sector. We continue to adopt a cautiously neutral position towards materials however, as high energy prices and logistical problems continue to weigh somewhat on the sector. We increased our positioning in the energy sector in January. Higher energy prices could hold for a while, given the increasing demand and the scarcity of supply on both oil and gas markets, plus the war in Ukraine.

Media companies are well positioned to benefit in difficult as well as recovering economic environments, including through increased advertising revenues. We have however recently reduced the overweighting of Internet stocks. We are maintaining a fairly neutral stance on traditional technology stocks, with a limited overweight position in semiconductors (chip manufacturers). Demand for these chips remains sky-high, while supply is unable to keep up. Prices therefore remain high, which is to the benefit of these companies. We did reduce it somewhat due to the lower growth prospects in the short term. Within the technology sector, we brought the software companies to a neutral positioning. Their outlook has improved somewhat due to the potential slower rise in interest rates caused by the conflict in Ukraine.

As regards financial shares, the outlook in the US and certainly in Europe has deteriorated, in particular for banks and to a lesser extent insurers. In the US, the Federal Reserve indicated that it will ratchet up its key rate more rapidly and accelerate its unwinding of the enormous support programmes, implying that long rates ought also to rise further. In this pro-cyclical environment, banks should be able to further reduce their provisions for non-performing loans, while it ought to be possible to systematically increase lending volumes. This provides a good environment for these financial shares, which we are investing in further.

Because of developments in Ukraine, we have reduced the significant overweighting in financial shares and the sector is now only slightly overweight in the US. The Federal Reserve, meanwhile, has raised interest rates in the US, which in itself is good news for the sector. The ECB also indicated that it would tighten its policy a little, which led to a slight rise in interest rates in the euro area too.

As regards the defensive sectors, we recently increased the weighting of consumer staples and health care, given the high level of uncertainty. In utilities and real estate, we remain underweight. Companies, such as food and beverage producers, and household and personal products manufacturers, reported poorer results in the fourth quarter due to logistical problems. We were significantly underweight in this sector, but because of the situation in Ukraine, we have decided to go slightly underweight. Health care is a defensive sector, which can post good corporate earnings and for which the risk of regulation has decreased. Because of this defensive nature, we have

slightly increased our position in pharmaceuticals.

As regards investment themes, the focus is on water companies. Drinking water is in very short supply due to obsolete and inadequate water infrastructure, climate change and problems with water quality and waste-water processing. This offers opportunities for water companies to achieve robust turnover growth in the long term. In addition, our focus is also on companies that invest in alternative energy. The energy transition is being accelerated by the war in Ukraine and the need to rid ourselves of our dependence on Russian oil and gas. The new investments in the Green Deal and RePowerEU will give this theme the boost it needs.

### **Bond markets**

The conflict between Russia and Ukraine is putting pressure on the economic environment. In addition to increased uncertainties, higher commodity prices in particular are weighing on consumers' purchasing power. The risk of a supply shock with even higher oil and gas prices has increased. Extremely high inflation, which has been above the target levels for many months now, is forcing central banks to adjust their monetary policy more quickly despite the somewhat less favourable economic growth outlook. Because of this, a gradual rise in bond yields in the coming months still seems the most likely scenario.

The US central bank (Fed) is growing increasingly concerned about the high inflation and started to wind down its bond purchase programme at the end of 2021. What's more, it has indicated that the key rate will be raised in 2022. This may happen as early as the first quarter, and will trigger a new cycle of interest rate increases.

The ECB continues to support the economy and financial markets by pursuing a very loose monetary policy, but also in the euro area, inflation is far too high compared to the target level. The bond purchase programme is being tapered more quickly and may end as early as July, which would open the door to an initial rate hike by the end of this year. Slightly less rapid than in the US, but the trend towards higher bond yields seems to have started in the euro area too. Geopolitical uncertainties and the possibility of a recession due to a supply shock could again affect the economic landscape in coming weeks.

For the allocation in bonds as well as the average maturities, we remain invested below the benchmark level. The intention is to limit the interest rate risk (loss in value when interest rates are rising) so that it weighs less heavily on returns. To a limited extent, we are including inflation-indexed bonds as protection against higher than expected inflation. Due to the relatively attractive yield and the ECB's support, corporate bonds occupy a prominent place in the portfolio.

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

Balance sheet layout		28/02/2022	28/02/2021
	<b>TOTAL NET ASSETS</b>	2,023,593,777.77	1,687,800,689.43
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds		
	Collateral received in the form of bonds		214,408.93
C.	Shares and similar instruments		
	a) Shares	2,027,644,126.73	1,670,960,321.92
D.	Other securities	93,128.31	40,716.72
F.	Derivative financial instruments		
	j) Foreign exchange		
	Futures and forward contracts (+/-)	-3,895,300.37	21,504.44
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	47,428,378.78	2,620,016.22
B.	Payables		
	a) Accounts payable (-)	-52,721,738.09	-2,168,707.14
	c) Borrowings (-)	-26,194,931.88	-868,406.79
	d) Collateral (-)		-214,408.93
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	31,970,655.98	18,153,222.64
D.		1,505,000.06	
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	960,354.19	1,112,315.18
C.	Accrued expense (-)	-3,195,895.93	-2,070,293.76
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	2,023,593,777.77	1,687,800,689.43
<b>A.</b>	<b>Capital</b>	2,240,438,737.61	1,442,581,903.25
<b>B.</b>	<b>Income equalization</b>	587,744.36	387,014.90
<b>D.</b>	<b>Result of the period</b>	-217,432,704.20	244,831,771.28
<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments		214,408.93
I.A.b.	Cash at bank and in hand/deposits	1,505,000.06	
III.	Notional amounts of futures and forward contracts (+)		
III.A.	Purchased futures and forward contracts	108,895,000.45	57,666,171.79
III.B.	Written futures and forward contracts	-17,953,839.53	-7,247,332.81

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

Income Statement	28/02/2022	28/02/2021
<b>I. Net gains(losses) on investments</b>		
A. Bonds and other debt instruments		
a) Bonds	-12,373.96	
C. Shares and similar instruments		
a) Shares	-260,408,669.04	255,971,276.07
D. Other securities	4,685.71	5,496.95
F. Derivative financial instruments		
n) On other underlying products		
Swap contracts (+/-)	1,773,658.26	
G. Receivables, deposits, cash at bank and in hand and payables	-0.01	-0.01
H. Foreign exchange positions and transactions		
a) Derivative financial instruments		
Futures and forward contracts	-4,669,249.47	-411,266.42
b) Other foreign exchange positions and transactions	52,868,484.91	-7,587,247.90
<b>Det. section I gains and losses on investments</b>		
Realised gains on investments	131,717,359.35	72,727,490.26
Unrealised gains on investments	-236,521,593.35	179,197,874.18
Realised losses on investments	-15,007,740.38	-17,336,393.44
Unrealised losses on investments	-90,631,489.21	13,389,287.69
<b>II. Investment income and expenses</b>		
A. Dividends	12,046,582.89	9,535,100.42
B. Interests		
a) Securities and money market instruments	6,467.57	
b) Cash at bank and in hand and deposits	8,163.63	223.83
C. Interest on borrowings (-)	-47,155.17	-21,636.77
<b>III. Other income</b>		
A. Income received to cover the acquisition and realization of assets, to discourage withdrawals and for delivery charges	62,554.72	80,483.89
<b>IV. Operating expenses</b>		
A. Investment transaction and delivery costs (-)	-626,366.26	-345,822.44
B. Financial expenses (-)	-4,773.68	-1,163.98
C. Custodian's fee (-)	-423,756.01	-291,981.06
D. Manager's fee (-)		
a) Financial management	-16,053,883.29	-10,684,921.45
b) Administration and accounting management	-1,060,736.08	-744,667.79
E. Administrative expenses (-)	-4,995.75	-5,007.46
F. Formation and organisation expenses (-)	-17,271.72	-23,619.38
G. Remuneration, social security charges and pension	-22,291.78	-14,709.02
H. Services and sundry goods (-)	-54,492.54	-28,585.06
J. Taxes	-817,696.00	-620,349.47
L. Other expenses (-)	20,408.86	20,168.33
<b>Income and expenditure for the period</b>		

	Subtotal II + III + IV	-6,989,240.60	-3,146,487.40
V.	<b>Profit (loss) on ordinary activities before tax</b>	-217,432,704.20	244,831,771.28
VII.	<b>Result of the period</b>	-217,432,704.20	244,831,771.28

## 1.5. Summary of recognition and valuation rules

### 1.5.1. Summary of the rules

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

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

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

#### Differences

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

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

This tolerance limit is:

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



On the 4<sup>th</sup> of October 2021, errors were detected in the net asset values calculated for the “**KBC Eco Fund Water**” sub-fund. This led to the tolerance limit being exceeded one time. The material deviation is 1,39% (undervaluation). KBC AM reimbursed the fund for 20532,83 EUR for subscribers that paid too little. The fund compensated the redeemers who received too little for 9182,67 EUR.

## 1.5.2. Exchange rates

1 EUR =	28/02/2022		28/02/2021	
	1.547853	AUD	1.567811	AUD
	5.786389	BRL	6.764568	BRL
	1.424610	CAD	1.536670	CAD
	1.030479	CHF	1.098853	CHF
	892.719360	CLP	877.783746	CLP
	25.184502	CZK	26.175536	CZK
	7.438448	DKK	7.436042	DKK
	na*	EUR	1.000000	EUR
	0.837115	GBP	0.868178	GBP
	8.776347	HKD	9.415871	HKD
	370.465056	HUF	362.359962	HUF
	3.600361	ILS	4.020955	ILS
	84.630312	INR	89.196093	INR
	129.364560	JPY	129.318252	JPY
	1,350.479520	KRW	1,363.704300	KRW
	22.949784	MXN	25.381164	MXN
	4.715755	MYR	4.912855	MYR
	9.877027	NOK	10.453245	NOK
	1.659697	NZD	1.669371	NZD
	57.586464	PHP	58.893576	PHP
	10.600986	SEK	10.196041	SEK
	1.524687	SGD	1.613989	SGD
	36.706176	THB	36.969313	THB
	15.567158	TRY	9.003968	TRY
	31.488912	TWD	33.807364	TWD
	1.123200	USD	1.213800	USD
	17.356248	ZAR	18.384518	ZAR

\* NVT (niet van toepassing) geven we weer als de genoemde munt niet in het compartiment zit, of als het compartiment leeg is.

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# 2. Information on KBC Eco Fund Alternative Energy

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### **Classic Shares Distribution**

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

#### **Classic Shares Capitalisation**

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

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

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

### 2.1.2. Stock exchange listing

Not applicable.

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

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

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

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

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

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

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

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

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

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

## Permitted derivatives transactions

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

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

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

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

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

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

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

## Strategy selected

The total assets of the sub-fund are invested, to the maximum extent possible, in shares of companies operating in the alternative energy sector in a socially responsible way. These companies have to realize a substantial proportion of their turnover in this sector.

The sub-fund invests in socially responsible assets. Socially Responsible Investing (SRI), has a positive impact on society, the environment and the world we live in. It is aligned with today's social and economic needs, without jeopardising the needs of future generations. The sub-fund promotes a combination of environmental and social characteristics, namely providing access to and improving the efficiency of alternative energy, but is not a sustainable investment within the meaning of Article 2(17) of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector. However, the concrete contribution to these characteristics is not measured by indicators. The companies in which it invests must follow good governance practices.

Specialised researchers of KBC Asset Management NV compile a universe of socially responsible companies. They are assisted by an advisory board (i.e. the 'SRI 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 methodology and activities of the specialist researchers of KBC Asset Management NV. The secretariat of the advisory board is provided by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with a data supplier with expertise in SRI that provides data to the specialised researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The fund manager then strives to invest as much as possible in assets that form part of this universe. In order to create this socially responsible universe, the companies are subjected to a negative and positive screening procedure.

### Negative screening

Negative screening entails specific criteria that exclude companies in advance from the socially responsible universe.

On top of the exclusion criteria set out under 'Social, ethical and environmental aspects', the companies are assessed against additional SRI exclusion criteria which are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Exclusion policies for socially responsible investment funds.

The most important exclusion criteria relate on the one hand to controversial activities (tobacco, gambling, weapons, fur and speciality leather and adult entertainment). Companies involved in such controversial activities are excluded. On the other hand, the screening for controversies ensures that companies who seriously violate the basic principles in terms of the environment, social aspects or good governance are excluded. This list is not exhaustive and can be adapted under the supervision of the Advisory Board.

### Positive screening

Positive screening entails creating a universe of companies that operate in the alternative energy sector in a socially responsible manner. This includes, for example, the following business activities: companies active in the development of solar energy, wind energy and biofuels. Companies that focus at least 50% of their activities on this objective or that are market leaders in the relevant field(s) are eligible for the universe provided that these activities represent a significant part of their turnover.

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 socially responsible after purchase on the basis of the above criteria;
- corporate events, such as a merger of one company with another, where the merged company can no longer be considered a socially responsible company on the basis of the above criteria;
- incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets that do not have a socially responsible nature;
- a planned update of the socially responsible universe in which assets are no longer labelled as socially responsible but in which the fund manager chooses not to sell them immediately in the interest of the customer due to transaction charges.

In these cases, the fund manager will replace the assets concerned with socially responsible 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 which are not of a socially responsible nature, to the extent that no workable and comparable socially responsible alternative is available on the market for these derivatives. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a socially responsible nature.

The fund is actively managed without referring to any benchmark.

The socially responsible character is guaranteed by the aforementioned SRI screening.

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

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

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

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

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

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

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

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

## **2.1.4. Financial portfolio management**

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

## **2.1.5. Distributors**

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

## **2.1.6. Index and benchmark**

Not applicable.

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

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

## **2.1.8. Future policy**

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

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

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

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

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

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

## 2.2. Balance sheet

Balance sheet layout		28/02/2022 (in Euro)	28/02/2021 (in Euro)
	<b>TOTAL NET ASSETS</b>	97,894,521.77	110,581,410.08
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
	a) Shares	98,198,687.29	109,840,508.72
D.	Other securities	11.49	
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	38,589.88	153,107.76
B.	Payables		
	a) Accounts payable (-)	-311,976.64	-433,560.57
	c) Borrowings (-)	-4,718.05	-228,516.53
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	108,508.27	1,353,189.60
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income		27,990.62
C.	Accrued expense (-)	-134,580.47	-131,309.52
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	97,894,521.77	110,581,410.08
<b>A.</b>	<b>Capital</b>	101,447,220.28	79,998,810.24
<b>B.</b>	<b>Income equalization</b>	64,504.92	63,270.54
<b>D.</b>	<b>Result of the period</b>	-3,617,203.43	30,519,329.30



## 2.3. Profit and loss account

Income Statement		28/02/2022 (in Euro)	28/02/2021 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	-4,902,941.57	30,942,114.76
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	1,478,664.74	-90,326.67
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	9,101,733.45	8,058,937.69
	Unrealised gains on investments	-8,594,221.24	21,906,263.84
	Realised losses on investments	-958,359.42	-174,041.78
	Unrealised losses on investments	-2,973,429.62	1,060,628.34
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	591,197.07	355,767.77
B.	Interests		
	b) Cash at bank and in hand and deposits	21.91	2.26
C.	Interest on borrowings (-)	-2,279.82	-1,236.94
<b>III.</b>	<b>Other income</b>		
A.	Income received to cover the acquisition and realization of assets, to discourage withdrawals and for delivery charges	8,500.03	12,558.75
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-73,533.44	-42,638.35
B.	Financial expenses (-)	-236.39	-94.17
C.	Custodian's fee (-)	-18,638.45	-15,678.69
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-593,612.59	-495,269.12
	Institutional B Shares	-20,081.87	-25,245.09
	b) Administration and accounting management	-46,383.55	-41,432.90
E.	Administrative expenses (-)	-997.32	-1,002.27
F.	Formation and organisation expenses (-)	-698.61	-1,492.50
G.	Remuneration, social security charges and pension	-991.61	-727.87
H.	Services and sundry goods (-)	-5,516.50	-6,310.61
J.	Taxes		
	Classic Shares	-33,284.25	-51,247.79
	Institutional B Shares	-46.46	-523.89
L.	Other expenses (-)	3,655.25	-17,887.38
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-192,926.60	-332,458.79
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	-3,617,203.43	30,519,329.30
<b>VII.</b>	<b>Result of the period</b>	-3,617,203.43	30,519,329.30

## 2.4. Composition of the assets and key figures

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

Name	Quantity on 28/02/2022	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Austria</u>							
ANDRITZ AG -	49,522.00	EUR	40.000	1,980,880.00		2.02	2.02
<u>Belgium</u>							
ELIA SYSTEM OPERATOR -	25,626.00	EUR	128.600	3,295,503.60		3.36	3.37
UMICORE -	43,476.00	EUR	36.690	1,595,134.44		1.62	1.63
<u>Brazil</u>							
SAO MARTINHO SA -	414,335.00	BRL	40.030	2,866,352.19		2.92	2.93
<u>Canada</u>							
BALLARD POWER SYSTEMS -	85,715.00	CAD	14.500	872,426.05		0.89	0.89
HYDRO ONE LTD -	132,867.00	CAD	31.300	2,919,209.47		2.97	2.98
INNERGEX RENEWABLE ENERGY INC -	142,859.00	CAD	18.430	1,848,147.94		1.88	1.89
POLARIS INFRASTRUCTURE INC -	56,953.00	CAD	15.580	622,856.28		0.63	0.64
5N PLUS INC -	137,336.00	CAD	2.330	224,617.77		0.23	0.23
<u>China</u>							
DONGFANG ELECTRIC CORP LTD -	533,217.00	HKD	9.790	594,802.59		0.61	0.61
<u>Denmark</u>							
CADELER A/S -	140,538.00	NOK	33.265	473,320.19		0.48	0.48
NOVOZYMES A/S B	41,305.00	DKK	435.200	2,416,624.49		2.46	2.47
VESTAS WINDS SYSTEMS -	36,680.00	DKK	217.500	1,072,522.09		1.09	1.10
<u>France</u>							
LEGRAND (PAR)	28,572.00	EUR	84.820	2,423,477.04		2.47	2.48
MERSEN (PAR)	46,021.00	EUR	33.200	1,527,897.20		1.56	1.56
NEOEN SA -	51,179.00	EUR	34.460	1,763,628.34		1.80	1.80
NEXANS SA (PAR)	20,369.00	EUR	86.700	1,765,992.30		1.80	1.80
VOLTALIA SA -	29,704.00	EUR	18.580	551,900.32		0.56	0.56
<u>Germany</u>							
ENCAVIS AG -	104,901.00	EUR	15.370	1,612,328.37		1.64	1.65
ENERGIEKONTOR AG -	16,248.00	EUR	68.500	1,112,988.00		1.13	1.14
MANZ AG -	13,431.00	EUR	43.400	582,905.40		0.59	0.60
NORDEX AG -	70,886.00	EUR	15.910	1,127,796.26		1.15	1.15
PNE AG -	74,944.00	EUR	9.240	692,482.56		0.71	0.71
SMA SOLAR TECHNOLOGY AG -	31,978.00	EUR	35.540	1,136,498.12		1.16	1.16
7C SOLARPARKEN AG -	322,001.00	EUR	4.195	1,350,794.20		1.38	1.38
<u>Greece</u>							
TERNA ENERGY SA -	160,788.00	EUR	12.920	2,077,380.96		2.12	2.12
<u>Hong Kong</u>							
WASION HOLDINGS LTD -	2,136,000.00	HKD	3.020	735,011.89		0.75	0.75
<u>India</u>							
ADANI GREEN ENERGY LTD -	145,600.00	INR	1,843.400	3,171,429.17		3.23	3.24
<u>Italy</u>							
TERNA RETE ELETTRICA NAZIONALE -	423,330.00	EUR	7.342	3,108,088.86		3.17	3.18
<u>Japan</u>							
WEST HOLDINGS CORP -	37,257.00	JPY	4,280.000	1,232,640.22		1.25	1.26
<u>Netherlands</u>							
ADVANCED METALLURGICAL GROUP -	69,647.00	EUR	35.320	2,459,932.04		2.51	2.51
ALFEN BEHEER BV -	13,896.00	EUR	86.800	1,206,172.80		1.23	1.23
SIF HOLDING NV -	15,557.00	EUR	11.000	171,127.00		0.17	0.18
<u>New Zealand</u>							
MERIDIAN ENERGY LTD -	476,392.00	NZD	4.995	1,433,742.38		1.46	1.47
<u>Norway</u>							
AKER OFFSHORE WIND AS -	1,104,981.00	NOK	2.440	272,972.17		0.28	0.28
REC SILICON ASA -	434,518.00	NOK	15.520	682,768.09		0.70	0.70
SCATEC SOLAR ASA -	82,107.00	NOK	126.800	1,054,079.01		1.07	1.08

<u>Singapore</u>							
MAXEON SOLAR TECHNOLOGIES LTD -	66,281.00	USD	10.840	639,677.74		0.65	0.65
<u>Spain</u>							
ABENGOA S.A. B SHARES	40,847,142.00	EUR	0.001	40,847.14		0.04	0.04
ACCIONA SA -	18,166.00	EUR	153.100	2,781,214.60		2.83	2.84
AUDAX RENOVABLES SA -	1,017,848.00	EUR	1.300	1,323,202.40		1.35	1.35
CORP ACCIONA ENERGIAS RENOVABL -	41,732.00	EUR	30.120	1,256,967.84		1.28	1.28
EDP RENOVAVEIS SA -	94,100.00	EUR	21.720	2,043,852.00		2.08	2.09
GREENERGY RENOVABLES SA -	42,049.00	EUR	28.100	1,181,576.90		1.20	1.21
RED ELECTRICA DE ESPANA -	135,556.00	EUR	17.825	2,416,285.70		2.46	2.47
SIEMENS GAMESA RENEWABLE ENERGY SA -	55,435.00	EUR	20.730	1,149,167.55		1.17	1.17
SOLARIA ENERGIA Y MEDIO AMBIENTE SA -	103,877.00	EUR	16.615	1,725,916.36		1.76	1.76
SOLTEC POWER HOLDINGS SA -	119,152.00	EUR	4.958	590,755.62		0.60	0.60
<u>Sweden</u>							
ARISE AB -	48,257.00	SEK	44.250	201,431.47		0.21	0.21
EOLUS VIND AB -	57,780.00	SEK	81.340	443,338.49		0.45	0.45
<u>Switzerland</u>							
GURIT HOLDING AG -	430.00	CHF	1,514.000	631,763.94		0.64	0.65
LANDIS+GYR GROUP AG -	21,626.00	CHF	59.950	1,258,131.07		1.28	1.29
MEYER BURGER TECHNOLOGY AG MEYER BURGER TECHNOLOGY AG	2,414,893.00	CHF	0.350	819,743.91		0.84	0.84
<u>Taiwan</u>							
E-TON SOLAR TECH CO LTD -	180,334.00	TWD	0.010	57.27		0.00	0.00
MOTECH INDUSTRIES INC -	1,538,762.00	TWD	30.850	1,507,540.42		1.54	1.54
SINO-AMERICAN SILICON PRODUCTS -	256,773.00	TWD	182.000	1,484,099.74		1.51	1.52
<u>U.K.</u>							
CERES POWER HOLDINGS PLC -	82,245.00	GBP	7.120	699,526.24		0.71	0.72
ITM POWER PLC -	203,112.00	GBP	3.322	806,027.24		0.82	0.82
LINDE PLC -	9,764.00	EUR	260.600	2,544,498.40		2.59	2.60
<u>U.S.A.</u>							
AMERESCO INC -	23,641.00	USD	64.250	1,352,327.50		1.38	1.38
AMERICAN SUPERCONDUCTOR CORP -	92,150.00	USD	8.490	696,539.80		0.71	0.71
ARRAY TECHNOLOGIES INC -	68,363.00	USD	11.240	684,116.92		0.70	0.70
BLOOM ENERGY CORP -	48,508.00	USD	22.200	958,758.55		0.98	0.98
CANADIAN SOLAR INC -	27,886.00	USD	31.660	786,031.66		0.80	0.80
ENPHASE ENERGY INC -	7,402.00	USD	166.700	1,098,569.62		1.12	1.12
FIRST SOLAR INC -	11,710.00	USD	75.290	784,941.15		0.80	0.80
FUELCELL ENERGY LTD -	173,116.00	USD	6.000	924,764.96		0.94	0.95
JINKOSOLAR HOLDING CO LTD -	21,641.00	USD	50.610	975,116.64		0.99	1.00
MYR GROUP INC/DELAWARE -	21,073.00	USD	89.750	1,683,851.27		1.72	1.72
ORMAT TECHNOLOGIES INC -	28,536.00	USD	71.350	1,812,716.88		1.85	1.85
OWENS CORNING -	30,753.00	USD	93.190	2,551,524.28		2.60	2.61
PLUG POWER INC -	35,012.00	USD	25.290	788,331.09		0.80	0.81
SHOALS TECHNOLOGIES GROUP INC -	44,590.00	USD	15.810	627,642.36		0.64	0.64
SUNPOWER CORP -A-	25,303.00	USD	17.930	403,919.86		0.41	0.41
SUNRUN INC -	28,859.00	USD	27.280	700,920.16		0.71	0.72
TESLA INC -	1,544.00	USD	870.430	1,196,531.27		1.22	1.22
TPI COMPOSITES INC -	49,018.00	USD	13.520	590,031.48		0.60	0.60
Total shares				98,198,687.29		100.00	100.31
<b>Rights</b>							
<u>Germany</u>							
ENCAVIS AG -	61.00	EUR	0.170	10.37		0.00	0.00
NORDEX AG -	1.00	EUR	1.120	1.12		0.00	0.00
Total rights				11.49		0.00	0.00
TOTAL SECURITIES PORTFOLIO				98,198,698.78		100.00	100.31
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	0.29	AUD	1.000	0.19		0.00	0.00
KBC GROUP CAD	-3.97	CAD	1.000	-2.79		0.00	0.00
KBC GROUP CHF	-2.53	CHF	1.000	-2.46		0.00	0.00
KBC GROUP DKK	-50.28	DKK	1.000	-6.76		0.00	0.00
KBC GROUP EURO	100,563.86	EUR	1.000	100,563.86		0.00	0.10
KBC GROUP GBP	-0.01	GBP	1.000	-0.01		0.00	0.00
KBC GROUP HKD	-0.43	HKD	1.000	-0.05		0.00	0.00
KBC GROUP JPY	421,241.00	JPY	1.000	3,256.23		0.00	0.00
KBC GROUP NOK	-31,812.07	NOK	1.000	-3,220.81		0.00	-0.00
KBC GROUP NZD	-9.81	NZD	1.000	-5.91		0.00	0.00
KBC GROUP SEK	-15,681.57	SEK	1.000	-1,479.26		0.00	-0.00
KBC GROUP USD	5,265.55	USD	1.000	4,687.99		0.00	0.01
Total demand accounts				103,790.22		0.00	0.11
TOTAL CASH AT BANK AND IN HAND				103,790.22		0.00	0.11
OTHER RECEIVABLES AND PAYABLES							

<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	38,589.88	EUR	1.000	38,589.88		0.00	0.04
Total receivables				38,589.88		0.00	0.04
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-311,976.64	EUR	1.000	-311,976.64		0.00	-0.32
Payables				-311,976.64		0.00	-0.32
TOTAL RECEIVABLES AND PAYABLES				-273,386.76		0.00	-0.28
<b>OTHER</b>							
Interest receivable		EUR				0.00	0.00
Expenses payable		EUR		-134,580.47		0.00	-0.14
TOTAL OTHER				-134,580.47		0.00	-0.14
TOTAL NET ASSETS				97,894,521.77		0.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
Austria	1.32	1.44	1.91	2.02
Belgium	3.53	6.55	6.83	4.81
Brazil	1.66	1.46	1.33	2.92
Canada	5.97	7.18	6.50	6.62
Switzerland	4.82	6.28	4.39	2.76
China	2.23	1.46	1.90	0.61
Germany	6.98	5.78	8.48	7.76
Denmark	3.22	2.15	2.62	4.04
Spain	10.88	9.35	10.66	14.80
France	2.67	2.68	4.50	8.19
U.K.	3.89	3.87	7.63	4.14
Greece	1.31	1.54	1.48	2.12
Hong Kong	2.30	2.07	2.15	0.75
India	1.60	2.40	0.54	3.24
Italy	3.14	4.16	4.30	3.17
Japan	4.24	3.08	4.07	1.26
South Korea	1.47	1.51	0.99	0.00
Netherlands	3.02	2.49	2.18	3.91
Norway	2.17	1.50	1.30	2.06
New Zealand	1.95	1.60	1.35	1.46
Portugal	0.00	0.00	2.20	0.00
Singapore	0.23	0.00	0.00	0.65
Sweden	0.00	0.00	0.00	0.66
Thailand	1.06	1.67	0.00	0.00
Taiwan	4.95	4.02	3.82	3.05
U.S.A.	25.39	25.76	18.87	19.00
TOTAL	100.00	100.00	100.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
Cyclicals	57.52	55.49	52.75	60.32
Consum(cycl)	7.76	5.18	4.60	4.60
Cons.goods	1.66	1.46	1.33	2.92
Financials	1.83	2.09	2.06	1.46
Technology	13.60	16.75	15.73	6.38
Utilities	17.63	19.03	23.53	24.32
TOTAL	100.00	100.00	100.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
BRASILIAN REAL	1.66	1.46	1.33	2.92
CANADIAN DOLLAR	4.92	6.29	6.49	6.62
SWISS FRANC	4.82	6.28	4.43	2.76
DANISH KRONE	3.22	2.15	2.62	3.56
EURO	32.78	34.14	44.00	49.38
POUND STERLING	3.90	3.88	6.05	1.54
HONG KONG DOLLAR	4.56	3.39	4.12	1.36
INDIE RUPEE	1.60	2.40	0.54	3.24
JAPANESE YEN	4.24	3.10	4.04	1.26
KOREAN WON	1.47	1.51	0.99	0.00
NORWEGIAN KRONE	2.17	1.44	1.30	2.54
NEW ZEALAND DOLLAR	1.95	1.60	1.35	1.46
SWEDISH KRONA	0.00	0.00	0.00	0.66
THAI BATH	1.06	1.67	0.00	0.00
NEW TAIWAN DOLLAR	4.95	4.02	3.82	3.05
US DOLLAR	26.70	26.67	18.92	19.65
TOTAL	100.00	100.00	100.00	100.00

### 2.4.2. Changes in the composition of the assets of KBC Eco Fund Alternative Energy (in Euro)

	1 <sup>st</sup> half of year
<b>Purchases</b>	43,484,459.65
<b>Sales</b>	32,109,606.50
<b>Total 1</b>	75,594,066.15
<b>Subscriptions</b>	17,820,628.05
<b>Redemptions</b>	6,948,037.24
<b>Total 2</b>	24,768,665.29
<b>Monthly average of total assets</b>	93,049,538.95
<b>Turnover rate</b>	54.62%

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

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

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

Nil

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

## Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2020 - 08*	18,394.20	9,704.49	7,881.07	2,266.66	86,171.99	29,909.81	116,081.80
2021 - 08*	40,946.32	40,965.12	41,744.63	24,120.43	85,373.68	46,754.50	132,128.18
2022 - 02*	14,791.59	6,566.90	6,094.96	5,199.88	94,070.31	48,121.52	142,191.83

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2020 - 08*	6,026,452.62	2,615,498.52	2,600,662.81	583,346.16
2021 - 08*	22,538,064.45	17,695,957.49	24,538,025.72	11,228,093.32
2022 - 02*	9,417,701.88	3,224,503.95	3,846,800.18	2,540,242.04

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2020 - 08*	43,548,557.20	397.09	311.96
2021 - 08*	78,470,378.92	644.66	501.19
2022 - 02*	80,956,881.29	618.12	474.02

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

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2020 - 08*	8,851.58		12,069.28		32,209.43		32,209.43
2021 - 08*	8,129.00		21,710.28		18,628.15		18,628.15
2022 - 02*	8,550.84		892.00		26,286.99		26,286.99

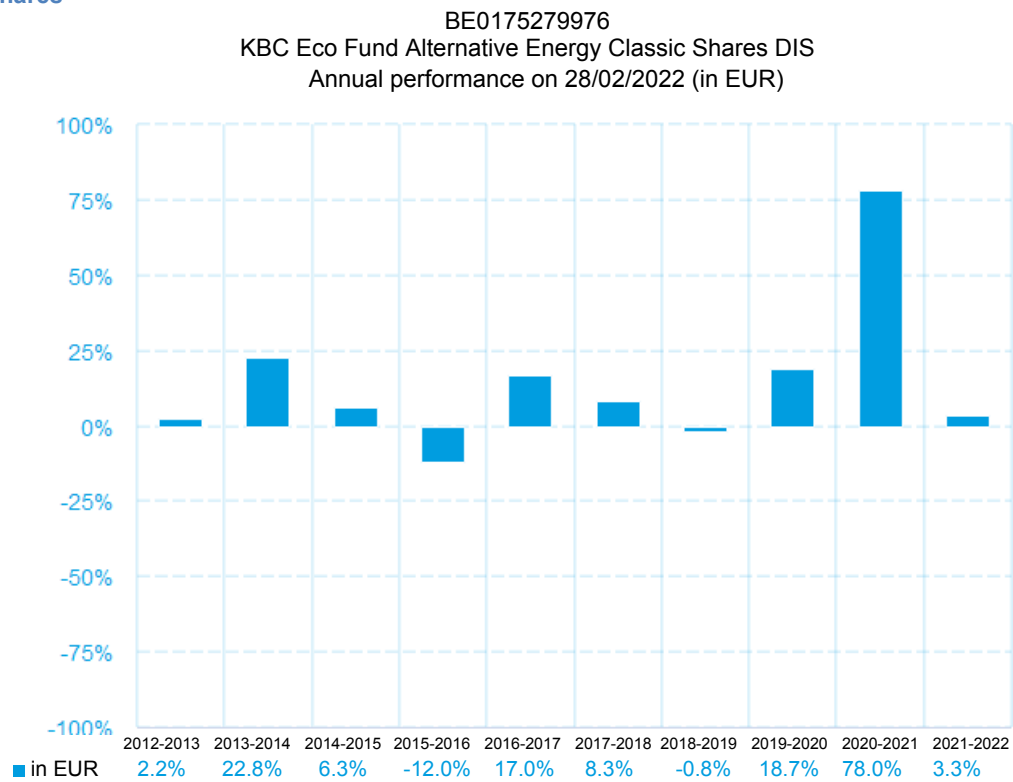
Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2020 - 08*	3,319,362.61		3,929,612.17	
2021 - 08*	4,458,887.89		12,841,952.97	
2022 - 02*	5,272,312.93		591,563.95	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2020 - 08*	13,076,291.80	405.98	
2021 - 08*	12,439,824.12	667.80	
2022 - 02*	16,937,640.48	644.34	

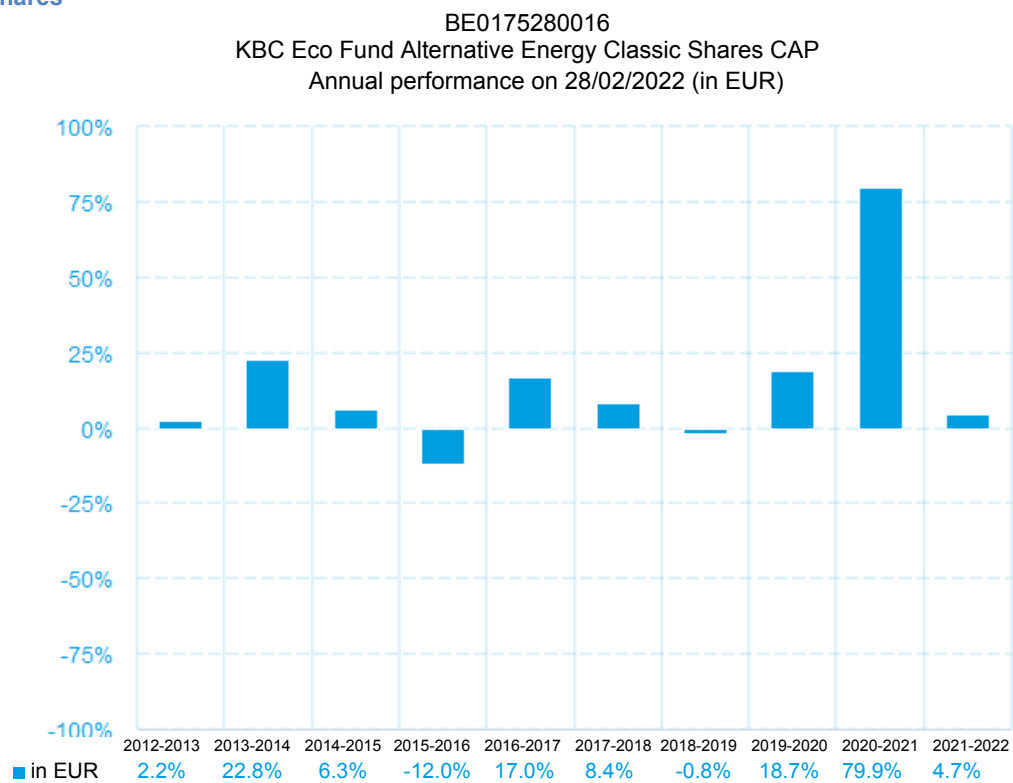
\*The financial year does not coincide with the calendar year.

## 2.4.5. Performance figures

### Classic Shares



### Classic Shares



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE0175279976	EUR	3.29%		29.70%		18.58%		12.39%		31/10/2000	0.87%
CAP	BE0175280016	EUR	4.72%		30.76%		19.18%		12.68%		31/10/2000	1.00%

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

\* Return on annual basis.

### Classic Shares

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

#### Capitalisation units (CAP)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

#### Distribution units (DIV)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

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

For dividend i on date Di with value Wi:

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

i = 1 ... N

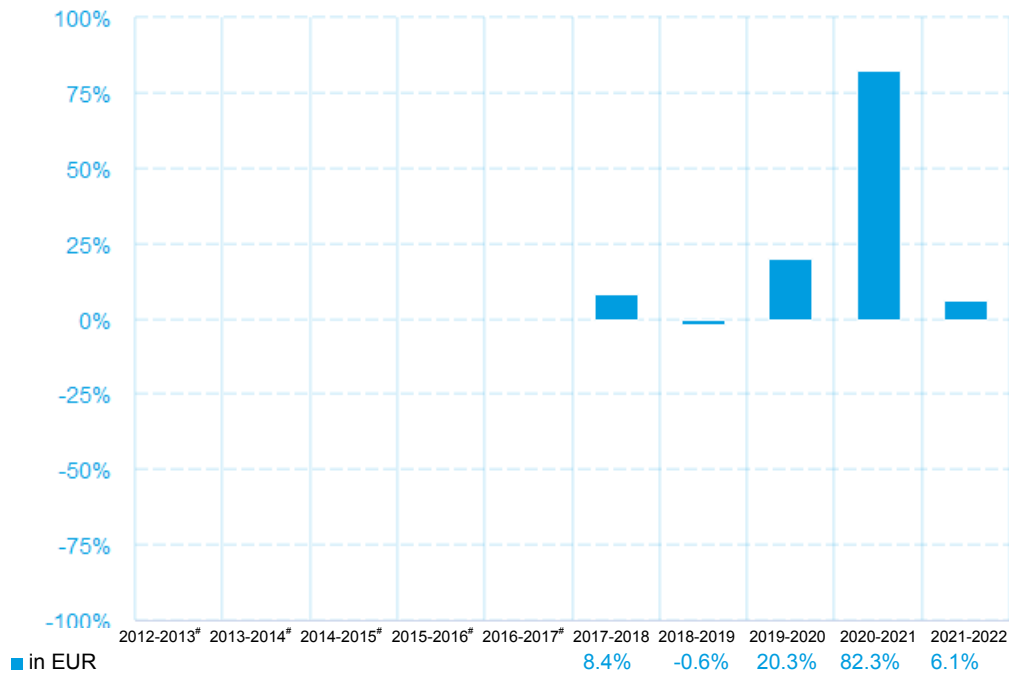
from which C = C0 \* .... \* CN.

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



## Institutional B Shares

BE6228924690  
KBC Eco Fund Alternative Energy Institutional B Shares CAP  
Annual performance on 28/02/2022 (in EUR)



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

Cap Div	ISIN Code	Currency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6228924690	EUR	6.06%		32.47%		20.16%		%		25/11/2011	

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

\* Return on annual basis.

## Institutional B Shares

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

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

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

## 2.4.6. Costs

### *Ongoing Charges and Transaction costs:*

#### *Classic Shares Distribution :*

Ongoing charges : 1,762%

Transaction costs: 0,142%

#### *Classic Shares Capitalisation :*

Ongoing charges : 1,747%

Transaction costs: 0,142%

#### *Institutional B Shares Capitalisation :*

Ongoing charges : 0,474%

Transaction costs: 0,142%

Percentage calculated at reporting date: 28 February 2022 (period of 12 months prior to the half-yearly closing).

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

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

### *Existence of Commission Sharing Agreements*

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

No CSA accrual during this period.

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

The management company has shared 51,41% of its fee with the distributor, and institutional and/or professional parties.

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

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

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

### Classic Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	-	-
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	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Fee paid to the independent directors	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Annual tax	See prospectus General Part : '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.

### Institutional B Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	-	-
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	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Fee paid to the independent directors	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Annual tax	See prospectus General Part : '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.

### Anti-dilution levy

During the past reporting period, no anti-dilution levy, as described in the general information on the Bevek of this report, under title 1.2.1.9. *Non-recurring fees and charges borne by the investor*, was charged in favor of this sub-fund.

### ***Exercising voting rights***

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

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

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

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

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## 2. Information on KBC Eco Fund Climate Change

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

Launch date: 2 February 2007

Initial subscription price: 500 EUR

Currency: EUR

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

Launch date: 2 February 2007

Initial subscription price: 500 EUR

Currency: EUR

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

Launch date: 25 November 2011

Initial subscription price: 296.94 EUR

Currency: EUR

#### 2.1.2. Stock exchange listing

Not applicable.

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

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

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

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

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

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

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

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

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

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

## Permitted derivatives transactions

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

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

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

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

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

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

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



## Strategy selected

The total assets of the sub-fund are invested, to the maximum extent possible, in shares of companies operating in combating climate change and/or focus on reducing greenhouse gas emissions in a socially responsible way. . These companies have to realize a substantial proportion of their turnover in this sector.

The sub-fund invests in socially responsible assets. Socially Responsible Investing (SRI), has a positive impact on society, the environment and the world we live in. It is aligned with today's social and economic needs, without jeopardising the needs of future generations. The sub-fund promotes a combination of environmental and social characteristics, namely climate change mitigation, but is not a sustainable investment within the meaning of Article 2(17) of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector. However, the concrete contribution to these characteristics is not measured by indicators. The companies in which it invests must follow good governance practices.

Specialised researchers of KBC Asset Management NV compile a universe of socially responsible companies. They are assisted by an advisory board (i.e. the 'SRI 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 methodology and activities of the specialist researchers of KBC Asset Management NV. The secretariat of the advisory board is provided by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with a data supplier with expertise in SRI that provides data to the specialised researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The fund manager then strives to invest as much as possible in assets that form part of this universe. In order to create this socially responsible universe, the companies are subjected to a negative and positive screening procedure.

### Negative screening

Negative screening entails specific criteria that exclude companies in advance from the socially responsible universe.

On top of the exclusion criteria set out under 'Social, ethical and environmental aspects', the companies are assessed against additional SRI exclusion criteria which are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Exclusion policies for socially responsible investment funds.

The most important exclusion criteria relate on the one hand to controversial activities (tobacco, gambling, weapons, fur and speciality leather and adult entertainment). Companies involved in such controversial activities are excluded. On the other hand, the screening for controversies ensures that companies who seriously violate the basic principles in terms of the environment, social aspects or good governance are excluded. This list is not exhaustive and can be adapted under the supervision of the Advisory Board.

### Positive screening

Positive screening entails creating a universe of companies that operate in a socially responsible manner in combating climate change.

This includes, for example, the following business activities: companies active in the field of water, alternative energy, energy saving, recycling and waste processing. Companies that focus at least 50% of their activities on this objective or that are market leaders in the relevant field(s) are eligible for the universe provided that these activities represent a significant part of their turnover.

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 socially responsible after purchase on the basis of the above criteria;
- corporate events, such as a merger of one company with another, where the merged company can no longer be considered a socially responsible company on the basis of the above criteria;
- incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets that do not have a socially responsible nature;
- a planned update of the socially responsible universe in which assets are no longer labelled as socially responsible but in which the fund manager chooses not to sell them immediately in the interest of the customer due to transaction charges.

In these cases, the fund manager will replace the assets concerned with socially responsible 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 which are not of a socially responsible nature, to the extent that no workable and comparable socially responsible alternative is available on the market for these derivatives. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a socially responsible nature.

The fund is actively managed without referring to any benchmark.

The socially responsible character is guaranteed by the aforementioned SRI screening.

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

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

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

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

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

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

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

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

## **2.1.4. Financial portfolio management**

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

## **2.1.5. Distributors**

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

## **2.1.6. Index and benchmark**

Not applicable.

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

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

## **2.1.8. Future policy**

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

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

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

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

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

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

## 2.2. Balance sheet

Balance sheet layout		28/02/2022 (in Euro)	28/02/2021 (in Euro)
	<b>TOTAL NET ASSETS</b>	120,253,429.36	61,404,421.50
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
a)	Shares	120,453,707.79	61,329,947.49
D.	Other securities	2.21	
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
a)	Accounts receivable	5,253,371.08	1,237,873.93
B.	Payables		
a)	Accounts payable (-)	-5,564,481.75	-1,037,841.53
c)	Borrowings (-)	-2,501,999.20	-461,016.90
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	2,793,118.94	388,707.03
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	41,468.16	19,442.01
C.	Accrued expense (-)	-221,757.87	-72,690.53
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	120,253,429.36	61,404,421.50
<b>A.</b>	<b>Capital</b>	129,725,253.31	55,880,237.03
<b>B.</b>	<b>Income equalization</b>	63,238.28	99,035.10
<b>D.</b>	<b>Result of the period</b>	-9,535,062.23	5,425,149.37

## 2.3. Profit and loss account

Income Statement		28/02/2022 (in Euro)	28/02/2021 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	-11,715,887.79	5,783,583.10
D.	Other securities		5,496.97
G.	Receivables, deposits, cash at bank and in hand and payables	-0.01	
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	2,586,957.17	-156,895.74
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	5,940,449.88	2,650,768.56
	Unrealised gains on investments	-6,271,299.12	2,631,270.20
	Realised losses on investments	-1,449,351.40	-1,577,992.06
	Unrealised losses on investments	-7,348,729.99	1,928,137.63
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	711,006.99	160,534.60
B.	Interests		
	b) Cash at bank and in hand and deposits	6.71	0.71
C.	Interest on borrowings (-)	-2,646.33	-569.62
<b>III.</b>	<b>Other income</b>		
A.	Income received to cover the acquisition and realization of assets, to discourage withdrawals and for delivery charges	2,579.16	3,604.73
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-89,947.31	-50,173.23
B.	Financial expenses (-)	-300.15	-66.39
C.	Custodian's fee (-)	-24,007.45	-6,741.30
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-855,377.67	-247,621.35
	Institutional B Shares	-9,227.68	-3,443.31
	b) Administration and accounting management	-60,167.21	-17,655.83
E.	Administrative expenses (-)	-1,000.96	-1,000.29
F.	Formation and organisation expenses (-)	-889.65	-744.88
G.	Remuneration, social security charges and pension	-1,282.75	-325.84
H.	Services and sundry goods (-)	-6,280.38	-6,126.73
J.	Taxes		
	Classic Shares	-60,689.50	-22,290.26
	Institutional B Shares	-22.35	-17.35
L.	Other expenses (-)	-7,885.07	-14,398.62
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-406,131.59	-207,034.95
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	-9,535,062.23	5,425,149.37
<b>VII.</b>	<b>Result of the period</b>	-9,535,062.23	5,425,149.37

## 2.4. Composition of the assets and key figures

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

Name	Quantity on 28/02/2022	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Austria</u>							
ANDRITZ AG -	39,527.00	EUR	40.000	1,581,080.00		1.31	1.32
WIENERBERGER AG (WIEN)	49,217.00	EUR	26.780	1,318,031.26		1.09	1.10
<u>Belgium</u>							
EKOPAK NV -	28,163.00	EUR	17.580	495,105.54		0.41	0.41
UMICORE -	32,178.00	EUR	36.690	1,180,610.82		0.98	0.98
<u>Canada</u>							
BALLARD POWER SYSTEMS -	34,254.00	CAD	14.500	348,644.72		0.29	0.29
HYDRO ONE LTD -	101,239.00	CAD	31.300	2,224,313.39		1.85	1.85
5N PLUS INC -	126,608.00	CAD	2.330	207,071.75		0.17	0.17
<u>China</u>							
BYD CO LTD -	34,977.00	HKD	237.400	946,127.02		0.79	0.79
<u>Denmark</u>							
CADELER A/S -	172,697.00	NOK	33.265	581,629.00		0.48	0.48
NOVOZYMES A/S B	27,565.00	DKK	435.200	1,612,740.69		1.34	1.34
ROCKWOOL INTERNATIONAL A/S -	2,453.00	DKK	2,281.000	752,212.41		0.62	0.63
VESTAS WINDS SYSTEMS -	39,112.00	DKK	217.500	1,143,633.70		0.95	0.95
<u>Finland</u>							
LASSILA & TIKANOJA OYJ -	22,688.00	EUR	11.900	269,987.20		0.22	0.23
<u>France</u>							
ALSTOM -	48,247.00	EUR	22.900	1,104,856.30		0.92	0.92
CIE DE ST-GOBAIN -	24,750.00	EUR	55.950	1,384,762.50		1.15	1.15
EUROFINS SCIENTIFIC -	4,176.00	EUR	90.540	378,095.04		0.31	0.31
GETLINK SA -	102,262.00	EUR	14.640	1,497,115.68		1.24	1.25
LEGRAND (PAR)	16,821.00	EUR	84.820	1,426,757.22		1.18	1.19
MERSEN (PAR)	5,553.00	EUR	33.200	184,359.60		0.15	0.15
NEXANS SA (PAR)	15,186.00	EUR	86.700	1,316,626.20		1.09	1.10
SECHE ENVIRONNEMENT SA -	9,607.00	EUR	60.300	579,302.10		0.48	0.48
VALEO -	47,231.00	EUR	19.785	934,465.34		0.78	0.78
<u>Germany</u>							
COVESTRO AG -	39,389.00	EUR	47.210	1,859,554.69		1.54	1.55
ENCAVIS AG -	128,523.00	EUR	15.370	1,975,398.51		1.64	1.64
HELLA GMBH + CO.KGAA -	12,198.00	EUR	62.020	756,519.96		0.63	0.63
MANZ AG -	2,928.00	EUR	43.400	127,075.20		0.11	0.11
NORDEX AG -	83,883.00	EUR	15.910	1,334,578.53		1.11	1.11
SGL CARBON AG -	84,622.00	EUR	5.780	489,115.16		0.41	0.41
SMA SOLAR TECHNOLOGY AG -	29,738.00	EUR	35.540	1,056,888.52		0.88	0.88
STEICO SE -	1,446.00	EUR	88.800	128,404.80		0.11	0.11
TRAFFIC SYSTEM SE -	5,475.00	EUR	29.000	158,775.00		0.13	0.13
VOSSLOH AG (FRA)	35,178.00	EUR	40.000	1,407,120.00		1.17	1.17
<u>Hong Kong</u>							
CHINA EVERBRIGHT INTL -	2,790,379.00	HKD	5.600	1,780,481.21		1.48	1.48
MTR CORPORATION -	463,939.00	HKD	40.450	2,138,284.96		1.78	1.78
<u>India</u>							
JAIN IRRIGATION SYSTEMS LTD -	1,523,172.00	INR	39.850	717,218.25		0.60	0.60
<u>Ireland</u>							
KINGSPAN GROUP PLC -	8,455.00	EUR	86.600	732,203.00		0.61	0.61
<u>Italy</u>							
SALCEF SPA -	36,361.00	EUR	22.100	803,578.10		0.67	0.67
TERNA RETE ELETTRICA NAZIONALE -	323,899.00	EUR	7.342	2,378,066.46		1.97	1.98
<u>Japan</u>							
CENTRAL JAPAN RAILWAY -	18,700.00	JPY	15,490.000	2,239,121.75		1.86	1.86
EAST JAPAN RAILWAY -	32,600.00	JPY	6,810.000	1,716,126.89		1.43	1.43
KURITA WATER INDUSTR. -	42,500.00	JPY	4,700.000	1,544,085.95		1.28	1.28
NGK INSULATORS -	119,700.00	JPY	1,780.000	1,647,019.86		1.37	1.37

NIPPON SHEET GLASS CO LTD -	237,300.00	JPY	478.000	876,819.74		0.73	0.73
NOMURA MICRO SCIENCE CO LTD -	20,100.00	JPY	3,625.000	563,233.86		0.47	0.47
RENOVA INC -	52,700.00	JPY	1,423.000	579,695.86		0.48	0.48
SHIMANO INC -	10,700.00	JPY	26,580.000	2,198,484.65		1.83	1.83
TSUKISHIMA KIKAI CO LTD -	62,300.00	JPY	1,044.000	502,774.48		0.42	0.42
WEST HOLDINGS CORP -	21,500.00	JPY	4,280.000	711,323.10		0.59	0.59
WEST JAPAN RAILWAY -	48,300.00	JPY	4,952.000	1,848,895.86		1.54	1.54
<u>Luxembourg</u>							
BEFESA SA -	14,849.00	EUR	62.300	925,092.70		0.77	0.77
<u>Netherlands</u>							
AALBERTS NV (AMS)	9,351.00	EUR	49.710	464,838.21		0.39	0.39
ALFEN BEHEER BV -	12,265.00	EUR	86.800	1,064,602.00		0.88	0.89
ARCADIS N.V. (AMS)	49,934.00	EUR	40.640	2,029,317.76		1.69	1.69
SIGNIFY NV -	23,281.00	EUR	45.580	1,061,147.98		0.88	0.88
<u>Norway</u>							
AKER OFFSHORE WIND AS -	917,430.00	NOK	2.440	226,639.96		0.19	0.19
TOMRA SYSTEMS -	16,198.00	NOK	415.200	680,914.32		0.56	0.57
<u>Portugal</u>							
CORTICEIRA AMORIM SGPS SA (LIS)	3,594.00	EUR	9.640	34,646.16		0.03	0.03
<u>Singapore</u>							
SOUND GLOBAL LTD -	75,000.00	HKD				0.00	0.00
<u>South Korea</u>							
SAMSUNG SDI CO LTD -	3,239.00	KRW	548,000.000	1,314,327.23		1.09	1.09
WOONGJIN COWAY CO LTD -	24,188.00	KRW	72,100.000	1,291,359.68		1.07	1.07
<u>Spain</u>							
CORP ACCIONA ENERGIAS RENOVABL -	43,655.00	EUR	30.120	1,314,888.60		1.09	1.09
EDP RENOVAVEIS SA -	71,670.00	EUR	21.720	1,556,672.40		1.29	1.29
FLUIDRA SA -	36,031.00	EUR	27.200	980,043.20		0.81	0.82
RED ELECTRICA DE ESPANA -	134,889.00	EUR	17.825	2,404,396.43		2.00	2.00
SIEMENS GAMESA RENEWABLE ENERGY SA -	45,823.00	EUR	20.730	949,910.79		0.79	0.79
<u>Sweden</u>							
SWECO AB -	77,375.00	SEK	133.200	972,206.72		0.81	0.81
<u>Switzerland</u>							
LANDIS+GYR GROUP AG -	19,517.00	CHF	59.950	1,135,436.24		0.94	0.94
<u>Taiwan</u>							
CLEANAWAY CO LTD -	238,487.00	TWD	212.000	1,605,620.54		1.33	1.34
GIANT MANUFACTURING CO LTD -	221,000.00	TWD	289.500	2,031,810.44		1.69	1.69
<u>U.K.</u>							
CERES POWER HOLDINGS PLC -	94,303.00	GBP	7.120	802,084.29		0.67	0.67
FIRSTGROUP PLC -	832,825.00	GBP	1.002	996,864.16		0.83	0.83
LINDE PLC -	7,674.00	EUR	260.600	1,999,844.40		1.66	1.66
PENNON GROUP PLC -	186,792.00	GBP	10.400	2,320,631.17		1.93	1.93
RENEWI PLC -	222,914.00	GBP	6.160	1,640,335.06		1.36	1.36
SEVERN TRENT -	68,124.00	GBP	28.760	2,340,472.44		1.94	1.95
SIG PLC -	1,609,416.00	GBP	0.391	750,956.99		0.62	0.62
<u>U.S.A.</u>							
AMERICAN SUPERCONDUCTOR CORP -	26,737.00	USD	8.490	202,098.58		0.17	0.17
APTIV PLC -	10,542.00	USD	129.440	1,214,882.91		1.01	1.01
ARRAY TECHNOLOGIES INC -	67,750.00	USD	11.240	677,982.55		0.56	0.56
BADGER METER INC -	8,432.00	USD	99.410	746,283.05		0.62	0.62
BLOOM ENERGY CORP -	52,214.00	USD	22.200	1,032,007.48		0.86	0.86
BORGWARNER INC -	37,292.00	USD	41.010	1,361,596.26		1.13	1.13
CALIFORNIA WATER SERVICE GROUP -	41,702.00	USD	56.930	2,113,688.44		1.76	1.76
CANADIAN SOLAR INC -	25,909.00	USD	31.660	730,305.32		0.61	0.61
DANAHER CORPORATION -	7,408.00	USD	274.410	1,809,855.13		1.50	1.51
ENERGY RECOVERY INC -	68,112.00	USD	19.000	1,152,179.49		0.96	0.96
ENPHASE ENERGY INC -	10,458.00	USD	166.700	1,552,126.60		1.29	1.29
FIRST SOLAR INC -	13,448.00	USD	75.290	901,442.24		0.75	0.75
GREAT LAKES DREDGE & DOCK CORP -	61,139.00	USD	14.110	768,047.80		0.64	0.64
ITRON INC -	12,998.00	USD	47.670	551,651.23		0.46	0.46
LINDSAY MANUFACTURING CO -	11,680.00	USD	131.210	1,364,434.47		1.13	1.14
OWENS CORNING -	19,799.00	USD	93.190	1,642,689.47		1.36	1.37
PLUG POWER INC -	51,272.00	USD	25.290	1,154,441.67		0.96	0.96
QUANTUMSCAPE CORP -	5,928.00	USD	16.140	85,183.33		0.07	0.07
REGAL REXNORD CORP -	8,958.00	USD	160.350	1,278,859.78		1.06	1.06
REPUBLIC SERVICES INC. -	17,637.00	USD	120.280	1,888,691.56		1.57	1.57
SHOALS TECHNOLOGIES GROUP INC -	10,402.00	USD	15.810	146,417.04		0.12	0.12
TESLA INC -	1,708.00	USD	870.430	1,323,623.97		1.10	1.10
THERMO ELECTRONIC -	3,704.00	USD	544.000	1,793,960.11		1.49	1.49
VALMONT INDUSTRIES -	8,256.00	USD	216.450	1,591,000.00		1.32	1.32
WASTE CONNECTIONS INC -	16,017.00	CAD	156.500	1,759,540.67		1.46	1.46
WASTE MANAGEMENT INC. -	13,579.00	USD	144.400	1,745,733.26		1.45	1.45
WATERS CORP -	5,152.00	USD	316.730	1,452,807.12		1.21	1.21
WOLFSPEED INC -	10,289.00	USD	102.720	940,959.83		0.78	0.78

XYLEM INC/NY -	10,579.00	USD	88,950	837,786.73		0.70	0.70
Total shares				120,453,707.79		100.00	100.17
<b>Rights</b>							
<u>Germany</u>							
ENCAVIS AG -	13.00	EUR	0.170	2.21		0.00	0.00
Total rights				2.21		0.00	0.00
<b>TOTAL SECURITIES PORTFOLIO</b>				120,453,710.00		100.00	100.17
<b>CASH AT BANK AND IN HAND</b>							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP CAD	482,226.29	CAD	1.000	338,496.88		0.00	0.28
KBC GROUP CHF	-1.20	CHF	1.000	-1.16		0.00	0.00
KBC GROUP DKK	-49.55	DKK	1.000	-6.66		0.00	0.00
KBC GROUP EURO	88,465.62	EUR	1.000	88,465.62		0.00	0.07
KBC GROUP GBP	-163,184.34	GBP	1.000	-194,936.42		0.00	-0.16
KBC GROUP HKD	-531,210.43	HKD	1.000	-60,527.50		0.00	-0.05
KBC GROUP JPY	-280,828,428.00	JPY	1.000	-2,170,829.69		0.00	-1.81
KBC GROUP NOK	-747,648.93	NOK	1.000	-75,695.74		0.00	-0.06
KBC GROUP NZD	0.24	NZD	1.000	0.14		0.00	0.00
KBC GROUP SEK	-21.54	SEK	1.000	-2.03		0.00	0.00
KBC GROUP SGD	0.27	SGD	1.000	0.18		0.00	0.00
KBC GROUP USD	2,657,666.55	USD	1.000	2,366,156.12		0.00	1.97
Total demand accounts				291,119.74		0.00	0.24
<b>TOTAL CASH AT BANK AND IN HAND</b>				291,119.74		0.00	0.24
<b>OTHER RECEIVABLES AND PAYABLES</b>							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	2,767,636.92	EUR	1.000	2,767,636.92		0.00	2.31
KBC GROUP GBP RECEIVABLE	157,653.00	GBP	1.000	188,328.80		0.00	0.16
KBC GROUP HKD RECEIVABLE	492,320.00	HKD	1.000	56,096.23		0.00	0.05
KBC GROUP JPY RECEIVABLE	280,825,486.00	JPY	1.000	2,170,806.95		0.00	1.81
KBC GROUP NOK RECEIVABLE	696,352.00	NOK	1.000	70,502.18		0.00	0.06
Total receivables				5,253,371.08		0.00	4.37
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP CAD PAYABLE	-483,243.00	CAD	1.000	-339,210.56		0.00	-0.28
KBC GROUP EUR PAYABLE	-2,809,011.70	EUR	1.000	-2,809,011.70		0.00	-2.34
KBC GROUP INR TE BETALEN	-5,661,661.14	INR	1.000	-66,898.74		0.00	-0.06
KBC GROUP USD PAYABLE	-2,638,802.00	USD	1.000	-2,349,360.75		0.00	-1.95
Payables				-5,564,481.75		0.00	-4.63
<b>TOTAL RECEIVABLES AND PAYABLES</b>				-311,110.67		0.00	-0.26
<b>OTHER</b>							
Interest receivable		EUR		41,468.16		0.00	0.03
Expenses payable		EUR		-221,757.87		0.00	-0.18
<b>TOTAL OTHER</b>				-180,289.71		0.00	-0.15
<b>TOTAL NET ASSETS</b>				120,253,429.36		0.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
Austria	0.87	0.98	2.72	2.40
Belgium	1.07	1.74	1.82	1.38
Canada	6.27	6.93	4.37	3.77
Switzerland	3.41	3.98	1.77	0.94
China	5.03	0.95	0.84	0.79
Germany	6.50	6.50	8.96	7.72
Denmark	4.58	2.93	3.25	3.39
Spain	4.93	3.65	4.12	5.98
Finland	0.95	1.30	1.26	0.22
France	3.49	4.46	5.58	7.30
U.K.	6.71	7.28	9.06	9.03
Hong Kong	4.00	5.20	2.92	3.25
India	0.24	0.21	0.42	0.60
Ireland	1.31	0.12	0.00	0.61
Italy	1.63	1.73	2.02	2.64
Japan	4.81	7.74	7.86	11.98
South Korea	2.40	2.67	2.55	2.16

Luxembourg	0.00	0.00	0.00	0.77
Malaysia	0.32	0.38	0.00	0.00
Netherlands	1.31	1.36	3.18	3.83
Norway	0.00	0.00	0.00	0.76
Portugal	0.00	0.00	0.00	0.03
Sweden	2.43	1.25	0.84	0.81
Thailand	0.88	0.88	0.00	0.00
Taiwan	2.16	1.72	3.80	3.02
U.S.A.	34.70	36.04	32.66	26.62
TOTAL	100.00	100.00	100.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
Cyclicals	46.80	41.73	44.25	45.66
Consum(cycl)	28.79	30.35	24.83	27.30
Pharma	2.99	3.13	3.71	4.36
Financials	0.11	0.22	1.42	1.63
Technology	9.33	11.85	10.16	4.01
Utilities	11.98	12.72	15.63	17.04
TOTAL	100.00	100.00	100.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
CANADIAN DOLLAR	6.27	6.93	4.37	3.77
SWISS FRANC	3.42	3.99	1.77	0.94
DANISH KRONE	4.58	2.93	3.25	2.91
EURO	22.07	21.82	31.15	34.59
POUND STERLING	6.70	7.27	7.55	7.37
HONG KONG DOLLAR	9.03	6.16	3.77	4.04
INDIE RUPEE	0.24	0.21	0.42	0.54
JAPANESE YEN	4.81	7.75	7.86	11.98
KOREAN WON	2.40	2.67	2.55	2.16
MALAYSIAN RINGGIT	0.32	0.38	0.00	0.00
NORWEGIAN KRONE	0.00	0.00	0.00	1.24
SWEDISH KRONA	2.43	1.25	0.84	0.81
THAI BATH	0.88	0.88	0.00	0.00
NEW TAIWAN DOLLAR	2.16	1.72	3.80	3.02
US DOLLAR	34.69	36.04	32.67	26.63
TOTAL	100.00	100.00	100.00	100.00



## 2.4.2. Changes in the composition of the assets of KBC Eco Fund Climate Change (in Euro)

	1 <sup>st</sup> half of year
<b>Purchases</b>	43,946,319.04
<b>Sales</b>	28,045,874.21
<b>Total 1</b>	71,992,193.24
<b>Subscriptions</b>	21,961,902.87
<b>Redemptions</b>	5,161,448.32
<b>Total 2</b>	27,123,351.19
<b>Monthly average of total assets</b>	120,855,954.10
<b>Turnover rate</b>	37.12%

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

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

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

Nil

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

### Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2020 - 08*	13,460.88	2,095.18	3,923.70	379.00	47,040.34	6,059.39	53,099.73
2021 - 08*	45,129.31	58,829.09	16,191.34	1,044.85	75,978.31	63,843.63	139,821.94
2022 - 02*	15,218.02	12,351.70	3,553.52	1,990.49	87,642.80	74,204.84	161,847.64

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2020 - 08*	7,700,740.56	1,074,804.78	2,433,217.67	186,529.40
2021 - 08*	33,922,360.35	37,784,669.62	10,137,474.54	651,339.10
2022 - 02*	12,386,505.23	8,559,390.98	2,909,470.59	1,351,413.57

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2020 - 08*	30,917,307.29	591.71	508.84
2021 - 08*	107,845,758.67	829.68	701.84
2022 - 02*	114,586,003.58	767.09	638.17

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

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2020 - 08*	655.00		370.00		2,501.00		2,501.00
2021 - 08*	4,470.00		100.00		6,871.00		6,871.00
2022 - 02*	1,286.00		1,079.00		7,078.00		7,078.00

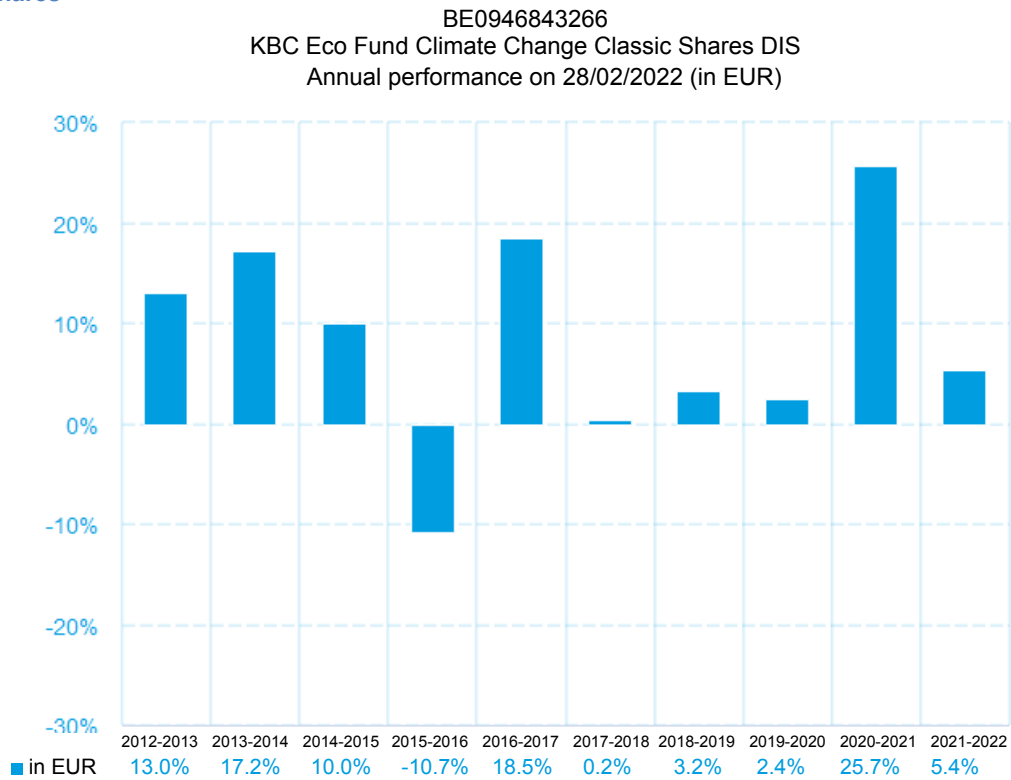
Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2020 - 08*	374,502.75		181,426.90	
2021 - 08*	3,434,738.66		82,507.00	
2022 - 02*	1,102,404.76		925,575.12	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2020 - 08*	1,514,681.47	605.63	
2021 - 08*	5,912,128.86	860.45	
2022 - 02*	5,667,425.78	800.71	

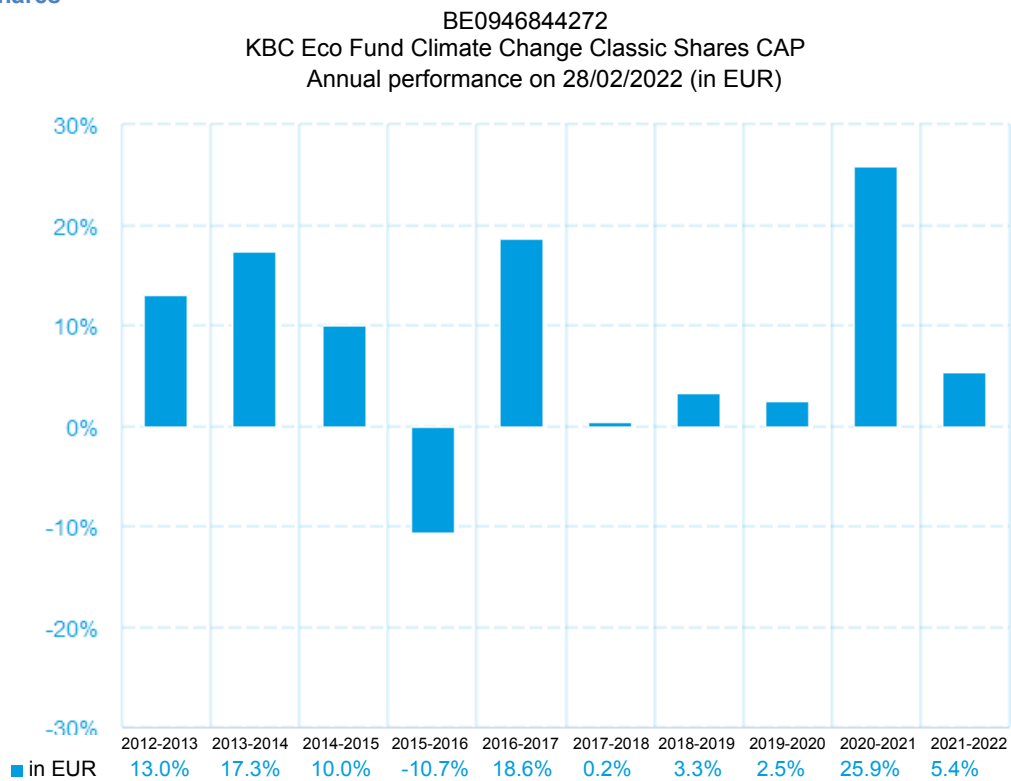
\*The financial year does not coincide with the calendar year.

## 2.4.5. Performance figures

### Classic Shares



### Classic Shares



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE0946843266	EUR	5.38%		10.71%		7.01%		8.02%		02/02/2007	2.84%
CAP	BE0946844272	EUR	5.41%		10.78%		7.07%		8.07%		02/02/2007	2.88%

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

\* Return on annual basis.

### Classic Shares

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

#### Capitalisation units (CAP)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

#### Distribution units (DIV)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

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

For dividend i on date Di with value Wi:

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

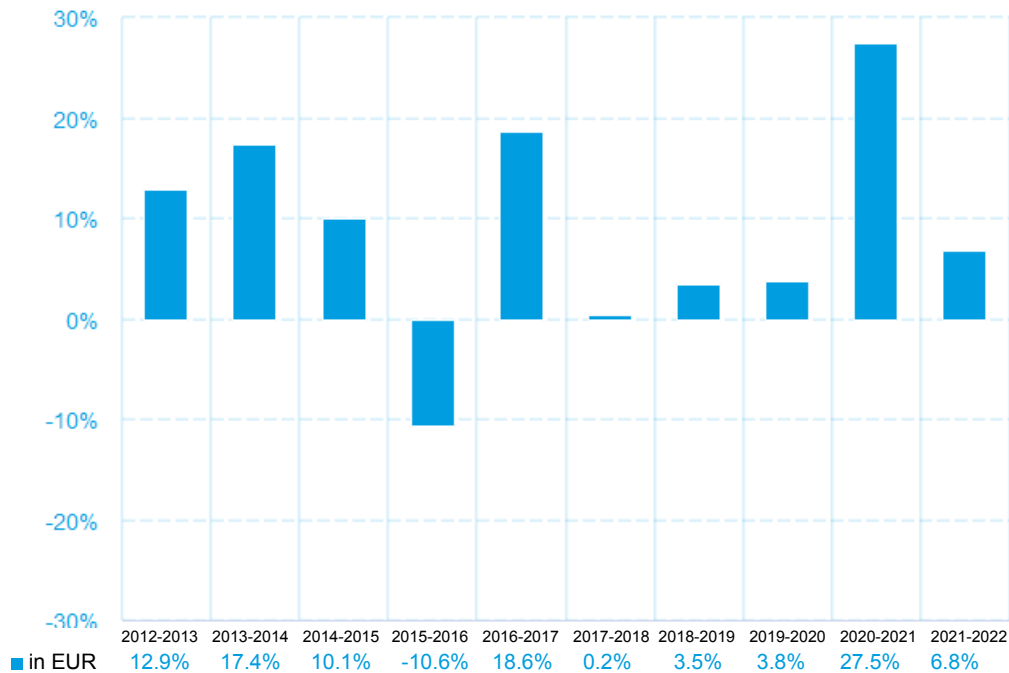
i = 1 ... N

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

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

## Institutional B Shares

BE6228923684  
KBC Eco Fund Climate Change Institutional B Shares CAP  
Annual performance on 28/02/2022 (in EUR)



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6228923684	EUR	6.81%		12.23%		7.96%		8.53%		25/11/2011	10.15%

Risk warning: Past performance is not a guide to future performance.  
\* Return on annual basis.

## Institutional B Shares

- The bar chart shows the performance for full financial years(period of 12 months prior to the half-yearly closing).
- The figures do not take account of any restructuring..
- Calculated in EUR.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\left[ \frac{NIW(D)}{NIW(Y)} \right]^{1/X} - 1$$
where Y = D-X  
Return on date D since the start date S of the unit:  
$$\left[ \frac{NIW(D)}{NIW(S)} \right]^{1/F} - 1$$
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### *Ongoing Charges and Transaction costs:*

#### *Classic Shares Distribution :*

Ongoing charges : 1,823%

Transaction costs: 0,155%

#### *Classic Shares Capitalisation :*

Ongoing charges : 1,801%

Transaction costs: 0,155%

#### *Institutional B Shares Capitalisation :*

Ongoing charges : 0,475%

Transaction costs: 0,155%

Percentage calculated at reporting date: 28 February 2022 (period of 12 months prior to the half-yearly closing).

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

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

### *Existence of Commission Sharing Agreements*

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

No CSA accrual during this period.

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

The management company has shared 53,11% of its fee with the distributor, and institutional and/or professional parties.

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

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

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

### Classic Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	-	-
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	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Fee paid to the independent directors	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Annual tax	See prospectus General Part : '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.

### Institutional B Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	-	-
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	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Fee paid to the independent directors	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Annual tax	See prospectus General Part : '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.

### Anti-dilution levy

During the past reporting period, no anti-dilution levy, as described in the general information on the Bevek of this report, under title 1.2.1.9. *Non-recurring fees and charges borne by the investor*, was charged in favor of this sub-fund.

### ***Exercising voting rights***

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

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

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

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



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    - 2.4.7. Notes to the financial statements and other data



# 2. Information on KBC Eco Fund CSOB Water

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### **Distribution**

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

#### **Capitalisation**

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

### 2.1.2. Stock exchange listing

Not applicable.

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

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

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

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

##### *Permitted asset classes*

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

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

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

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

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

## Permitted derivatives transactions

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

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

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

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

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

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

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

## Strategy selected

The total assets of the sub-fund are invested, to the maximum extent possible, in shares of companies operating in the water sector in a socially responsible way.

These companies have to realize a substantial proportion of their turnover in this sector.

The sub-fund invests in socially responsible assets. Socially Responsible Investing (SRI), has a positive impact on society, the environment and the world we live in. It is aligned with today's social and economic needs, without jeopardising the needs of future generations. The sub-fund promotes a combination of environmental and social characteristics, namely providing access to and improving the efficiency of clean water facilities, but is not a sustainable investment within the meaning of Article 2(17) of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector. However, the concrete contribution to these characteristics is not measured by indicators. The companies in which it invests must follow good governance practices.

Specialised researchers of KBC Asset Management NV compile a universe of socially responsible companies. They are assisted by an advisory board (i.e. the 'SRI 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 methodology and activities of the specialist researchers of KBC Asset Management NV. The secretariat of the advisory board is provided by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with a data supplier with expertise in SRI that provides data to the specialised researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The fund manager then strives to invest as much as possible in assets that form part of this universe. In order to create this socially responsible universe, the companies are subjected to a negative and positive screening procedure.

### Negative screening

Negative screening entails specific criteria that exclude companies in advance from the socially responsible universe.

On top of the exclusion criteria set out under 'Social, ethical and environmental aspects', the companies are assessed against additional SRI exclusion criteria which are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Exclusion policies for socially responsible investment funds.

The most important exclusion criteria relate on the one hand to controversial activities (tobacco, gambling, weapons, fur and speciality leather and adult entertainment). Companies involved in such controversial activities are excluded. On the other hand, the screening for controversies ensures that companies who seriously violate the basic principles in terms of the environment, social aspects or good governance are excluded. This list is not exhaustive and can be adapted under the supervision of the Advisory Board.

### Positive screening

Positive screening entails creating a universe of companies that operate in the water sector in a socially responsible manner. This includes, for example, the following business activities: companies active in the field of water and wastewater services, water purification technology and consultancies in the field of environmental management. Companies that focus at least 50% of their activities on this objective or that are market leaders in the relevant field(s) are eligible for the universe provided that these activities represent a significant part of their turnover.

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 socially responsible after purchase on the basis of the above criteria;
- corporate events, such as a merger of one company with another, where the merged company can no longer be considered a socially responsible company on the basis of the above criteria;
- incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets that do not have a socially responsible nature;
- a planned update of the socially responsible universe in which assets are no longer labelled as socially responsible but in which the fund manager chooses not to sell them immediately in the interest of the customer due to transaction charges.

In these cases, the fund manager will replace the assets concerned with socially responsible 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 which are not of a socially responsible nature, to the extent that no workable and comparable socially responsible alternative is available on the market for these derivatives. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a socially responsible nature.

The fund is actively managed without referring to any benchmark.

The socially responsible character is guaranteed by the aforementioned SRI screening.

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

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

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

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

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

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

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

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

## **2.1.4. Financial portfolio management**

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

## **2.1.5. Distributors**

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

## **2.1.6. Index and benchmark**

Not applicable.

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

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

## **2.1.8. Future policy**

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

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

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

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

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

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>28/02/2022</b> (in Czech koruna)	<b>28/02/2021</b> (in Czech koruna)
	<b>TOTAL NET ASSETS</b>	3,308,440,544.55	2,005,814,999.02
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds		
	Collateral received in the form of bonds		5,612,268.58
C.	Shares and similar instruments		
	a) Shares	3,347,964,088.22	1,992,399,026.43
D.	Other securities	318,137.36	
F.	Derivative financial instruments		
	j) Foreign exchange		
	Futures and forward contracts (+/-)	-98,101,200.02	562,890.34
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	140,595,830.17	5,784,410.05
B.	Payables		
	a) Accounts payable (-)	-138,861,839.05	-4,152,179.25
	c) Borrowings (-)	-79,614,024.44	-3,527,652.74
	d) Collateral (-)		-5,612,268.58
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	99,173,538.96	14,491,657.77
D.		37,902,676.91	
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	2,155,216.33	1,546,784.07
C.	Accrued expense (-)	-3,091,879.89	-1,289,937.65
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	3,308,440,544.55	2,005,814,999.02
<b>A.</b>	<b>Capital</b>	3,607,778,062.49	1,710,396,269.02
<b>B.</b>	<b>Income equalization</b>	2,249,223.14	915,355.10
<b>D.</b>	<b>Result of the period</b>	-301,586,741.08	294,503,374.90
	<b>Off-balance-sheet headings</b>		
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments		5,612,268.58
I.A.b.	Cash at bank and in hand/deposits	37,902,676.91	
III.	Notional amounts of futures and forward contracts (+)		
III.A.	Purchased futures and forward contracts	2,742,466,356.59	1,509,442,955.61
III.B.	Written futures and forward contracts	-452,158,507.50	-189,702,820.98

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>28/02/2022</b> (in Czech koruna)	<b>28/02/2021</b> (in Czech koruna)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	-311,632.04	
C.	Shares and similar instruments		
	a) Shares	-349,103,853.61	292,646,586.97
D.	Other securities	2,660.57	
F.	Derivative financial instruments		
	n) On other underlying products		
	Swap contracts (+/-)	44,668,700.00	
H.	Foreign exchange positions and transactions		
	a) Derivative financial instruments		
	Futures and forward contracts	-117,592,722.53	-10,765,119.11
	b) Other foreign exchange positions and transactions	138,957,025.38	14,476,562.16
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	271,514,350.56	109,710,299.28
	Unrealised gains on investments	357,893,311.62	588,385,763.05
	Realised losses on investments	-98,296,161.20	-64,060,418.40
	Unrealised losses on investments	-814,491,323.21	-337,677,613.91
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	20,923,647.67	17,815,466.19
B.	Interests		
	a) Securities and money market instruments	162,882.56	
	b) Cash at bank and in hand and deposits	140,596.39	1,349.52
C.	Interest on borrowings (-)	-176,588.95	-52,911.76
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-1,837,498.57	-356,493.99
B.	Financial expenses (-)	-9,348.52	-2,283.47
C.	Custodian's fee (-)	-649,461.06	-350,737.06
D.	Manager's fee (-)		
	a) Financial management	-34,464,200.44	-17,724,915.86
	b) Administration and accounting management	-1,764,806.43	-886,247.06
F.	Formation and organisation expenses (-)	-13,751.54	-33,366.80
G.	Remuneration, social security charges and pension	-34,862.29	-17,382.65
H.	Services and sundry goods (-)	-344,591.89	-156,466.30
J.	Taxes	-12,409.80	-12,577.99
L.	Other expenses (-)	-126,525.98	-78,087.89
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-18,206,918.85	-1,854,655.12
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	-301,586,741.08	294,503,374.90
<b>VII.</b>	<b>Result of the period</b>	-301,586,741.08	294,503,374.90



## 2.4. Composition of the assets and key figures

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

Name	Quantity on 28/02/2022	Currency	Price in currency	Evaluation (in Czech koruna)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Austria</u>							
ANDRITZ AG -	59,169.00	EUR	40.000	59,605,674.15		1.83	1.80
WIENERBERGER AG (WIEN)	89,220.00	EUR	26.780	60,173,624.99		1.85	1.82
<u>Belgium</u>							
EKOPAK NV -	22,636.00	EUR	17.580	10,021,943.26		0.31	0.30
<u>Bermuda</u>							
CONSOLIDATED WATER CO LTD -	119,290.00	USD	9.790	26,185,629.65		0.81	0.79
<u>Canada</u>							
PRIMO WATER CORP -	155,754.00	CAD	18.430	50,745,988.85		1.56	1.53
<u>Cayman Islands</u>							
CT ENVIRONMENTAL GROUP LTD -	9,512,000.00	HKD	0.010	272,955.21		0.01	0.01
<u>Chile</u>							
AGUAS ANDINAS SA -	10,348,491.00	CLP	168.500	49,192,099.47		1.51	1.49
INVERSIONES AGUAS METROPOLITAN -	493,275.00	CLP	400.470	5,572,852.13		0.17	0.17
<u>Finland</u>							
UPONOR OYJ -	64,980.00	EUR	19.960	32,664,320.44		1.00	0.99
<u>France</u>							
EUROFINS SCIENTIFIC -	21,745.00	EUR	90.540	49,583,055.44		1.53	1.50
<u>Germany</u>							
NORMA GROUP -	40,503.00	EUR	31.020	31,641,886.54		0.97	0.96
<u>Hong Kong</u>							
BEIJING ENTERPRISES WATER GROUP LTD -	8,344,827.00	HKD	3.080	73,754,344.50		2.27	2.23
CHINA EVERBRIGHT INTL -	4,490,408.00	HKD	5.600	72,159,478.09		2.22	2.18
CHINA WATER AFFAIRS GROUP LTD -	2,958,000.00	HKD	8.620	73,168,641.04		2.25	2.21
<u>India</u>							
THERMAX LTD -	117,908.00	INR	1,812.650	63,601,105.75		1.96	1.92
<u>Ireland</u>							
PENTAIR PLC -	29,111.00	USD	57.910	37,799,580.50		1.16	1.14
<u>Japan</u>							
KUBOTA CORP -	176,300.00	JPY	2,062.000	70,771,603.80		2.18	2.14
KURITA WATERIndustr. -	72,800.00	JPY	4,700.000	66,611,206.75		2.05	2.01
NOMURA MICRO SCIENCE CO LTD -	60,900.00	JPY	3,625.000	42,977,719.58		1.32	1.30
ORGANO CORPORATION -	47,400.00	JPY	8,130.000	75,021,708.72		2.31	2.27
TORISHIMA PUMP MANUFACTURING CO -	131,100.00	JPY	966.000	24,654,595.55		0.76	0.75
TSUKISHIMA KIKAI CO LTD -	165,900.00	JPY	1,044.000	33,718,243.99		1.04	1.02
TSURUMI MANUFACTURING CO LTD -	67,700.00	JPY	1,793.000	23,631,267.84		0.73	0.71
<u>Netherlands</u>							
AALBERTS NV (AMS)	45,366.00	EUR	49.710	56,794,677.14		1.75	1.72
ARCADIS N.V. (AMS)	63,804.00	EUR	40.640	65,303,279.09		2.01	1.97
<u>Philippines</u>							
MANILA WATER CO -	4,278,600.00	PHP	20.000	37,423,521.39		1.15	1.13
<u>Singapore</u>							
SOUND GLOBAL LTD -	374,000.00	HKD				0.00	0.00
<u>South Korea</u>							
WOONGJIN COWAY CO LTD -	45,286.00	KRW	72,100.000	60,889,807.96		1.87	1.84
<u>Spain</u>							
FLUIDRA SA -	56,477.00	EUR	27.200	38,687,788.67		1.19	1.17
<u>Sweden</u>							
INDUTRADE AB -	64,409.00	SEK	211.500	32,362,647.15		1.00	0.98
SWECO AB -	112,663.00	SEK	133.200	35,651,076.36		1.10	1.08

<u>Switzerland</u>							
FERGUSON PLC -	12,447.00	GBP	114.150	42,745,312.95		1.32	1.29
GEBERIT AG -	3,789.00	CHF	601.400	55,690,601.66		1.71	1.68
GEORG.FISCHER (NAAM)	2,069.00	CHF	1,135.000	57,391,851.16		1.77	1.74
LANDIS+GYR GROUP AG -	36,432.00	CHF	59.950	53,378,465.11		1.64	1.61
<u>U.K.</u>							
GENUIT GROUP PLC -	231,647.00	GBP	5.110	35,611,927.12		1.10	1.08
HALMA PLC -	46,436.00	GBP	24.110	33,682,157.98		1.04	1.02
PENNON GROUP PLC -	297,836.00	GBP	10.400	93,187,664.08		2.87	2.82
RPS GROUP -	1,002,620.00	GBP	0.970	29,258,765.18		0.90	0.88
SEVERN TRENT -	112,211.00	GBP	28.760	97,089,487.82		2.99	2.94
UNITED UTILITIES WATER PLC -	317,143.00	GBP	10.745	102,520,200.17		6.17	3.10
<u>U.S.A.</u>							
ADVANCED DRAINAGE SYSTEMS INC -	18,510.00	USD	116.720	48,442,660.69		1.49	1.46
AGILENT TECHNOLOGIES -	19,472.00	USD	130.360	56,915,584.94		1.75	1.72
AMERICAN WATER WORKS INC. -	19,049.00	USD	151.090	64,533,347.55		1.99	1.95
AO SMITH CORP -	32,689.00	USD	68.580	50,266,124.99		1.55	1.52
ARTESIAN RESOURCES CORP -A-	63,171.00	USD	46.480	65,835,503.62		2.03	1.99
BADGER METER INC -	18,803.00	USD	99.410	41,911,529.57		1.29	1.27
CALIFORNIA WATER SERVICE GROUP -	50,375.00	USD	56.930	64,303,192.31		1.98	1.94
DANAHER CORPORATION -	8,778.00	USD	274.410	54,009,704.51		1.66	1.63
ENERGY RECOVERY INC -	84,824.00	USD	19.000	36,136,712.48		1.11	1.09
EVOQUA WATER TECHNOLOGIES CORP -	55,391.00	USD	42.660	52,982,975.91		1.63	1.60
FRANKLIN ELECTRIC CO INC -	28,191.00	USD	84.560	53,450,496.88		1.65	1.62
GORMAN-RUPP CO/THE -	52,635.00	USD	37.260	43,973,776.91		1.35	1.33
ITRON INC -	28,980.00	USD	47.670	30,975,606.88		0.95	0.94
LINDSAY MANUFACTURING CO -	15,202.00	USD	131.210	44,724,341.47		1.38	1.35
MIDDLESEX WATER CO -	27,029.00	USD	99.990	60,598,634.43		1.86	1.83
MUELLER WATER PRODUCTS INC -A-	153,387.00	USD	12.690	43,644,192.88		1.34	1.32
NORTHWEST PIPE COMPANY -	50,812.00	USD	28.500	32,470,385.17		1.00	0.98
PERKINELMER, INC. -	12,493.00	USD	179.610	50,312,227.30		1.55	1.52
PURE CYCLE CORP -	121,036.00	USD	11.850	32,159,493.78		0.99	0.97
SJW GROUP -	51,916.00	USD	65.220	75,920,368.81		2.34	2.30
STANTEC INC -	57,155.00	CAD	62.990	63,644,812.75		1.96	1.92
THE TORO COMPANY -	24,101.00	USD	93.810	50,694,458.64		1.56	1.53
THERMO ELECTRONIC -	4,352.00	USD	544.000	53,084,053.39		1.63	1.61
VALMONT INDUSTRIES -	11,994.00	USD	216.450	58,210,043.73		1.79	1.76
WATERS CORP -	5,313.00	USD	316.730	37,731,607.46		1.16	1.14
WATTS WATER TECHNOLOGIES INC A	12,695.00	USD	143.950	40,975,160.69		1.26	1.24
XYLEM INC/NY -	16,937.00	USD	88.950	33,779,928.88		1.04	1.02
YORK WATER CO -	44,806.00	USD	44.870	45,078,404.37		1.39	1.36
Total shares				3,347,964,088.22		103.01	101.20
<b>Rights</b>							
<u>Australia</u>							
G.U.D. HOLDINGS LTD -	51,455.00	AUD	0.380	318,137.36		0.01	0.01
Total rights				318,137.36		0.01	0.01
Forward contracts			CZK	-98,101,200.02		0.00	-2.97
TOTAL SECURITIES PORTFOLIO				3,250,181,025.56		100.00	98.24
GIVEN COLLATERAL							
<u>Belgium</u>							
COLLATERAL CASH FX SWAP GEGEVEN	1,505,000.00	EUR	1.000	37,902,676.91		0.00	1.15
TOTAL GIVEN COLLATERAL				37,902,676.91		0.00	1.15
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
COLLATERAL CASH FX SWAP GEGEVEN TEGENPOST	-1,505,000.00	EUR	1.000	-37,902,676.91		0.00	-1.15
KBC GROUP AUD	-3.42	AUD	1.000	-55.65		0.00	0.00
KBC GROUP BRAZILIAANSE CRUZEIRO	-0.03	BRL	1.000	-0.13		0.00	0.00
KBC GROUP CAD	193.31	CAD	1.000	3,417.37		0.00	0.00
KBC GROUP CHF	4,679.60	CHF	1.000	114,367.50		0.00	0.00
KBC GROUP CZK	-2,169,878.51	CZK	1.000	-2,169,878.51		0.00	-0.07
KBC GROUP EUR COLL REK	1,505,000.00	EUR	1.000	37,902,676.91		0.00	1.15
KBC GROUP EURO	-1,984,138.20	EUR	1.000	-49,969,534.31		0.00	-1.51
KBC GROUP GBP	-496,634.66	GBP	1.000	-14,941,180.80		0.00	-0.45
KBC GROUP HKD	-399,512.92	HKD	1.000	-1,146,437.50		0.00	-0.04
KBC GROUP JPY	-58,476,317.00	JPY	1.000	-11,384,083.59		0.00	-0.34
KBC GROUP MXN	24.86	MXN	1.000	27.28		0.00	0.00
KBC GROUP SEK	25,373.44	SEK	1.000	60,279.06		0.00	0.00
KBC GROUP SGD	-172.78	SGD	1.000	-2,853.95		0.00	0.00
KBC GROUP USD	4,415,083.62	USD	1.000	98,995,447.75		0.00	2.99
Total demand accounts				19,559,514.52		0.00	0.59
TOTAL CASH AT BANK AND IN HAND				19,559,514.52		0.00	0.59
OTHER RECEIVABLES AND PAYABLES							

<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP CZK RECEIVABLE	101,302,382.34	CZK	1.000	101,302,382.34		0.00	3.06
KBC GROUP EUR RECEIVABLE	472,351.00	EUR	1.000	11,895,925.14		0.00	0.36
KBC GROUP GBP RECEIVABLE	474,888.00	GBP	1.000	14,286,935.73		0.00	0.43
KBC GROUP HKD RECEIVABLE	406,913.00	HKD	1.000	1,167,672.68		0.00	0.04
KBC GROUP JPY RECEIVABLE	55,128,840.00	JPY	1.000	10,732,401.68		0.00	0.32
KBC GROUP PHP TE ONTVANGEN	2,767,937.93	PHP	1.000	1,210,512.60		0.00	0.04
Total receivables				140,595,830.17		0.00	4.25
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP CLP TE BETALEN	47,652,873.00	CLP	1.000	1,344,335.03		0.00	0.04
KBC GROUP CZK PAYABLE	-41,238,879.96	CZK	1.000	-41,238,879.96		0.00	-1.25
KBC GROUP USD PAYABLE	-4,413,828.00	USD	1.000	-98,967,294.12		0.00	-2.99
Payables				-138,861,839.05		0.00	-4.20
TOTAL RECEIVABLES AND PAYABLES				1,733,991.12		0.00	0.05
<b>OTHER</b>							
Interest receivable		CZK		1,849,978.77		0.00	0.06
Accrued interest		CZK		305,237.56		0.00	0.01
Expenses payable		CZK		-3,091,879.89		0.00	-0.09
TOTAL OTHER				-936,663.56		0.00	-0.03
TOTAL NET ASSETS				3,308,440,544.55		0.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
Australia	1.44	1.24	0.89	0.01
Austria	2.87	2.86	3.31	3.62
Belgium	0.65	0.64	1.72	-0.89
Bermuda	1.00	0.87	1.07	0.79
Brazil	1.51	1.48	0.00	0.00
Canada	0.00	0.00	1.90	1.53
Switzerland	6.91	6.46	7.32	7.45
Chile	1.13	1.28	1.25	1.65
China	0.71	0.68	0.00	0.00
Cayman Islands	0.02	0.01	0.01	0.01
Germany	0.00	0.00	1.03	0.96
Spain	0.00	0.00	1.51	1.17
Finland	3.17	2.84	1.38	0.99
France	1.50	1.20	2.05	1.50
U.K.	7.97	8.55	8.57	11.85
Hong Kong	9.58	6.82	6.92	6.62
India	3.66	5.17	2.42	1.92
Japan	9.23	9.72	8.31	10.20
South Korea	1.18	0.89	1.22	1.84
Netherlands	2.53	2.69	3.23	3.69
Philippines	1.51	1.26	1.12	1.13
Sweden	3.49	2.86	2.21	2.06
Thailand	2.78	2.14	0.00	0.00
U.S.A.	37.16	40.34	42.56	41.90
TOTAL	100.00	100.00	100.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
Cyclicals	53.78	52.38	53.13	50.51
Consum(cycl)	3.56	4.49	3.01	3.93
Cons.goods	0.00	0.00	1.90	1.53
Pharma	5.00	5.63	6.68	4.24
Financials	1.35	1.20	1.39	-1.19
Technology	5.35	5.10	5.67	6.12
Telecomm.	1.02	1.56	0.84	1.46
Utilities	29.94	29.64	27.38	33.40
TOTAL	100.00	100.00	100.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
AUSTRALIAN DOLLAR	1.43	1.23	0.89	0.01
BRASILIAN REAL	1.51	1.48	0.00	0.00
CANADIAN DOLLAR	0.00	0.00	1.00	-0.39
SWISS FRANC	0.17	-0.30	0.23	-0.07
CHILEAN PESO	1.13	1.28	1.25	1.69
CZECH KORUNA	86.50	85.75	87.39	90.20
EURO	0.46	-0.71	1.72	0.87
POUND STERLING	0.20	0.02	1.21	0.23
HONG KONG DOLLAR	10.31	7.55	6.95	6.64
INDIE RUPEE	3.66	5.17	2.42	1.92
JAPANESE YEN	0.80	0.27	0.62	0.13
KOREAN WON	1.18	0.89	1.22	1.84
PESO	1.51	1.26	1.12	1.17
SWEDISH KRONA	0.02	0.04	0.11	2.06
THAI BATH	2.78	2.14	0.00	0.00
US DOLLAR	-11.66	-6.07	-6.13	-6.30
TOTAL	100.00	100.00	100.00	100.00

### 2.4.2. Changes in the composition of the assets of KBC Eco Fund CSOB Water (in Czech koruna)

	1 <sup>st</sup> half of year
<b>Purchases</b>	1,153,454,794.08
<b>Sales</b>	361,727,848.41
<b>Total 1</b>	1,515,182,642.50
<b>Subscriptions</b>	761,798,747.62
<b>Redemptions</b>	161,886,222.38
<b>Total 2</b>	923,684,970.00
<b>Monthly average of total assets</b>	3,293,296,726.47
<b>Turnover rate</b>	17.96%

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

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

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

Name	Currency	Value in currency	in Czech koruna	Lot-size	Transaction date
COLLATER CASH FX SWAP GEGEVEN	EUR	1,505,000.00	37,902,676.91	N/A	28.02.2022
KBC AK-VK CZK-CAD 220413-220111 17.10171	CZK	123,060,952.83	123,060,952.83	N/A	11.01.2022
KBC AK-VK CZK-CHF 220413-220111 23.44745	CZK	161,692,106.28	161,692,106.28	N/A	11.01.2022
KBC AK-VK CZK-EUR 220413-220111 24.7141	CZK	369,029,384.21	369,029,384.21	N/A	11.01.2022
KBC AK-VK CZK-GBP 220413-220111 29.56187	CZK	419,342,586.15	419,342,586.15	N/A	11.01.2022
KBC AK-VK CZK-USD 220413-220111 21.7716	CZK	1,669,341,327.12	1,669,341,327.12	N/A	11.01.2022
KBC VK-AK CZK-USD 220413-220225 22.0582	CZK	-120,852,532.33	-120,852,532.33	N/A	25.02.2022
KBC VK-AK JPY-CZK 220413-220111 5.324056	JPY	-1,701,810,521.0 0	-331,305,975.17	N/A	11.01.2022

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

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2020 - 08*	453,274.56	0.00	144,291.29	0.00	1,172,823.87	0.00	1,172,823.87
2021 - 08*	531,390.14	0.00	193,383.53	0.00	1,510,830.48	0.00	1,510,830.48
2022 - 02*	421,841.98	0.00	132,546.96	0.00	1,925,806.01	0.00	1,925,806.01

Period	Amounts received and paid by the UCITS (in Czech koruna)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2020 - 08*	591,052,158.81	0.00	194,785,931.82	0.00
2021 - 08*	875,796,146.81	0.00	310,678,294.87	0.00
2022 - 02*	764,782,697.60	0.00	2,203,724,836.36	0.00

Period	Net asset value End of period (in Czech koruna)		
	Of the sub-fund	Of one share	
		Capitalization	Distribution
2020 - 08*	1,571,046,422.37	1,339.54	0.00
2021 - 08*	2,874,135,482.34	1,902.35	0.00
2022 - 02*	3,308,440,544.55	1,717.95	0.00

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

## 2.4.5. Performance figures

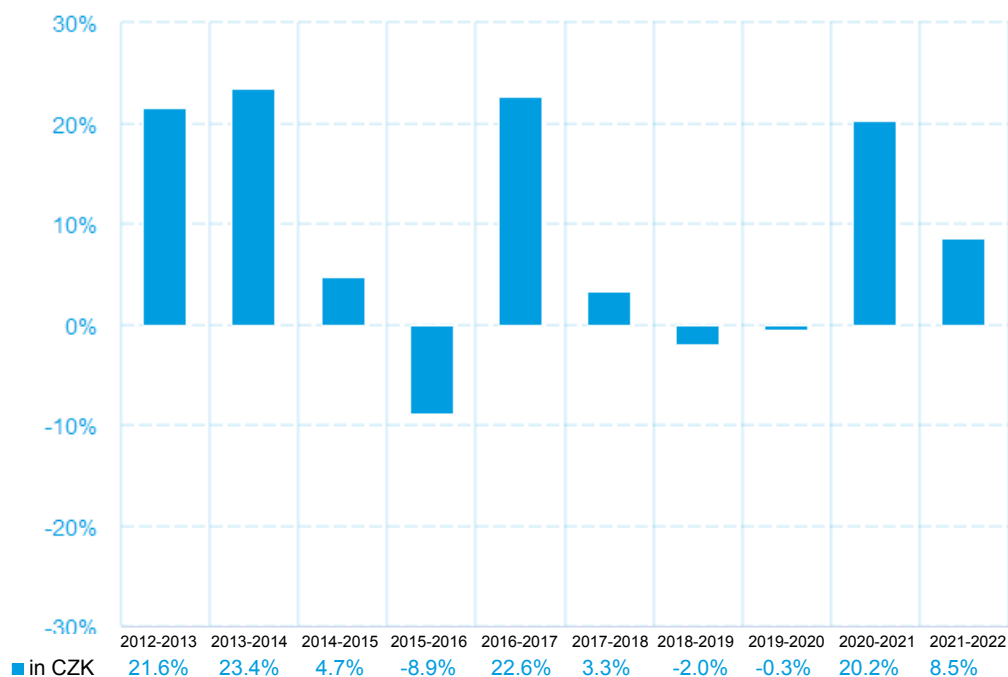
BE0947249448  
KBC Eco Fund CSOB Water DIS  
Annual performance on 28/02/2022 (in CZK)

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

If the results are expressed in a currency other than the euro, the return may be higher or lower due to exchange rate fluctuations.

BE0947250453  
KBC Eco Fund CSOB Water CAP  
Annual performance on 28/02/2022 (in CZK)

If the results are expressed in a currency other than the euro, the return may be higher or lower due to exchange rate fluctuations.



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE0947250453	CZK	8.53%		9.15%		5.65%		8.73%		31/07/2007	3.78%

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

\* Return on annual basis.

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

Capitalisation units (CAP)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

Distribution units (DIV)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

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

For dividend i on date Di with value Wi:

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

i = 1 ... N

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

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

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Distribution :

Ongoing charges : not applicable  
Transaction costs: not applicable

#### Capitalisation :

Ongoing charges : 2,172%  
Transaction costs: 0,108%

Percentage calculated at reporting date: 28 February 2022 (period of 12 months prior to the half-yearly closing).

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

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

### Existence of Commission Sharing Agreements

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

No CSA accrual during this period.

### Existence of fee sharing agreements and rebates

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

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

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

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

Fee for managing the investment portfolio	Max 2.00%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	-	-
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	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Fee paid to the independent directors	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Annual tax	See prospectus General Part : 'Information concerning the Bevek - H. Tax treatment'	
Other charges (estimation)	0.10%	of the net assets of the sub-fund per year.

### Anti-dilution levy

During the past reporting period, no anti-dilution levy, as described in the general information on the Bevek of this report, under title 1.2.1.9. *Non-recurring fees and charges borne by the investor*, was charged in favor of this sub-



fund.

### **Exercising voting rights**

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

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

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

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

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

Name	Currency	Value in currency of the portfolio
Given cash collateral	EUR	-1505000.00

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## 2. Information on KBC Eco Fund Impact Investing

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

Launch date: 29 December 2000

Initial subscription price: 500 EUR

Currency: EUR

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

Launch date: 29 December 2000

Initial subscription price: 500 EUR

Currency: EUR

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

Launch date: 23 September 2019

Initial subscription price: 1 000 HUF

Currency: HUF

##### **Institutional F Shares LU Capitalisation**

Launch date: 9 April 2021

Initial subscription price: 1 000 EUR

Currency: EUR

#### 2.1.2. Stock exchange listing

Not applicable.

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

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

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

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

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

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

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

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

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

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

## Permitted derivatives transactions

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

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

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

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

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

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

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

## Strategy selected

The investment philosophy of the sub-fund is based on the concept of impact investing (mission-related investments). The sustainable investment objective is to contribute to sustainable development.

To this end, the assets are invested to the maximum extent possible, in equities of companies throughout the world which seek not only to achieve a financial return, but also to make a positive contribution, through their products and/or services, to sustainable themes and thus have an impact on society and the environment.

Specialised researchers of KBC Asset Management NV compile a universe of companies that contribute to sustainable development.

They are assisted by an advisory board (i.e. the 'SRI Advisory Board', where SRI stands for 'Socially Responsible Investing') comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the methodology and activities of the specialist researchers of KBC Asset Management NV. The secretariat of the advisory board is provided by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with a data supplier with expertise in sustainability that provides data to the specialised researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The fund manager then strives to invest as much as possible in assets that form part of this universe. In order to create this universe, the companies are subjected to a negative and positive screening procedure.

### Negative screening

Negative screening entails specific criteria that exclude companies in advance from the universe.

On top of the exclusion criteria set out under 'Social, ethical and environmental aspects', the companies are assessed against additional SRI exclusion criteria which are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Exclusion policies for socially responsible investment funds.

The most important exclusion criteria relate on the one hand to controversial activities (tobacco, gambling, weapons, fur and speciality leather and adult entertainment). Companies involved in such controversial activities are excluded. On the other hand, the screening for controversies ensures that companies who seriously violate the basic principles in terms of the environment, social aspects or good governance are excluded. This list is not exhaustive and can be adapted under the supervision of the Advisory Board.

### Positive screening

Specialised researchers from KBC Asset Management NV determine, in consultation with the SRI Advisory Board, which sustainability themes can be addressed in the sub-fund. Examples of such themes are renewable energy, sustainable mobility, healthy food, access to education and recycling. Companies whose products and/or services have a positive influence on such a theme will be presented to the Advisory Board. If evaluated positively, these companies have a chance of being included. The influence that a company exerts through its core activity on the chosen theme is measured regularly (for example, by the number of installed hydrogen installations to stimulate renewable energy, the number of homes for social housing projects to stimulate affordable housing and the use of polymers from waste streams to stimulate recycling). If it is deemed that insufficient progress is being made or that the company is no longer relevant to the theme, this company will be excluded from the authorised universe and therefore from the portfolio of the sub-fund.

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 contribute to sustainable development after purchase on the basis of the above criteria;
- corporate events, such as a merger of one company with another, where the merged company can no longer be considered to contribute to sustainable development on the basis of the above criteria;
- incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets that do not contribute to sustainable development;
- a planned update of the universe in which assets no longer contribute to sustainable development but in which the fund manager chooses not to sell them immediately in the interest of the customer due to transaction charges.

In these cases, the fund manager will replace the assets that contribute to sustainable development in 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 do not contribute to sustainable development, to the extent that no workable and comparable sustainable development alternative is available on the market for these derivatives. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers who contribute to sustainable development.

The fund is actively managed without referring to any benchmark.

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

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

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

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

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

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

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

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

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

## **2.1.4. Financial portfolio management**

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

## **2.1.5. Distributors**

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

## **2.1.6. Index and benchmark**

Not applicable.

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

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

## **2.1.8. Future policy**

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

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

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

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

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

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

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

## 2.2. Balance sheet

Balance sheet layout		28/02/2022 (in Euro)	28/02/2021 (in Euro)
	<b>TOTAL NET ASSETS</b>	314,903,185.88	217,846,990.35
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
a)	Shares	311,512,401.21	215,734,385.70
D.	Other securities	35,464.53	40,713.91
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
a)	Accounts receivable	275,033.17	261,096.77
B.	Payables		
a)	Accounts payable (-)	-253,133.25	-151,515.96
c)	Borrowings (-)	-466.33	-1,268.79
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	3,782,475.91	2,259,658.65
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	73,432.74	18,839.90
C.	Accrued expense (-)	-522,022.10	-314,919.83
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	314,903,185.88	217,846,990.35
<b>A.</b>	<b>Capital</b>	371,709,707.52	192,852,174.44
<b>B.</b>	<b>Income equalization</b>	192,824.48	62,200.34
<b>D.</b>	<b>Result of the period</b>	-56,999,346.12	24,932,615.57



## 2.3. Profit and loss account

Income Statement		28/02/2022 (in Euro)	28/02/2021 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	-62,380,402.71	26,550,089.72
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	5,748,422.07	-477,423.48
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	839,647.78	12,880,815.06
	Unrealised gains on investments	-33,529,482.13	9,263,158.82
	Realised losses on investments	-758,558.88	-347,121.31
	Unrealised losses on investments	-23,183,587.41	4,275,813.67
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	2,555,571.16	554,334.24
B.	Interests		
	b) Cash at bank and in hand and deposits	2,463.61	84.35
C.	Interest on borrowings (-)	-5,023.51	-2,611.60
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-49,172.67	-50,955.21
B.	Financial expenses (-)	-740.81	-155.29
C.	Custodian's fee (-)	-66,539.89	-35,751.29
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-2,075,561.92	-1,364,768.59
	Classic Shares K&H HUF	-102,560.71	-19,357.77
	Institutional F Shares LU	-309,315.77	0.00
	b) Administration and accounting management	-165,907.97	-92,418.51
E.	Administrative expenses (-)	-1,002.08	-1,006.07
F.	Formation and organisation expenses (-)	-5,408.04	-3,075.44
G.	Remuneration, social security charges and pension	-3,510.91	-1,763.59
H.	Services and sundry goods (-)	-6,728.83	-7,316.45
J.	Taxes		
	Classic Shares	-123,590.12	-108,895.59
	Classic Shares K&H HUF	-52.58	-20.99
	Institutional F Shares LU	-154.46	0.00
L.	Other expenses (-)	-10,129.98	-6,372.87
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-367,365.48	-1,140,050.67
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	-56,999,346.12	24,932,615.57
<b>VII.</b>	<b>Result of the period</b>	-56,999,346.12	24,932,615.57

## 2.4. Composition of the assets and key figures

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

Name	Quantity on 28/02/2022	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Austria</u>							
LENZING AG (WIEN)	65,837.00	EUR	99.100	6,524,446.70		2.09	2.07
<u>Belgium</u>							
BIOCARTIS NV -	516,061.00	EUR	2.450	1,264,349.45		0.41	0.40
CARE PROPERTIES INVEST -	58,110.00	EUR	22.600	1,313,286.00		0.42	0.42
MATERIALISE NV -	256,517.00	USD	20.690	4,725,192.96		1.52	1.50
UMICORE -	210,178.00	EUR	36.690	7,711,430.82		2.48	2.45
WAREHOUSE DISTR. DE PAUW -	279,367.00	EUR	35.220	9,839,305.74		3.16	3.13
<u>Brazil</u>							
COGNA EDUCACAO -	8,824,420.00	BRL	2.260	3,446,568.78		1.11	1.09
<u>Denmark</u>							
BAVARIAN NORDIC A/S -	217,955.00	DKK	166.650	4,883,034.74		1.57	1.55
NOVO NORDISK A/S B	154,569.00	DKK	682.100	14,173,858.93		4.55	4.51
VESTAS WINDS SYSTEMS -	175,094.00	DKK	217.500	5,119,743.28		1.64	1.63
<u>Finland</u>							
RAISIO GROUP (HEL) 'V'	668,275.00	EUR	2.900	1,937,997.50		0.62	0.62
<u>France</u>							
CIE DE ST-GOBAIN -	177,587.00	EUR	55.950	9,935,992.65		3.19	3.16
<u>Germany</u>							
AUMANN AG -	99,562.00	EUR	15.980	1,591,000.76		0.51	0.51
BRAIN BIOTECHNOLOGY RESEARCH & -	42,045.00	EUR	9.100	382,609.50		0.12	0.12
EVOTEC SE -	192,529.00	EUR	26.540	5,109,719.66		1.64	1.62
WACKER CHEMIE AG -	59,869.00	EUR	138.750	8,306,823.75		2.67	2.64
<u>India</u>							
JAIN IRRIGATION SYSTEMS LTD -	8,106,596.00	INR	39.850	3,817,164.83		1.23	1.21
SHRIRAM CITY UNION FINANCE LTD -	117,773.00	INR	1,583.650	2,203,834.62		0.71	0.70
<u>Ireland</u>							
KINGSPAN GROUP PLC -	67,618.00	EUR	86.840	5,871,947.12		1.89	1.87
KINGSPAN GROUP PLC -	40,389.00	EUR	86.600	3,497,687.40		1.12	1.11
<u>Japan</u>							
FANUC CORP -	46,400.00	JPY	21,155.000	7,587,796.84		2.44	2.41
KEYENCE CORP -	25,600.00	JPY	53,780.000	10,642,543.83		3.42	3.38
<u>Luxembourg</u>							
MILLICOM INTL. CELLULAR -	268,448.00	SEK	220.800	5,591,302.29		1.80	1.78
<u>Netherlands</u>							
ALFEN BEHEER BV -	87,638.00	EUR	86.800	7,606,978.40		2.44	2.42
CORBION NV (AMS)NRC	223,638.00	EUR	32.920	7,362,162.96		2.36	2.34
KONINKLIJKE D.S.M. NV (AMS)	72,361.00	EUR	167.300	12,105,995.30		3.89	3.84
SIGNIFY NV -	188,412.00	EUR	45.580	8,587,818.96		2.76	2.73
<u>New Zealand</u>							
A2 MILK CO LTD -	1,173,053.00	AUD	5.510	4,175,796.61		1.34	1.33
<u>Norway</u>							
TOMRA SYSTEMS -	173,184.00	NOK	415.200	7,280,125.07		2.34	2.31
<u>Philippines</u>							
MANILA WATER CO -	7,595,800.00	PHP	20.000	2,638,050.50		0.85	0.84
<u>Spain</u>							
CONSTRUCCIONES Y AUXILIAR DE F -	81,802.00	EUR	31.300	2,560,402.60		0.82	0.81
<u>Sweden</u>							
AUTOLIV INC AB	91,313.00	SEK	846.000	7,287,133.15		2.34	2.31
DORO AB -	251,419.00	SEK	26.500	628,489.03		0.20	0.20
<u>Switzerland</u>							
LANDIS+GYR GROUP AG -	119,372.00	CHF	59.950	6,944,678.70		2.23	2.21

<u>U.K.</u>							
CARETECH HOLDINGS PLC -	566,238.00	GBP	5.860	3,963,794.55		1.27	1.26
CIVITAS SOCIAL HOUSING PLC -	4,430,393.00	GBP	0.883	4,673,233.33		1.50	1.48
DS SMITH PLC -	1,970,707.00	GBP	3.446	8,112,446.42		2.60	2.58
GENUIT GROUP PLC -	800,693.00	GBP	5.110	4,887,665.11		1.57	1.55
UNITE GROUP PLC -	564,988.00	GBP	10.680	7,208,169.42		2.31	2.29
3IGROUP -	719,796.00	GBP	13.355	11,483,329.60		3.69	3.65
<u>U.S.A.</u>							
BEYOND MEAT INC -	71,569.00	USD	46.780	2,980,767.29		0.96	0.95
BIOMARIN PHARMACEUTICAL INC -	144,518.00	USD	78.120	10,051,412.18		3.23	3.19
BRIGHT HORIZONS FAMILY SOLUTIO -	75,203.00	USD	130.640	8,746,901.64		2.81	2.78
CHEGG INC -	163,238.00	USD	31.270	4,544,562.20		1.46	1.44
EQUINIX INC -	16,724.00	USD	709.730	10,567,596.62		3.39	3.36
GILEAD SCIENCES -	206,437.00	USD	60.400	11,101,134.97		3.56	3.53
HERON THERAPEUTICS INC -	475,633.00	USD	7.100	3,006,583.24		0.97	0.96
ITRON INC -	92,171.00	USD	47.670	3,911,851.47		1.26	1.24
LKQ CORP -	267,281.00	USD	46.950	11,172,402.91		3.59	3.55
SUNPOWER CORP -A-	275,691.00	USD	17.930	4,400,943.40		1.41	1.40
VMWARE INC CLASS A -	77,015.00	USD	117.320	8,044,337.43		2.58	2.56
Total shares				311,512,401.21		99.99	98.92
<b>Rights</b>							
<u>Belgium</u>							
CARE PROPERTIES INVEST -	58,110.00	EUR	0.610	35,464.53		0.01	0.01
Total rights				35,464.53		0.01	0.01
TOTAL SECURITIES PORTFOLIO				311,547,865.74		100.00	98.93
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	-432.21	AUD	1.000	-279.23		0.00	0.00
KBC GROUP CHF	2,324.45	CHF	1.000	2,255.70		0.00	0.00
KBC GROUP DKK	86,962.75	DKK	1.000	11,690.98		0.00	0.00
KBC GROUP EURO	3,395,336.64	EUR	1.000	3,395,336.64		0.00	1.08
KBC GROUP GBP	661.76	GBP	1.000	790.52		0.00	0.00
KBC GROUP HKD	2.34	HKD	1.000	0.27		0.00	0.00
KBC GROUP HUF	124,259,470.35	HUF	1.000	335,414.82		0.00	0.11
KBC GROUP JPY	2,733,397.00	JPY	1.000	21,129.41		0.00	0.01
KBC GROUP NOK	76,526.72	NOK	1.000	7,747.95		0.00	0.00
KBC GROUP SEK	-1,983.43	SEK	1.000	-187.10		0.00	0.00
KBC GROUP USD	9,108.73	USD	1.000	8,109.62		0.00	0.00
Total demand accounts				3,782,009.58		0.00	1.20
TOTAL CASH AT BANK AND IN HAND				3,782,009.58		0.00	1.20
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	275,033.17	EUR	1.000	275,033.17		0.00	0.09
Total receivables				275,033.17		0.00	0.09
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-195,772.15	EUR	1.000	-195,772.15		0.00	-0.06
KBC GROUP HUF PAYABLE	-21,250,282.13	HUF	1.000	-57,361.10		0.00	-0.02
Payables				-253,133.25		0.00	-0.08
TOTAL RECEIVABLES AND PAYABLES				21,899.92		0.00	0.01
OTHER							
Interest receivable		EUR		73,432.74		0.00	0.02
Expenses payable		EUR		-522,022.10		0.00	-0.17
TOTAL OTHER				-448,589.36		0.00	-0.14
TOTAL NET ASSETS				314,903,185.88		0.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
Austria	0.99	2.86	2.15	2.07
Belgium	11.85	10.20	9.06	9.10
Brazil	0.58	0.87	1.35	1.09
Switzerland	1.54	1.96	1.82	2.20
Germany	6.48	5.71	5.51	4.87
Denmark	10.44	7.95	7.66	7.66
Spain	1.42	1.36	0.90	0.81
Finland	1.18	1.08	0.77	0.61

France	0.00	0.00	3.10	3.15
U.K.	12.73	13.09	13.27	12.81
India	1.44	1.83	1.84	1.91
Ireland	3.35	1.58	2.97	2.97
Japan	4.74	5.69	5.77	5.78
Luxembourg	1.76	1.88	2.26	1.77
Netherlands	13.37	10.10	9.49	11.30
Norway	0.00	1.60	2.35	2.31
New Zealand	2.95	1.77	1.21	1.32
Philippines	1.32	1.09	0.83	0.84
Singapore	0.46	0.00	0.00	0.00
Sweden	3.11	3.19	2.27	2.51
U.S.A.	20.29	26.19	25.42	24.92
TOTAL	100.00	100.00	100.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
Cyclicals	26.93	27.06	29.16	29.30
Consum(cycl)	13.35	14.21	13.69	13.54
Cons.goods	8.87	9.62	8.56	8.74
Pharma	15.23	16.12	17.12	16.61
Financials	4.67	4.97	4.95	5.55
Technology	12.97	12.13	11.44	11.72
Telecomm.	1.76	1.88	2.26	1.77
Utilities	2.70	3.68	2.23	2.08
Real est.	13.52	10.33	10.59	10.69
TOTAL	100.00	100.00	100.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
AUSTRALIAN DOLLAR	2.95	1.77	1.22	1.32
BRASILIAN REAL	0.58	0.87	1.35	1.09
SWISS FRANC	1.54	1.96	1.82	2.20
DANISH KRONE	10.44	7.95	7.67	7.66
EURO	35.54	30.44	32.94	33.28
POUND STERLING	12.73	13.11	13.27	12.81
HUNGARIAN FORINT	-0.01	0.27	0.05	0.09
INDIE RUPEE	1.44	1.83	1.84	1.91
JAPANESE YEN	4.74	5.69	5.76	5.79
NORWEGIAN KRONE	0.00	1.60	2.35	2.31
PESO	1.32	1.08	0.83	0.84
SWEDISH KRONA	4.87	5.07	4.53	4.28
US DOLLAR	23.86	28.36	26.37	26.42
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Eco Fund Impact Investing (in Euro)

	1 <sup>st</sup> half of year
<b>Purchases</b>	43,166,515.37
<b>Sales</b>	4,063,975.58
<b>Total 1</b>	47,230,490.94
<b>Subscriptions</b>	53,081,849.77
<b>Redemptions</b>	11,830,626.17
<b>Total 2</b>	64,912,475.94
<b>Monthly average of total assets</b>	334,053,240.20
<b>Turnover rate</b>	-5.29%

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

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

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

Nil

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

### Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2020 - 08*	34,504.16	20,918.47	16,289.90	10,916.38	154,980.49	101,304.68	256,285.17
2021 - 08*	71,953.64	44,449.15	14,694.97	12,031.89	212,239.15	133,721.94	345,961.09
2022 - 02*	31,496.54	14,688.85	8,771.66	6,870.89	234,964.03	141,539.90	376,503.93

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2020 - 08*	22,569,198.35	10,289,129.72	10,463,625.67	5,245,650.03
2021 - 08*	59,501,508.59	26,983,612.64	12,033,436.43	7,188,152.45
2022 - 02*	27,082,481.69	9,240,956.56	7,489,993.25	4,251,064.65

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2020 - 08*	158,897,070.51	690.42	512.26
2021 - 08*	281,648,730.78	906.44	667.55
2022 - 02*	258,100,676.63	763.20	556.56

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

## Classic Shares K&H HUF

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2020 - 08*	536,366.00		36,478.00		499,888.00		499,888.00
2021 - 08*	2,610,671.00		49,595.00		3,060,964.00		3,060,964.00
2022 - 02*	1,056,515.00		43,146.00		4,074,333.00		4,074,333.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2020 - 08*	538,118,564.12		32,549,311.60	
2021 - 08*	3,507,582,809.01		65,058,692.91	
2022 - 02*	1,484,654,656.78		55,627,349.49	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2020 - 08*	551,831,861.34	1,103.77	
2021 - 08*	4,372,169,314.00	1,428.06	
2022 - 02*	5,201,079,528.13	1,276.25	

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

## Institutional F Shares LU

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 08*	34,182.00		0.00		34,182.00		34,182.00
2022 - 02*	12,494.00		0.00		46,676.00		46,676.00

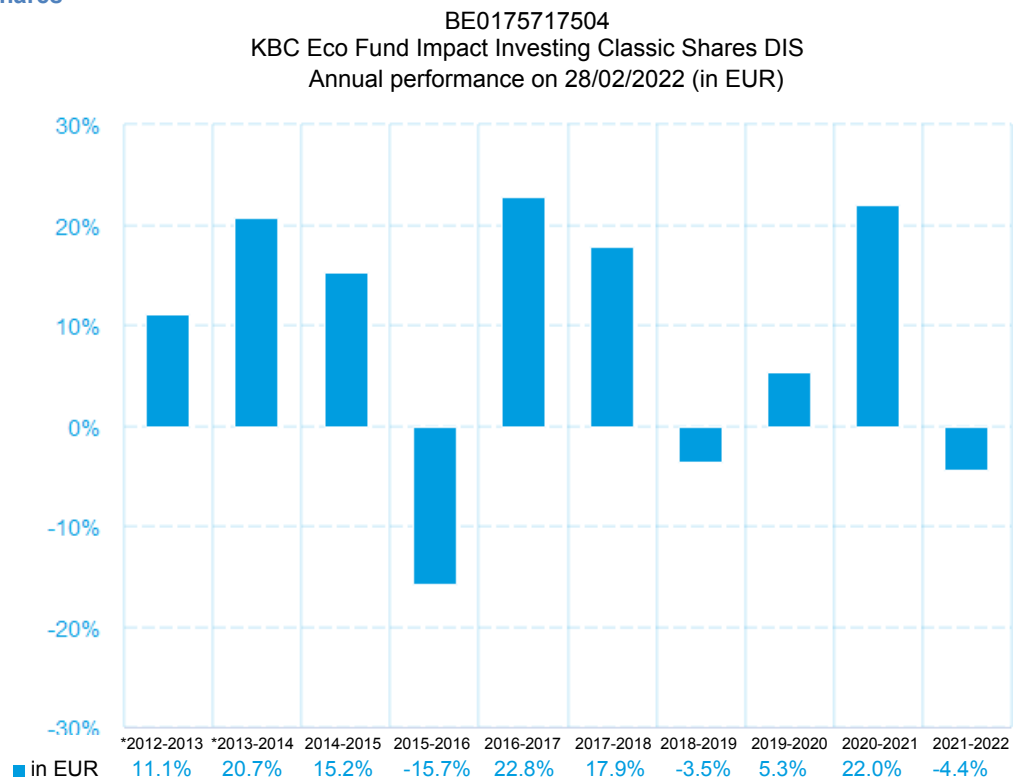
Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 08*	35,094,238.10		0.00	
2022 - 02*	12,873,952.76		0.00	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 08*	37,180,679.49	1,087.73	
2022 - 02*	42,763,183.69	916.17	

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

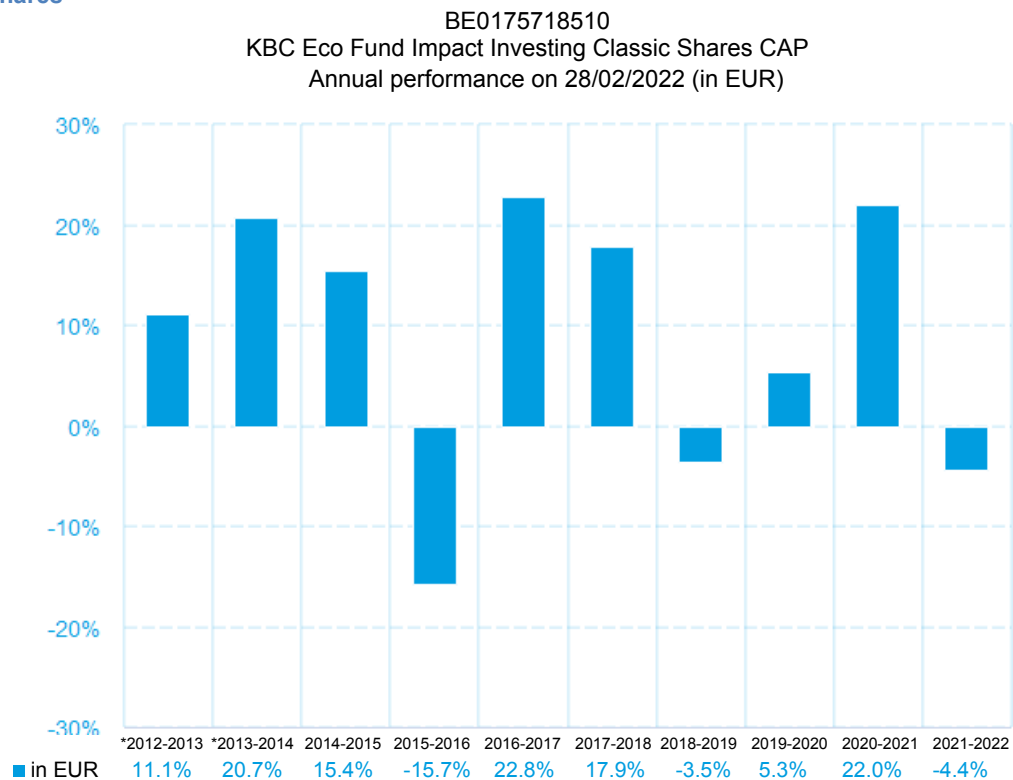
## 2.4.5. Performance figures

### Classic Shares



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

### Classic Shares



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

Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE0175717504	EUR	-4.44%		7.07%		6.90%		8.36%		29/12/2000	2.00%
CAP	BE0175718510	EUR	-4.44%		7.07%		6.90%		8.38%		29/12/2000	2.02%

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

\* Return on annual basis.

### Classic Shares

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

#### Capitalisation units (CAP)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

#### Distribution units (DIV)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

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

For dividend i on date Di with value Wi:

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

i = 1 ... N

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

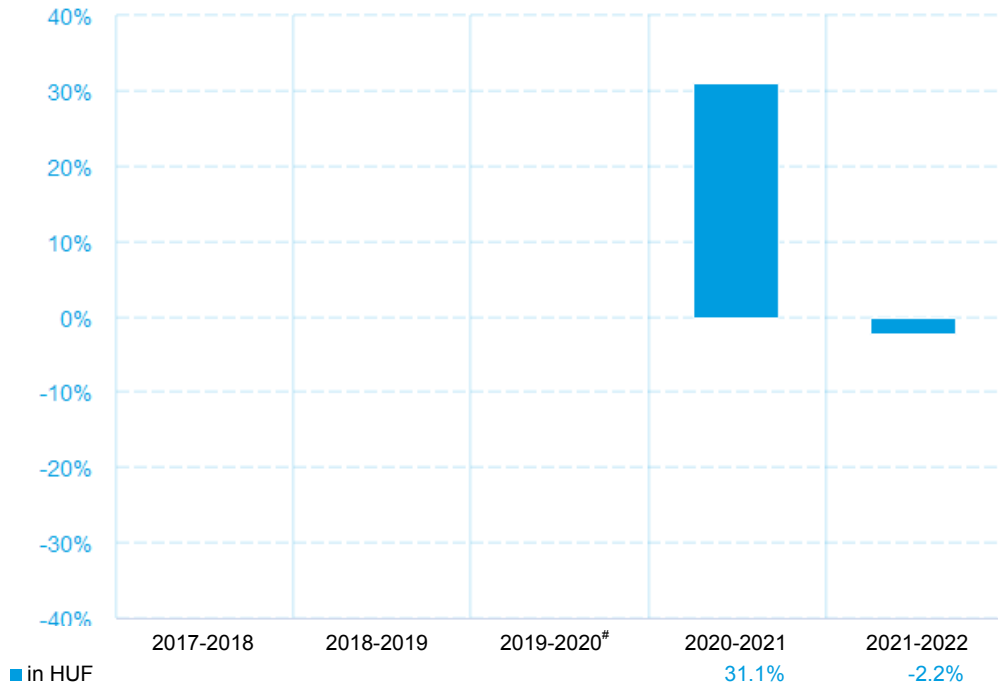
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the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



**Classic Shares HUF**

BE6315653806  
 KBC Eco Fund Impact Investing Classic Shares HUF CAP  
 Annual performance on 28/02/2022 (in HUF)

If the results are expressed in a currency other than the euro, the return may be higher or lower due to exchange rate fluctuations.



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

Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6315653806	HUF	-2.17%		%		%		%		23/09/2019	10.54%

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

\* Return on annual basis.

**Classic Shares HUF**

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

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

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

**Institutional F Shares LU**

BE6327153373

KBC Eco Fund Impact Investing Institutional F Shares LU CAP

Annual performance on 28/02/2022 (in EUR)

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

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Classic Shares Distribution :

Ongoing charges : 1,772%  
Transaction costs: 0,072%

#### Classic Shares Capitalisation :

Ongoing charges : 1,770%  
Transaction costs: 0,072%

#### Classic Shares HUF Capitalisation :

Ongoing charges : 1,606%  
Transaction costs: 0,072%

#### Institutional F Shares LU Capitalisation :

Ongoing charges : not applicable  
Transaction costs: not applicable

Percentage calculated at reporting date: 28 February 2022 (period of 12 months prior to the half-yearly closing).

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

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

### Existence of Commission Sharing Agreements

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

No CSA accrual during this period.

### Existence of fee sharing agreements and rebates

The management company has shared 54,18% of its fee with the distributor, and institutional and/or professional parties.

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

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

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

### Classic Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	-	-
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	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Fee paid to the independent directors	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	

Annual tax	See prospectus General Part : '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.

### Classic Shares HUF

Fee for managing the investment portfolio	Max 1.80%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	-	-
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	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Fee paid to the independent directors	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Annual tax	See prospectus General Part : '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.

### Institutional F Shares LU

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	-	-
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	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Fee paid to the independent directors	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Annual tax	See prospectus General Part : '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.

### Anti-dilution levy

During the past reporting period, no anti-dilution levy, as described in the general information on the Bevek of this report, under title 1.2.1.9. *Non-recurring fees and charges borne by the investor*, was charged in favor of this sub-fund.

### ***Exercising voting rights***

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

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

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

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

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## 2. Information on KBC Eco Fund Water

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

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

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

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

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

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

#### 2.1.2. Stock exchange listing

Not applicable.

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

##### Object of the sub-fund

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

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

###### *Permitted asset classes*

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

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

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

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

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



## Permitted derivatives transactions

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

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

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

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

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

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

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

## Strategy selected

The total assets of the sub-fund are invested, to the maximum extent possible, in shares of companies operating in the water sector in a socially responsible way.

These companies have to realize a substantial proportion of their turnover in this sector.

The sub-fund invests in socially responsible assets. Socially Responsible Investing (SRI), has a positive impact on society, the environment and the world we live in. It is aligned with today's social and economic needs, without jeopardising the needs of future generations. The sub-fund promotes a combination of environmental and social characteristics, namely providing access to and improving the efficiency of clean water facilities, but is not a sustainable investment within the meaning of Article 2(17) of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector. However, the concrete contribution to these characteristics is not measured by indicators. The companies in which it invests must follow good governance practices.

Specialised researchers of KBC Asset Management NV compile a universe of socially responsible companies. They are assisted by an advisory board (i.e. the 'SRI 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 methodology and activities of the specialist researchers of KBC Asset Management NV. The secretariat of the advisory board is provided by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with a data supplier with expertise in SRI that provides data to the specialised researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The fund manager then strives to invest as much as possible in assets that form part of this universe. In order to create this socially responsible universe, the companies are subjected to a negative and positive screening procedure.

### Negative screening

Negative screening entails specific criteria that exclude companies in advance from the socially responsible universe.

On top of the exclusion criteria set out under 'Social, ethical and environmental aspects', the companies are assessed against additional SRI exclusion criteria which are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Exclusion policies for socially responsible investment funds.

The most important exclusion criteria relate on the one hand to controversial activities (tobacco, gambling, weapons, fur and speciality leather and adult entertainment). Companies involved in such controversial activities are excluded. On the other hand, the screening for controversies ensures that companies who seriously violate the basic principles in terms of the environment, social aspects or good governance are excluded. This list is not exhaustive and can be adapted under the supervision of the Advisory Board.

### Positive screening

Positive screening entails creating a universe of companies that operate in the water sector in a socially responsible manner. This includes, for example, the following business activities: companies active in the field of water and wastewater services, water purification technology and consultancies in the field of environmental management. Companies that focus at least 50% of their activities on this objective or that are market leaders in the relevant field(s) are eligible for the universe provided that these activities represent a significant part of their turnover.

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 socially responsible after purchase on the basis of the above criteria;
- corporate events, such as a merger of one company with another, where the merged company can no longer be considered a socially responsible company on the basis of the above criteria;
- incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets that do not have a socially responsible nature;
- a planned update of the socially responsible universe in which assets are no longer labelled as socially responsible but in which the fund manager chooses not to sell them immediately in the interest of the customer due to transaction charges.

In these cases, the fund manager will replace the assets concerned with socially responsible 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 which are not of a socially responsible nature, to the extent that no workable and comparable socially responsible alternative is available on the market for these derivatives. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a socially responsible nature.

The fund is actively managed without referring to any benchmark.

The socially responsible character is guaranteed by the aforementioned SRI screening.

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

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

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

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

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

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

## **2.1.4. Financial portfolio management**

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

## **2.1.5. Distributors**

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

## **2.1.6. Index and benchmark**

Not applicable.

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

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

## **2.1.8. Future policy**

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

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

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

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

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

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

## 2.2. Balance sheet

Balance sheet layout		28/02/2022 (in Euro)	28/02/2021 (in Euro)
	<b>TOTAL NET ASSETS</b>	1,124,565,727.73	944,402,990.39
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
a)	Shares	1,128,889,987.05	931,337,809.95
D.	Other securities	45,017.81	
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
a)	Accounts receivable	30,612,783.76	710,229.79
B.	Payables		
a)	Accounts payable (-)	-31,104,256.86	-364,869.50
c)	Borrowings (-)	-19,243,704.21	-35,679.77
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	16,727,669.02	13,249,956.80
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	562,012.36	766,379.86
C.	Accrued expense (-)	-1,923,781.20	-1,260,836.74
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	1,124,565,727.73	944,402,990.39
<b>A.</b>	<b>Capital</b>	1,251,201,157.15	796,023,529.18
<b>B.</b>	<b>Income equalization</b>	271,314.36	24,897.07
<b>D.</b>	<b>Result of the period</b>	-126,906,743.78	148,354,564.14

## 2.3. Profit and loss account

Income Statement		28/02/2022 (in Euro)	28/02/2021 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	-152,507,892.59	153,983,372.93
D.	Other securities	4,580.07	
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	30,008,958.02	-4,763,868.45
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	53,843,410.39	29,373,619.58
	Unrealised gains on investments	-158,901,630.65	108,403,130.88
	Realised losses on investments	-2,409,079.88	-4,070,915.76
	Unrealised losses on investments	-15,027,054.36	15,513,669.78
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	5,967,265.14	6,183,659.08
B.	Interests		
	b) Cash at bank and in hand and deposits	28.82	14.17
C.	Interest on borrowings (-)	-28,074.07	-12,973.38
<b>III.</b>	<b>Other income</b>		
A.	Income received to cover the acquisition and realization of assets, to discourage withdrawals and for delivery charges	3,455.07	30,922.80
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-192,640.03	-83,368.53
B.	Financial expenses (-)	-2,542.83	-568.04
C.	Custodian's fee (-)	-236,012.79	-171,980.08
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-8,759,949.57	-5,869,150.14
	Institutional B Shares	-12,078.88	-134,367.97
	b) Administration and accounting management	-588,358.99	-436,066.49
E.	Administrative expenses (-)	-995.39	-997.72
F.	Formation and organisation expenses (-)	-7,970.26	-13,059.45
G.	Remuneration, social security charges and pension	-12,396.93	-8,821.20
H.	Services and sundry goods (-)	-16,332.54	-13,367.12
J.	Taxes		
	Classic Shares	-545,835.62	-384,781.29
	Institutional B Shares	-29.97	-5,374.03
L.	Other expenses (-)	20,079.56	55,339.05
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-4,412,389.28	-864,940.34
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	-126,906,743.78	148,354,564.14
<b>VII.</b>	<b>Result of the period</b>	-126,906,743.78	148,354,564.14

## 2.4. Composition of the assets and key figures

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

Name	Quantity on 28/02/2022	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Austria</u>							
ANDRITZ AG -	487,279.00	EUR	40.000	19,491,160.00		1.73	1.73
WIENERBERGER AG (WIEN)	610,640.00	EUR	26.780	16,352,939.20		1.45	1.45
<u>Belgium</u>							
EKOPAK NV -	120,416.00	EUR	17.580	2,116,913.28		0.19	0.19
<u>Bermuda</u>							
CONSOLIDATED WATER CO LTD -	133,465.00	USD	9.790	1,163,303.37		0.10	0.10
<u>Canada</u>							
PRIMO WATER CORP -	1,326,366.00	CAD	18.430	17,159,021.08		1.52	1.53
<u>Cayman Islands</u>							
CT ENVIRONMENTAL GROUP LTD -	27,048,000.00	HKD	0.010	30,819.20		0.00	0.00
<u>Chile</u>							
AGUAS ANDINAS SA -	19,323,219.00	CLP	168.500	3,647,240.72		0.32	0.32
INVERSIONES AGUAS METROPOLITAN -	591,800.00	CLP	400.470	265,478.89		0.02	0.02
<u>Finland</u>							
UPONOR OYJ -	210,002.00	EUR	19.960	4,191,639.92		0.37	0.37
<u>France</u>							
EUROFINS SCIENTIFIC -	224,097.00	EUR	90.540	20,289,742.38		1.80	1.80
<u>Germany</u>							
NORMA GROUP -	50,109.00	EUR	31.020	1,554,381.18		0.14	0.14
<u>Hong Kong</u>							
BEIJING ENTERPRISES WATER GROUP LTD -	30,610,316.00	HKD	3.080	10,742,483.66		0.95	0.96
CHINA EVERBRIGHT INTL -	27,057,873.00	HKD	5.600	17,265,050.52		1.53	1.54
CHINA WATER AFFAIRS GROUP LTD -	7,566,250.00	HKD	8.620	7,431,459.67		0.66	0.66
<u>India</u>							
THERMAX LTD -	249,502.00	INR	1,812.650	5,343,945.80		0.47	0.48
<u>Ireland</u>							
PENTAIR PLC -	617,812.00	USD	57.910	31,853,181.02		2.82	2.83
<u>Japan</u>							
KUBOTA CORP -	1,963,400.00	JPY	2,062.000	31,295,517.10		2.77	2.78
KURITA WATERIndustr. -	870,100.00	JPY	4,700.000	31,611,980.90		2.80	2.81
NOMURA MICRO SCIENCE CO LTD -	245,200.00	JPY	3,625.000	6,870,892.62		0.61	0.61
ORGANO CORPORATION -	106,500.00	JPY	8,130.000	6,693,061.84		0.59	0.60
TORISHIMA PUMP MANUFACTURING CO -	213,100.00	JPY	966.000	1,591,275.08		0.14	0.14
TSUKISHIMA KIKAI CO LTD -	110,100.00	JPY	1,044.000	888,530.83		0.08	0.08
TSURUMI MANUFACTURING CO LTD -	55,700.00	JPY	1,793.000	772,005.10		0.07	0.07
<u>Netherlands</u>							
AALBERTS NV (AMS)	466,588.00	EUR	49.710	23,194,089.48		2.06	2.06
ARCADIS N.V. (AMS)	436,647.00	EUR	40.640	17,745,334.08		1.57	1.58
<u>Philippines</u>							
MANILA WATER CO -	5,661,600.00	PHP	20.000	1,966,295.41		0.17	0.18
<u>Singapore</u>							
SOUND GLOBAL LTD -	2,051,000.00	HKD				0.00	0.00
<u>South Korea</u>							
WOONGJIN COWAY CO LTD -	384,920.00	KRW	72,100.000	20,550,279.80		1.82	1.83
<u>Spain</u>							
FLUIDRA SA -	283,896.00	EUR	27.200	7,721,971.20		0.68	0.69
<u>Sweden</u>							
INDUTRADE AB -	852,434.00	SEK	211.500	17,006,888.57		1.51	1.51
SWECO AB -	723,620.00	SEK	133.200	9,092,190.31		0.81	0.81

<u>Switzerland</u>							
FERGUSON PLC -	277,054.00	GBP	114.150	37,779,382.03		3.35	3.36
GEBERIT AG -	68,084.00	CHF	601.400	39,734,612.95		3.52	3.53
GEORG.FISCHER (NAAM)	25,303.00	CHF	1,135.000	27,869,448.66		2.47	2.48
LANDIS+GYR GROUP AG -	232,264.00	CHF	59.950	13,512,371.87		1.20	1.20
<u>U.K.</u>							
GENUIT GROUP PLC -	1,081,794.00	GBP	5.110	6,603,588.12		0.59	0.59
HALMA PLC -	707,442.00	GBP	24.110	20,375,231.86		1.81	1.81
PENNON GROUP PLC -	1,670,849.00	GBP	10.400	20,757,978.20		1.84	1.85
RPS GROUP -	517,004.00	GBP	0.970	599,073.55		0.05	0.05
SEVERN TRENT -	1,140,546.00	GBP	28.760	39,184,670.27		3.47	3.48
UNITED UTILITIES WATER PLC -	2,836,542.00	GBP	10.745	36,409,117.09		3.23	3.24
<u>U.S.A.</u>							
ADVANCED DRAINAGE SYSTEMS INC -	178,804.00	USD	116.720	18,580,843.02		1.65	1.65
AGILENT TECHNOLOGIES -	268,712.00	USD	130.360	31,187,051.57		2.76	2.77
AMERICAN WATER WORKS INC. -	292,071.00	USD	151.090	39,288,646.18		3.48	3.49
AO SMITH CORP -	535,181.00	USD	68.580	32,676,916.83		2.89	2.91
ARTESIAN RESOURCES CORP -A-	39,333.00	USD	46.480	1,627,669.02		0.14	0.14
BADGER METER INC -	174,586.00	USD	99.410	15,451,917.97		1.37	1.37
CALIFORNIA WATER SERVICE GROUP -	385,517.00	USD	56.930	19,540,137.83		1.73	1.74
DANAHER CORPORATION -	145,794.00	USD	274.410	35,619,062.98		3.16	3.17
ENERGY RECOVERY INC -	552,115.00	USD	19.000	9,339,552.17		0.83	0.83
EVOQUA WATER TECHNOLOGIES CORP -	684,382.00	USD	42.660	25,993,354.81		2.30	2.31
FRANKLIN ELECTRIC CO INC -	230,219.00	USD	84.560	17,332,014.46		1.54	1.54
GORMAN-RUPP CO/THE -	122,623.00	USD	37.260	4,067,782.21		0.36	0.36
ITRON INC -	288,140.00	USD	47.670	12,229,018.70		1.08	1.09
LINDSAY MANUFACTURING CO -	166,126.00	USD	131.210	19,406,510.38		1.72	1.73
MIDDLESEX WATER CO -	171,959.00	USD	99.990	15,308,209.05		1.36	1.36
MUELLER WATER PRODUCTS INC -A-	1,371,576.00	USD	12.690	15,496,171.15		1.37	1.38
NORTHWEST PIPE COMPANY -	77,769.00	USD	28.500	1,973,305.29		0.18	0.18
PERKINELMER, INC. -	194,040.00	USD	179.610	31,028,778.85		2.75	2.76
PURE CYCLE CORP -	126,047.00	USD	11.850	1,329,822.78		0.12	0.12
SJW GROUP -	275,108.00	USD	65.220	15,974,486.97		1.42	1.42
STANTEC INC -	259,564.00	CAD	62.990	11,476,774.76		1.02	1.02
THE TORO COMPANY -	375,479.00	USD	93.810	31,360,118.40		2.78	2.79
THERMO ELECTRONIC -	69,645.00	USD	544.000	33,731,196.58		2.99	3.00
VALMONT INDUSTRIES -	110,888.00	USD	216.450	21,369,041.67		1.89	1.90
WATERS CORP -	82,816.00	USD	316.730	23,353,197.72		2.07	2.08
WATTS WATER TECHNOLOGIES INC A	224,760.00	USD	143.950	28,805,379.27		2.55	2.56
XYLEM INC/NY -	435,447.00	USD	88.950	34,484,518.03		3.06	3.07
YORK WATER CO -	53,418.00	USD	44.870	2,133,961.59		0.19	0.19
Total shares				1,128,889,987.05		100.00	100.39
<b>Rights</b>							
<u>Australia</u>							
G.U.D. HOLDINGS LTD -	183,371.00	AUD	0.380	45,017.81		0.00	0.00
Total rights				45,017.81		0.00	0.00
TOTAL SECURITIES PORTFOLIO				1,128,935,004.86		100.00	100.39
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	-9.40	AUD	1.000	-6.07		0.00	0.00
KBC GROUP CAD	2,784.48	CAD	1.000	1,954.55		0.00	0.00
KBC GROUP CHF	-4,865,804.42	CHF	1.000	-4,721,882.21		0.00	-0.42
KBC GROUP EURO	5,899,312.95	EUR	1.000	5,899,312.95		0.00	0.53
KBC GROUP GBP	-7,095,529.60	GBP	1.000	-8,476,163.50		0.00	-0.75
KBC GROUP HKD	1,065,803.55	HKD	1.000	121,440.44		0.00	0.01
KBC GROUP JPY	-782,093,167.00	JPY	1.000	-6,045,652.43		0.00	-0.54
KBC GROUP MXN	10,762.04	MXN	1.000	468.94		0.00	0.00
KBC GROUP SEK	23,664.41	SEK	1.000	2,232.28		0.00	0.00
KBC GROUP SGD	12,097.33	SGD	1.000	7,934.30		0.00	0.00
KBC GROUP USD	12,011,866.47	USD	1.000	10,694,325.56		0.00	0.95
Total demand accounts				-2,516,035.19		0.00	-0.22
TOTAL CASH AT BANK AND IN HAND				-2,516,035.19		0.00	-0.22
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP CHF RECEIVABLE	4,752,945.00	CHF	1.000	4,612,360.98		0.00	0.41
KBC GROUP EUR RECEIVABLE	11,837,356.10	EUR	1.000	11,837,356.10		0.00	1.05
KBC GROUP GBP RECEIVABLE	6,897,024.00	GBP	1.000	8,239,033.08		0.00	0.73
KBC GROUP JPY RECEIVABLE	766,360,000.00	JPY	1.000	5,924,033.60		0.00	0.53
Total receivables				30,612,783.76		0.00	2.72
<b>Payables</b>							
<u>Belgium</u>							

KBC GROUP EUR PAYABLE	-19,971,072.21	EUR	1.000	-19,971,072.21	0.00	-1.78
KBC GROUP USD PAYABLE	-12,504,793.00	USD	1.000	-11,133,184.65	0.00	-0.99
Payables				-31,104,256.86	0.00	-2.77
TOTAL RECEIVABLES AND PAYABLES				-491,473.10	0.00	-0.04
OTHER						
Interest receivable		EUR		562,012.36	0.00	0.05
Expenses payable		EUR		-1,923,781.20	0.00	-0.17
TOTAL OTHER				-1,361,768.84	0.00	-0.12
TOTAL NET ASSETS				1,124,565,727.73	0.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
Australia	0.38	0.36	0.36	0.00
Austria	1.90	2.54	3.42	3.18
Belgium	1.21	1.44	0.10	-0.08
Bermuda	0.14	0.13	0.13	0.10
Brazil	2.46	2.32	0.00	0.00
Canada	0.00	0.00	1.69	1.52
Switzerland	11.60	10.99	11.78	13.38
Chile	0.25	0.28	0.35	0.35
China	0.11	0.12	0.00	0.00
Germany	0.00	0.00	0.14	0.14
Spain	0.00	0.00	0.42	0.69
Finland	0.77	0.78	0.51	0.37
France	2.82	1.97	2.02	1.80
U.K.	11.50	10.21	10.89	11.02
Hong Kong	3.69	3.06	4.41	3.14
India	1.17	2.38	1.63	0.47
Japan	6.81	7.31	5.77	7.09
South Korea	1.59	1.20	1.86	1.82
Netherlands	1.89	2.23	3.63	3.64
Philippines	0.16	0.15	0.16	0.17
Sweden	4.36	4.51	2.95	2.32
Thailand	0.41	0.33	0.00	0.00
U.S.A.	46.78	47.69	47.78	48.88
TOTAL	100.00	100.00	100.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
Cyclicals	51.33	52.51	55.43	53.22
Consum(cycl)	5.51	4.89	4.14	5.73
Cons.goods	0.00	0.00	1.69	1.52
Pharma	9.47	8.23	6.41	6.87
Financials	1.32	1.54	(0.06)	-0.27
Technology	5.55	5.25	5.88	8.10
Telecomm.	1.44	2.13	0.90	1.65
Utilities	25.38	25.45	25.61	23.18
TOTAL	100.00	100.00	100.00	100.00



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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
AUSTRALIAN DOLLAR	0.38	0.36	0.36	0.00
BRASILIAN REAL	2.46	2.32	0.00	0.00
CANADIAN DOLLAR	0.00	0.00	2.60	2.54
SWISS FRANC	6.31	6.28	7.45	7.19
CHILEAN PESO	0.25	0.28	0.35	0.35
EURO	8.51	8.79	10.27	9.81
POUND STERLING	14.33	12.46	12.37	14.35
HONG KONG DOLLAR	3.80	3.19	4.41	3.15
INDIE RUPEE	1.17	2.38	1.63	0.47
JAPANESE YEN	6.84	7.31	5.78	7.08
KOREAN WON	1.59	1.20	1.86	1.82
PESO	0.16	0.15	0.16	0.17
SWEDISH KRONA	4.36	4.51	2.95	2.32
THAI BATH	0.41	0.33	0.00	0.00
US DOLLAR	49.43	50.44	49.81	50.75
TOTAL	100.00	100.00	100.00	100.00

### 2.4.2. Changes in the composition of the assets of KBC Eco Fund Water (in Euro)

	1 <sup>st</sup> half of year
<b>Purchases</b>	224,516,940.86
<b>Sales</b>	155,336,017.10
<b>Total 1</b>	379,852,957.97
<b>Subscriptions</b>	135,042,889.25
<b>Redemptions</b>	60,147,862.64
<b>Total 2</b>	195,190,751.89
<b>Monthly average of total assets</b>	1,183,438,290.57
<b>Turnover rate</b>	15.60%

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

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

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

Nil

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

## Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2020 - 08*	94,453.57	104,359.91	27,835.90	22,086.15	353,087.87	194,208.77	547,296.64
2021 - 08*	99,202.10	38,250.01	40,331.95	72,079.25	411,958.02	160,379.53	572,337.55
2022 - 02*	51,324.34	14,926.59	21,154.18	8,391.48	442,128.18	166,914.65	609,042.83

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2020 - 08*	141,683,180.62	119,920,714.36	41,967,369.52	23,207,685.38
2021 - 08*	183,873,679.59	50,827,898.20	71,308,198.58	87,979,901.43
2022 - 02*	110,400,159.57	23,242,650.46	45,700,455.72	13,137,714.89

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2020 - 08*	740,916,429.71	1,492.66	1,101.28
2021 - 08*	1,173,763,129.67	2,219.90	1,616.53
2022 - 02*	1,116,936,249.98	1,990.59	1,418.92

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

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2020 - 08*	25,951.67		106,728.02		55,406.09		55,406.09
2021 - 08*	7,394.17		59,616.00		3,184.26		3,184.26
2022 - 02*	803.60		326.00		3,661.86		3,661.86

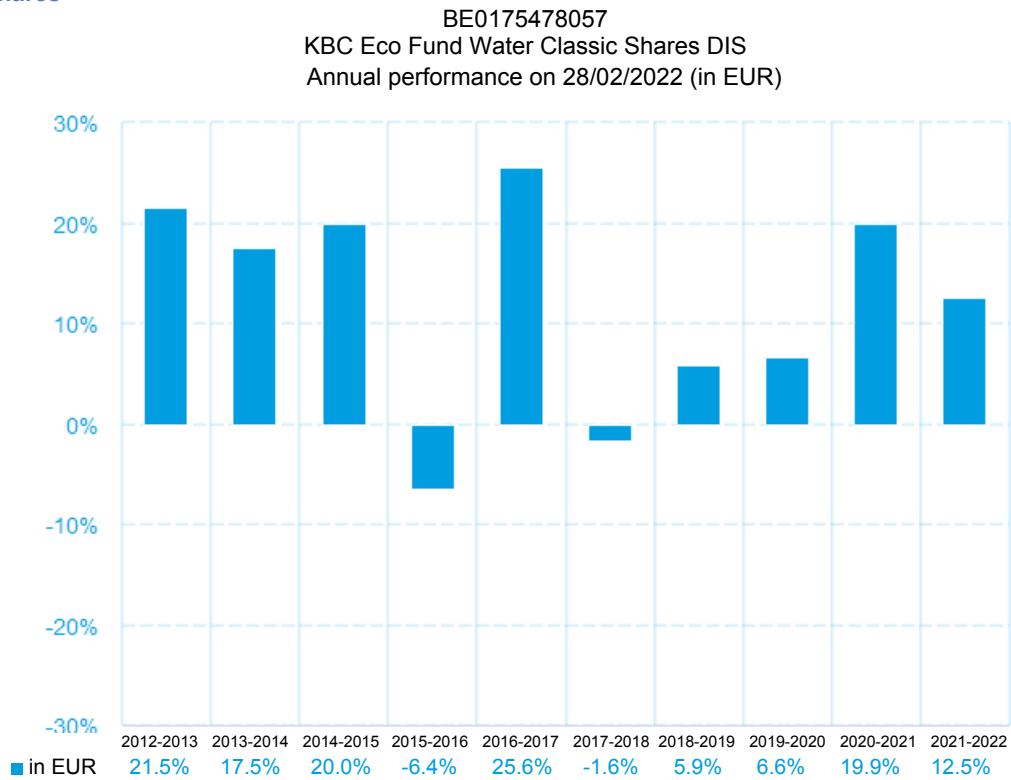
Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2020 - 08*	42,038,842.11		149,743,978.15	
2021 - 08*	13,222,138.09		120,650,043.61	
2022 - 02*	1,813,156.24		735,336.08	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2020 - 08*	84,884,445.60	1,532.04	
2021 - 08*	7,351,673.88	2,308.75	
2022 - 02*	7,629,477.75	2,083.50	

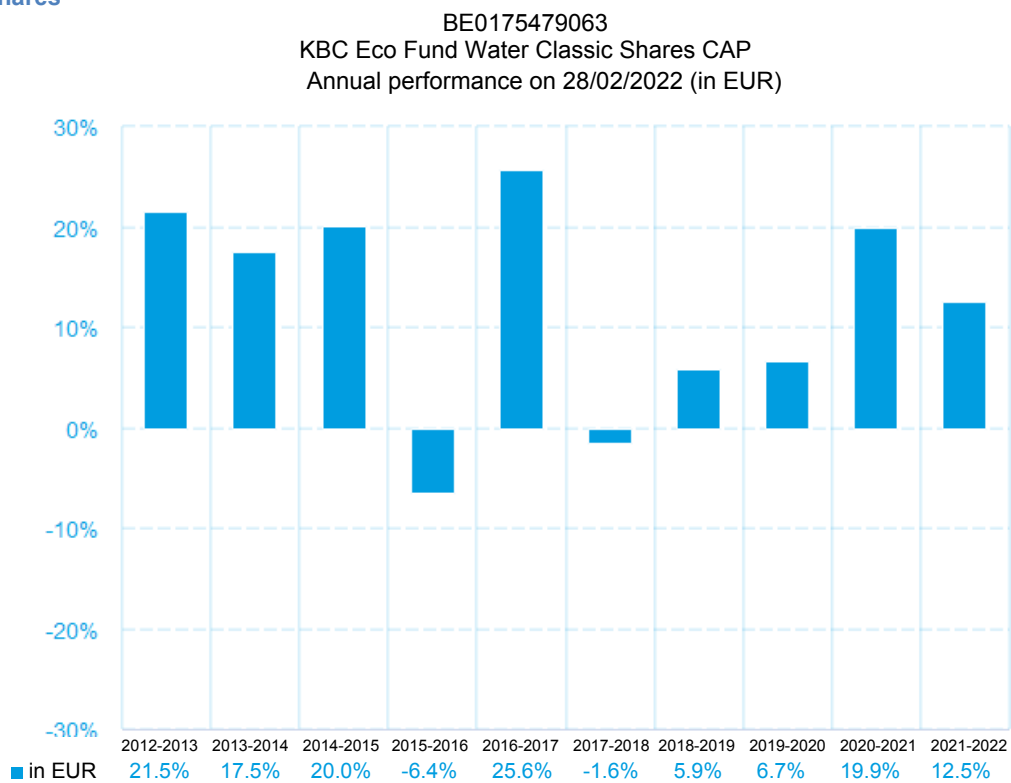
\*The financial year does not coincide with the calendar year.

## 2.4.5. Performance figures

### Classic Shares



### Classic Shares



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE0175478057	EUR	12.54%		12.90%		8.44%		11.68%		01/12/2000	6.70%
CAP	BE0175479063	EUR	12.54%		12.91%		8.45%		11.70%		01/12/2000	6.72%

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

\* Return on annual basis.

### Classic Shares

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

#### Capitalisation units (CAP)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

#### Distribution units (DIV)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

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

For dividend i on date Di with value Wi:

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

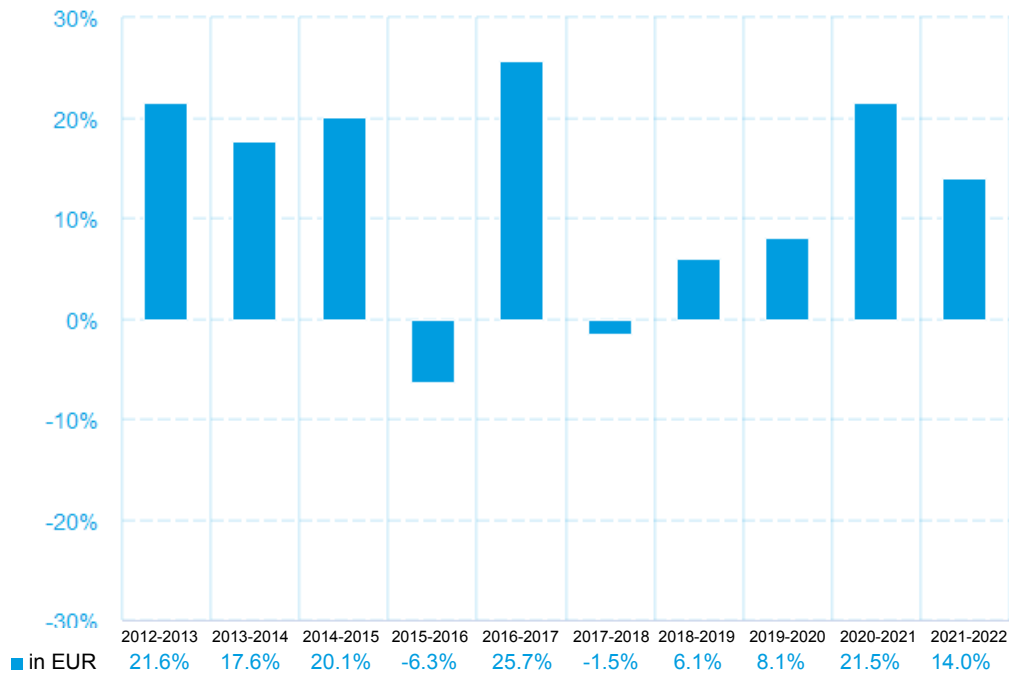
i = 1 ... N

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

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

## Institutional B Shares

BE6228912570  
KBC Eco Fund Water Institutional B Shares CAP  
Annual performance on 28/02/2022 (in EUR)



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6228912570	EUR	14.04%		14.39%		9.36%		12.20%		25/11/2011	13.87%

Risk warning: Past performance is not a guide to future performance.  
\* Return on annual basis.

## Institutional B Shares

- The bar chart shows the performance for full financial years (period of 12 months prior to the half-yearly closing).
- The figures do not take account of any restructuring..
- Calculated in EUR.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\left[ \frac{NIW(D)}{NIW(Y)} \right]^{1/X} - 1$$
where Y = D-X  
Return on date D since the start date S of the unit:  
$$\left[ \frac{NIW(D)}{NIW(S)} \right]^{1/F} - 1$$
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### *Ongoing Charges and Transaction costs:*

#### *Classic Shares Distribution :*

Ongoing charges : 1,769%

Transaction costs: 0,057%

#### *Classic Shares Capitalisation :*

Ongoing charges : 1,766%

Transaction costs: 0,057%

#### *Institutional B Shares Capitalisation :*

Ongoing charges : 0,449%

Transaction costs: 0,057%

Percentage calculated at reporting date: 28 February 2022 (period of 12 months prior to the half-yearly closing).

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

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

### *Existence of Commission Sharing Agreements*

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

No CSA accrual during this period.

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

The management company has shared 53,40% of its fee with the distributor, and institutional and/or professional parties.

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

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

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

### Classic Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	-	-
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	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Fee paid to the independent directors	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Annual tax	See prospectus General Part : '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.

### Institutional B Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	-	-
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	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Fee paid to the independent directors	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Annual tax	See prospectus General Part : '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.

### Anti-dilution levy

During the past reporting period, no anti-dilution levy, as described in the general information on the Bevek of this report, under title 1.2.1.9. *Non-recurring fees and charges borne by the investor*, was charged in favor of this sub-fund.

### ***Exercising voting rights***

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

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

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

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



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## 2. Information on KBC Eco Fund World

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

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

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

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

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

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

#### 2.1.2. Stock exchange listing

Not applicable.

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

##### Object of the sub-fund

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

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

###### *Permitted asset classes*

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

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

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

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

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

###### *Permitted derivatives transactions*

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

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

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

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

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

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

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

## Strategy selected

The assets are invested in the shares of companies in all sectors worldwide that outperform their peers in managing the environmental impact of both their production process and their end product.

Within the above limits, the sub-fund invests in socially responsible assets. Socially Responsible Investing (SRI), has a positive impact on society, the environment and the world we live in. It is aligned with today's social and economic needs, without jeopardising the needs of future generations. The sub-fund promotes a combination of environmental and social characteristics, but does not have the objective of investing in economic activities that contribute to the achievement of environmental or social objectives. The companies in which it invests must follow good governance practices.

Specialised researchers of KBC Asset Management NV compile a universe of socially responsible companies. They are assisted by an advisory board (i.e. the 'SRI 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 methodology and activities of the specialist researchers of KBC Asset Management NV. The secretariat of the advisory board is provided by a representative of KBC Asset Management NV. Moreover, KBC Asset Management NV works with a data supplier with expertise in SRI that provides data to the specialised researchers, who process and complete the data with publicly available information (including annual reports, press publications, etc.).

The fund manager then strives to invest as much as possible in assets that form part of this universe. In order to create this socially responsible universe, the companies are subjected to a negative and positive screening procedure.

### Negative screening

Negative screening entails specific criteria that exclude companies in advance from the socially responsible universe.

On top of the exclusion criteria set out under 'Social, ethical and environmental aspects', the companies are assessed against additional SRI exclusion criteria which are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Exclusion policies for socially responsible investment funds.

The most important exclusion criteria relate on the one hand to controversial activities (tobacco, gambling, weapons, fur and speciality leather and adult entertainment). Companies involved in such controversial activities are excluded. On the other hand, the screening for controversies ensures that companies who seriously violate the basic principles in terms of the environment, social aspects or good governance are excluded. This list is not exhaustive and can be adapted under the supervision of the Advisory Board.

### Positive screening

Positive screening entails comparing a number of SRI criteria between companies within the same industry. Based on these criteria, companies belonging to the best-in-class of their group are included in the socially responsible universe.

The companies are selected based on a series of criteria which are tested as much as possible against objective measures, such as internationally recognised indicators. The advisory board supervises any changes to the list of criteria at all times. During the initial subscription period, the main criteria used are the following:

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

This list is not exhaustive and may be changed under the supervision of the advisory board.

The sub-sector in which the company operates will determine which criteria are most relevant for this positive screening but good governance will always be taken into account.

Moreover, only those companies that perform best in terms of the environment will be selected.

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 socially responsible after purchase on the basis of the above criteria;
- corporate events, such as a merger of one company with another, where the merged company can no longer be considered a socially responsible company on the basis of the above criteria;
- incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets that do not have a socially responsible nature;
- a planned update of the socially responsible universe in which assets are no longer labelled as socially responsible but in which the fund manager chooses not to sell them immediately in the interest of the customer due to transaction charges.

In these cases, the fund manager will replace the assets concerned with socially responsible 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 which are not of a socially responsible nature to the extent that no workable and comparable socially responsible alternative is available on the market for these derivatives. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a socially responsible nature.

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

However, it 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 socially responsible character of the portfolio. The socially responsible character is guaranteed by the aforementioned SRI screening.

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.

#### 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.**

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

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

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

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

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

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

## **2.1.4. Financial portfolio management**

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

## **2.1.5. Distributors**

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

## **2.1.6. Index and benchmark**

See 'Sub-fund's investment policy'.

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

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

## **2.1.8. Future policy**

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

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

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

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

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

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

## 2.2. Balance sheet

Balance sheet layout		28/02/2022 (in Euro)	28/02/2021 (in Euro)
	<b>TOTAL NET ASSETS</b>	234,608,798.44	276,935,500.77
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
a)	Shares	235,651,869.06	276,600,832.32
D.	Other securities		2.81
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
a)	Accounts receivable	5,665,967.96	36,722.62
B.	Payables		
a)	Accounts payable (-)	-9,974,108.18	-22,291.34
c)	Borrowings (-)	-1,282,813.25	-7,155.73
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	4,621,004.15	348,076.90
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	197,863.84	220,570.05
C.	Accrued expense (-)	-270,985.14	-241,256.86
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	234,608,798.44	276,935,500.77
<b>A.</b>	<b>Capital</b>	243,101,502.07	252,483,838.32
<b>B.</b>	<b>Income equalization</b>	-93,447.49	102,641.98
<b>D.</b>	<b>Result of the period</b>	-8,399,256.14	24,349,020.47



## 2.3. Profit and loss account

Income Statement		28/02/2022 (in Euro)	28/02/2021 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	-15,039,691.82	27,531,959.14
D.	Other securities		-0.02
G.	Receivables, deposits, cash at bank and in hand and payables		-0.01
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	7,527,921.94	-2,651,790.51
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	51,211,108.54	15,572,019.75
	Unrealised gains on investments	-43,435,815.43	14,515,589.52
	Realised losses on investments	-5,529,349.11	-8,718,983.21
	Unrealised losses on investments	-9,757,713.88	3,511,542.54
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	1,390,728.10	1,600,189.59
B.	Interests		
	b) Cash at bank and in hand and deposits	59.92	70.78
C.	Interest on borrowings (-)	-2,119.63	-2,223.81
<b>III.</b>	<b>Other income</b>		
A.	Income received to cover the acquisition and realization of assets, to discourage withdrawals and for delivery charges	48,020.46	33,397.61
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-148,111.33	-105,067.76
B.	Financial expenses (-)	-582.30	-192.85
C.	Custodian's fee (-)	-52,769.31	-48,430.28
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-828,037.12	-554,989.24
	Institutional Shares	-1,119,610.90	-1,293,553.08
	b) Administration and accounting management	-129,843.26	-123,236.22
E.	Administrative expenses (-)	-1,000.00	-1,001.11
F.	Formation and organisation expenses (-)	-1,759.13	-3,972.38
G.	Remuneration, social security charges and pension	-2,725.30	-2,406.44
H.	Services and sundry goods (-)	-5,951.59	10,513.43
J.	Taxes		
	Classic Shares	-47,696.69	-34,001.23
	Institutional Shares	-5,801.24	-12,716.53
L.	Other expenses (-)	19,713.06	6,471.39
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-887,486.26	-531,148.13
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	-8,399,256.14	24,349,020.47
<b>VII.</b>	<b>Result of the period</b>	-8,399,256.14	24,349,020.47

## 2.4. Composition of the assets and key figures

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

Name	Quantity on 28/02/2022	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Argentina</u>							
MERCADOLIBRE INC -	2,502.00	USD	1,126.650	2,509,685.10		1.07	1.07
<u>Australia</u>							
COLES GROUP LTD -	7,145.00	AUD	17.380	80,227.29		0.03	0.03
FORTESCUE METALS GROUP -	40,072.00	AUD	18.150	469,880.86		0.20	0.20
GOODMAN GROUP -	1,738.00	AUD	22.230	24,960.85		0.01	0.01
INSURANCE AUSTRALIA GR LTD -	147,673.00	AUD	4.600	438,863.07		0.19	0.19
QBE INSURANCE GROUP LTD -	64,340.00	AUD	11.490	477,607.56		0.20	0.20
RAMSAY HEALTH CARE LTD -	20,677.00	AUD	63.970	854,543.12		0.36	0.36
SUNCORP GROUP LTD -	12,060.00	AUD	10.770	83,913.75		0.04	0.04
SYDNEY AIRPORT -	5,464.00	AUD	8.720	30,782.03		0.01	0.01
<u>Austria</u>							
ERSTE GROUP BANK AG -	23,796.00	EUR	31.990	761,234.04		0.32	0.32
<u>Belgium</u>							
AGEAS NV -	1,480.00	EUR	42.980	63,610.40		0.03	0.03
KBC GROUP -	13,777.00	EUR	64.520	888,892.04		0.38	0.38
<u>Bermuda</u>							
EVEREST RE GROUP LTD -	351.00	USD	298.220	93,193.75		0.04	0.04
<u>Canada</u>							
AGNICO EAGLE MINES -	10,906.00	CAD	64.240	491,784.48		0.21	0.21
AIR CANADA -A-	48,910.00	CAD	23.950	822,255.85		0.35	0.35
BANK OF NOVA SCOTIA -	19,845.00	CAD	91.850	1,279,481.63		0.54	0.55
HYDRO ONE LTD -	50,014.00	CAD	31.300	1,098,853.31		0.47	0.47
IGM FINANCIAL INC -	19,929.00	CAD	45.030	629,928.48		0.27	0.27
LUNDIN MINING CORP -	43,631.00	SEK	88.400	363,832.23		0.15	0.16
LUNDIN MINING CORP -	19,812.00	CAD	12.230	170,082.08		0.07	0.07
NAT. BK CANADA -	21,735.00	CAD	101.630	1,550,548.52		0.66	0.66
ROYAL BK CANADA -	37,595.00	CAD	140.210	3,700,094.96		1.57	1.58
SILVER WHEATON CORP -	6,074.00	CAD	55.540	236,801.50		0.10	0.10
SUN LIFE FINANCIAL INC -	12,192.00	CAD	66.660	570,484.77		0.24	0.24
TORONTO DOMINION BK -	36,305.00	CAD	102.280	2,606,519.34		1.11	1.11
WSP GLOBAL INC -	7,908.00	CAD	155.510	863,234.47		0.37	0.37
YAMANA GOLD INC -	13,070.00	CAD	6.230	57,156.74		0.02	0.02
<u>Denmark</u>							
AP MOELLER - MAERSK A/S -	15.00	DKK	19,900.000	40,129.34		0.02	0.02
DSV PANALPINA A S -	5,474.00	DKK	1,227.000	902,956.89		0.38	0.39
NOVO NORDISK A/S B	23,650.00	DKK	682.100	2,168,686.89		0.92	0.92
<u>Finland</u>							
NORDEA BANK ABP -	76,084.00	EUR	9.948	756,883.63		0.32	0.32
<u>France</u>							
ACCOR -	7,515.00	EUR	30.590	229,883.85		0.10	0.10
ALSTOM -	11,173.00	EUR	22.900	255,861.70		0.11	0.11
AMUNDI SA -	1,287.00	EUR	62.400	80,308.80		0.03	0.03
AXA -	12,484.00	EUR	24.275	303,049.10		0.13	0.13
CAPGEMINI SA -	1,054.00	EUR	188.300	198,468.20		0.08	0.09
EURAZEO (PAR)	640.00	EUR	69.250	44,320.00		0.02	0.02
FAURECIA (MIL)	834.00	EUR	34.490	28,764.66		0.01	0.01
FAURECIA (PAR)	4,968.00	EUR	34.050	169,160.40		0.07	0.07
GECINA REG	7,917.00	EUR	113.500	898,579.50		0.38	0.38
HERMES INTL. (PAR)	377.00	EUR	1,242.000	468,234.00		0.20	0.20
IPSEN -	917.00	EUR	104.250	95,597.25		0.04	0.04
KERING -	393.00	EUR	637.100	250,380.30		0.11	0.11
L'OREAL -	2,382.00	EUR	355.000	845,610.00		0.36	0.36
LEGRAND (PAR)	1,444.00	EUR	84.820	122,480.08		0.05	0.05
MICHELIN (PAR)	8,199.00	EUR	124.000	1,016,676.00		0.43	0.43
PUBLICIS GROUPE SA -	37,018.00	EUR	59.640	2,207,753.52		0.94	0.94
SARTORIUS STEDIM BIOTECH -	53.00	EUR	394.200	20,892.60		0.01	0.01
STMICROELECTRONICS NV -	24,817.00	EUR	37.940	941,556.98		0.40	0.40

TELEPERFORMANCE -	1,378.00	EUR	331.900	457,358.20		0.19	0.20
UBI SOFT ENTERTAINMENT -	9,415.00	EUR	48.350	455,215.25		0.19	0.19
UNIBAIL-RODAMCO SE -	1,846.00	EUR	67.880	125,306.48		0.05	0.05
VIVENDI SA -	24,765.00	EUR	11.310	280,092.15		0.12	0.12
WENDEL INVESTISSEMENT (PAR)	1,432.00	EUR	91.050	130,383.60		0.06	0.06
<u>Germany</u>							
ADIDAS AG -	179.00	EUR	212.050	37,956.95		0.02	0.02
ALLIANZ AG REG	4,864.00	EUR	203.300	988,851.20		0.42	0.42
DEUTSCHE LUFTHANSA AG REG	32,640.00	EUR	6.874	224,367.36		0.10	0.10
DEUTSCHE POST AG -	29,717.00	EUR	45.160	1,342,019.72		0.57	0.57
DEUTSCHE TELEKOM INT FIN REG	21,354.00	EUR	16.030	342,304.62		0.14	0.15
KNORR-BREMSE AG -	6,775.00	EUR	79.000	535,225.00		0.23	0.23
MERCK KGAA -	859.00	EUR	177.550	152,515.45		0.07	0.07
SAP AG -	656.00	EUR	101.320	66,465.92		0.03	0.03
SCOUT24 AG -	12,096.00	EUR	52.200	631,411.20		0.27	0.27
SIEMENS ENERGY AG -	35,100.00	EUR	20.840	731,484.00		0.31	0.31
TELEFONICA DEUTSCHLAND HOLDING -	197,565.00	EUR	2.445	483,046.43		0.21	0.21
VONOVIA SE -	3,868.00	EUR	47.500	183,730.00		0.08	0.08
ZALANDO SE -	857.00	EUR	59.580	51,060.06		0.02	0.02
<u>Hong Kong</u>							
AIA GROUP LTD -	90,800.00	HKD	81.250	840,611.62		0.36	0.36
CK HUTCHISON HOLDINGS LTD -	60,000.00	HKD	54.750	374,301.48		0.16	0.16
HANG SENG BANK LTD. -	7,600.00	HKD	144.200	124,871.99		0.05	0.05
HONG KONG EXCHANGES & CLEARING LTD. -	11,200.00	HKD	377.600	481,876.98		0.20	0.21
<u>Ireland</u>							
C.R.H. PLC -	20,616.00	EUR	40.610	837,215.76		0.36	0.36
DCC PLC -	3,424.00	GBP	58.600	239,687.77		0.10	0.10
<u>Italy</u>							
FINECOBANK BANCA FINECO SPA -	32,416.00	EUR	14.925	483,808.80		0.21	0.21
TELECOM ITALIA SPA (MIL)	289,689.00	EUR	0.378	109,473.47		0.05	0.05
UNICREDIT SPA -	17,270.00	EUR	11.388	196,670.76		0.08	0.08
<u>Japan</u>							
AEON CO LTD. -	29,400.00	JPY	2,597.500	590,320.10		0.25	0.25
ASTELLAS PHARMA INC -	5,800.00	JPY	1,918.500	86,015.06		0.04	0.04
DAI NIPPON PRINTNG -	25,400.00	JPY	2,987.000	586,480.56		0.25	0.25
DAIFUKU CO LTD -	1,900.00	JPY	8,260.000	121,316.07		0.05	0.05
DAIWA HOUSE -	26,800.00	JPY	3,269.000	677,227.21		0.29	0.29
EAST JAPAN RAILWAY -	10,400.00	JPY	6,810.000	547,476.06		0.23	0.23
FANUC CORP -	600.00	JPY	21,155.000	98,118.06		0.04	0.04
FAST RETAILING CO LTD. -	2,600.00	JPY	61,830.000	1,242,674.19		0.53	0.53
IDEMITSU KOSAN CO LTD -	1.00	JPY	3,080.000	23.81		0.00	0.00
KAO CORP -	19,700.00	JPY	5,380.000	819,281.57		0.35	0.35
KUBOTA CORP -	14,800.00	JPY	2,062.000	235,903.87		0.10	0.10
MITSUBISHI UFJ FINANCIAL GROUP -	16,800.00	JPY	712.800	92,568.17		0.04	0.04
MURATA MANUFACTURING CO -	6,000.00	JPY	7,787.000	361,165.38		0.15	0.15
NABTESCO CORP -	43,200.00	JPY	3,160.000	1,055,250.37		0.45	0.45
NGK INSULATORS -	10,100.00	JPY	1,780.000	138,971.60		0.06	0.06
NINTENDO CO -	200.00	JPY	58,020.000	89,699.99		0.04	0.04
OMRON CORP -	5,800.00	JPY	7,760.000	347,916.00		0.15	0.15
PEPTIDREAM INC -	20,000.00	JPY	2,034.000	314,460.16		0.13	0.13
RAKUTEN INC -	28,600.00	JPY	974.000	215,332.55		0.09	0.09
SANTEN PHARMACEUTICAL CO LTD -	21,500.00	JPY	1,304.000	216,720.87		0.09	0.09
SONY CORP -	19,300.00	JPY	11,810.000	1,761,943.15		0.75	0.75
SUMITOMO MITSUI TRUST HOLD INC -	1,100.00	JPY	4,110.000	34,947.75		0.02	0.02
TAKEDA PHARMACEUTICAL CO LTD -	3,400.00	JPY	3,501.000	92,014.38		0.04	0.04
TDK CORP -	9,300.00	JPY	4,600.000	330,693.35		0.14	0.14
TOKYO ELECTRON -	1,600.00	JPY	55,770.000	689,771.60		0.29	0.29
YAMAHA MOTORS -	4,600.00	JPY	2,576.000	91,598.50		0.04	0.04
YOKOGAWA ELECTRIC CORP -	18,900.00	JPY	1,845.000	269,552.19		0.11	0.12
<u>Netherlands</u>							
A.K.Z.O. NOBEL -	6,029.00	EUR	85.000	512,465.00		0.22	0.22
ABN AMRO GROUP N.V. -	10,362.00	EUR	11.862	122,914.04		0.05	0.05
AEGON -	26,508.00	EUR	4.415	117,032.82		0.05	0.05
ASM INTERNATIONAL -	1,929.00	EUR	288.200	555,937.80		0.24	0.24
ASML HOLDING NV -	1,987.00	EUR	598.900	1,190,014.30		0.51	0.51
ING GROEP NV -	8,223.00	EUR	10.498	86,325.05		0.04	0.04
KONINKLIJKE D.S.M. NV (AMS)	3,724.00	EUR	167.300	623,025.20		0.26	0.27
NN GROUP NV -	32,549.00	EUR	42.780	1,392,446.22		0.59	0.59
NXP SEMICONDUCTOR NV -	16,298.00	USD	190.120	2,758,703.49		1.17	1.18
<u>New Zealand</u>							
FISHER & PAYKEL HEALTHCARE CORP. -	2,404.00	NZD	27.510	39,847.05		0.02	0.02
MERIDIAN ENERGY LTD -	295,521.00	NZD	4.995	889,395.67		0.38	0.38
<u>Norway</u>							
ADEVINTA ASA B	43,493.00	NOK	94.460	415,949.91		0.18	0.18
DNB BANK ASA -	55,459.00	NOK	197.100	1,106,706.31		0.47	0.47
STATOILHYDRO ASA -	94,646.00	NOK	83.560	800,708.47		0.34	0.34
YARA INTL ASA -	4,002.00	NOK	448.000	181,521.82		0.08	0.08

<u>Singapore</u>							
DBS GROUP HOLDINGS LTD -	26,400.00	SGD	33.820	585,593.97		0.25	0.25
UNITED OVERSEAS BANK LTD. -	20,700.00	SGD	29.910	406,074.60		0.17	0.17
VENTURE CORP LTD -	25,400.00	SGD	17.530	292,034.86		0.12	0.12
<u>Spain</u>							
CAIXABANK SA -	236,356.00	EUR	2.940	694,886.64		0.30	0.30
<u>Sweden</u>							
ATLAS COPCO AB A	6,282.00	SEK	494.400	292,974.70		0.12	0.13
BOLIDEN AB -	5,949.00	SEK	423.500	237,657.28		0.10	0.10
HUSQVARNA AB -B-	2,333.00	SEK	114.450	25,187.45		0.01	0.01
INDUSTRIVARDEN AB -	5,559.00	SEK	263.200	138,018.18		0.06	0.06
KINNEVIK AB -B-	11,255.00	SEK	243.100	258,097.73		0.11	0.11
NIBE INDUSTRIER AB -	11,870.00	SEK	84.920	95,085.53		0.04	0.04
SANDVIK FRIA -	58,714.00	SEK	206.900	1,145,924.20		0.49	0.49
SKANDINAVISKA ENSKILDA A	49,170.00	SEK	109.700	508,815.77		0.22	0.22
SKANSKA AB B	14,868.00	SEK	215.500	302,241.13		0.13	0.13
SVENSKA HANDBK A	4,863.00	SEK	90.800	41,652.77		0.02	0.02
<u>Switzerland</u>							
BANQUE CANTONALE VAUDOISE -	3,754.00	CHF	78.500	285,972.60		0.12	0.12
CHOCOLADEFABRIKEN LINDT-REG -	30.00	CHF	9,775.000	284,576.16		0.12	0.12
FERGUSON PLC -	1,819.00	GBP	114.150	248,040.80		0.11	0.11
GEBERIT AG -	229.00	CHF	601.400	133,647.06		0.06	0.06
KUEHNE & NAGEL INT'L AG -	1,461.00	CHF	251.400	356,431.43		0.15	0.15
LOGITECH INTERNATIONAL SA REG	1,743.00	CHF	68.900	116,540.56		0.05	0.05
LONZA AG -	1,508.00	CHF	637.400	932,768.56		0.40	0.40
NESTLE AG REG	6,527.00	CHF	119.780	758,679.63		0.32	0.32
ROCHE HOLDING GENOTS	6,585.00	CHF	349.850	2,235,620.88		0.95	0.95
SIKA FINANZ AG -	2,426.00	CHF	306.000	720,398.37		0.31	0.31
SWISS RE -	7,531.00	CHF	87.820	641,810.15		0.27	0.27
TE CONNECTIVITY LTD -	3,289.00	USD	142.430	417,069.33		0.18	0.18
<u>U.K.</u>							
ASHTAD GROUP PLC -	7,740.00	GBP	48.760	450,836.60		0.19	0.19
ASTRAZENECA PLC -	7,777.00	GBP	90.590	841,602.21		0.36	0.36
AUTO TRADER GROUP PLC -	42,626.00	GBP	6.630	337,600.14		0.14	0.14
BURBERRY GROUP PLC -	25,193.00	GBP	19.400	583,843.06		0.25	0.25
COMPASS GROUP -	14,636.00	GBP	16.940	296,176.31		0.13	0.13
CRODA INTERNATIONAL -	271.00	GBP	74.840	24,228.00		0.01	0.01
DIAGEO -	23,668.00	GBP	37.250	1,053,179.38		0.45	0.45
INFORMA PLC -	57,635.00	GBP	5.944	409,241.44		0.17	0.17
LINDE PLC -	7,574.00	USD	293.240	1,977,385.83		0.84	0.84
LONDON STOCK EXCHANGE GRP PLC -	10,776.00	GBP	65.740	846,256.06		0.36	0.36
ROYAL BANK OF SCOTLAND GROUP PLC -	246,961.00	GBP	2.297	677,647.56		0.29	0.29
SEGRO PLC -	41,833.00	GBP	13.015	650,395.75		0.28	0.28
UNILEVER PLC -	11,666.00	GBP	37.465	522,110.25		0.22	0.22
UNITED UTILITIES WATER PLC -	28,723.00	GBP	10.745	368,680.97		0.16	0.16
WHITBREAD HOLDINGS PLC -	2,575.00	GBP	29.240	89,943.36		0.04	0.04
WPP GROUP PLC -	156,172.00	GBP	10.575	1,972,868.13		0.84	0.84
3IGROUP -	13,529.00	GBP	13.355	215,836.11		0.09	0.09
<u>U.S.A.</u>							
ACCENTURE LTD A	3,268.00	USD	316.020	919,474.15		0.39	0.39
ADOBE SYSTEMS -	3,303.00	USD	467.680	1,375,308.97		0.58	0.59
ADVANC MICRO DEVICES -	27,890.00	USD	123.340	3,062,635.86		1.30	1.31
AGILENT TECHNOLOGIES -	19,925.00	USD	130.360	2,312,520.48		0.98	0.99
ALIGN TECHNOLOGY INC -	3,446.00	USD	511.460	1,569,169.48		0.67	0.67
ALLSTATE CORPORATION -	28,016.00	USD	122.360	3,052,027.92		1.30	1.30
AMERICAN EXPRESS -	2,426.00	USD	194.540	420,187.00		0.18	0.18
ANSYS INC -	325.00	USD	324.190	93,804.98		0.04	0.04
ANTHEM INC -	379.00	USD	451.850	152,467.19		0.07	0.07
AO SMITH CORP -	1,631.00	USD	68.580	99,585.10		0.04	0.04
APPLIED MATERIALS -	14,636.00	USD	134.200	1,748,710.11		0.74	0.75
APTIV PLC -	9,061.00	USD	129.440	1,044,209.26		0.44	0.45
AUTOMATIC DATA PROCESSING, INC. -	1,991.00	USD	204.440	362,393.20		0.15	0.15
AUTOZONE INC. -	729.00	USD	1,863.390	1,209,411.78		0.51	0.52
BEST BUY -	18,578.00	USD	96.640	1,598,449.00		0.68	0.68
BOOKING HOLDINGS INC -	868.00	USD	2,172.250	1,678,697.47		0.71	0.72
BOSTON SCIENTIFIC -	10,190.00	USD	44.170	400,723.20		0.17	0.17
BRISTOL-MYERS SQUIBB CO -	45,770.00	USD	68.670	2,798,278.04		1.19	1.19
CADENCE DESIGN SYSTEMS -	428.00	USD	151.430	57,703.03		0.02	0.03
CATALENT INC -	1,309.00	USD	102.040	118,919.48		0.05	0.05
CDW CORP/DE -	5,303.00	USD	172.460	814,240.90		0.35	0.35
CIGNA CORP. -	6,023.00	USD	237.780	1,275,061.38		0.54	0.54
CISCO SYSTEMS INC -	62,632.00	USD	55.770	3,109,852.78		1.32	1.33
CROWDSTRIKE HOLDINGS INC -	10,016.00	USD	195.210	1,740,761.54		0.74	0.74
DELL TECHNOLOGIES INC -	58,300.00	USD	50.960	2,645,092.59		1.12	1.13
DIGITAL INSIGHT -	2,556.00	USD	134.920	307,029.49		0.13	0.13
DOVER CORPORATION -	9,152.00	USD	156.860	1,278,118.52		0.54	0.55
EBAY INC. -	39,662.00	USD	54.590	1,927,660.77		0.82	0.82
EDWARDS LIFESCIENCES CORP. -	9,342.00	USD	112.370	934,615.87		0.40	0.40

ELECTRONIC ARTS -	14,924.00	USD	130.090	1,728,510.65		0.73	0.74
ESTEE LAUDER -	6,567.00	USD	296.330	1,732,549.07		0.74	0.74
ETSY INC -	1,034.00	USD	154.890	142,589.26		0.06	0.06
FIFTH THIRD BANCORPORATION -	52,921.00	USD	47.840	2,254,042.59		0.96	0.96
FOX CORP CLASS B	40,873.00	USD	38.260	1,392,272.95		0.59	0.59
GILEAD SCIENCES -	10,127.00	USD	60.400	544,578.70		0.23	0.23
HARTFORD FIN.SERV.GR. -	14,402.00	USD	69.480	890,892.95		0.38	0.38
HCA HEALTHCARE INC -	9,732.00	USD	250.310	2,168,818.48		0.92	0.92
HEWLETT PACKARD -	108,057.00	USD	34.360	3,305,589.85		1.40	1.41
HEWLETT PACKARD ENTERPRISE CO -	83,891.00	USD	15.920	1,189,053.35		0.51	0.51
HILTON WORLDWIDE HOLDINGS INC -	7,003.00	USD	148.860	928,121.96		0.39	0.40
ILLUMINA INC -	875.00	USD	326.600	254,429.31		0.11	0.11
INTERPUBLIC GROUP -	68,711.00	USD	36.800	2,251,215.10		0.96	0.96
INTUIT INC -	4,306.00	USD	474.370	1,818,587.27		0.77	0.78
JOHNSON CONTROLS INC -	8,257.00	USD	64.960	477,541.60		0.20	0.20
KEYSIGHT TECHNOLOGIES INC -	5,908.00	USD	157.370	827,761.72		0.35	0.35
LOWE'S CIE -	14,243.00	USD	221.060	2,803,202.97		1.19	1.20
MARSH & MCLENNAN CO -	2,140.00	USD	155.410	296,098.11		0.13	0.13
MCGRAW HILL FINANCIAL INC -	10,608.00	USD	375.700	3,548,277.78		1.51	1.51
MERCK & CO -	805.00	USD	76.580	54,885.06		0.02	0.02
METLIFE INC. -	31,127.00	USD	67.550	1,871,998.62		0.79	0.80
METTLER-TOLEDO INTERNATIONAL INC -	1,475.00	USD	1,408.740	1,849,974.63		0.79	0.79
MICRON TECHNOLOGY -	15,330.00	USD	88.860	1,212,806.09		0.52	0.52
MICROSOFT CORP -	37,757.00	USD	298.790	10,043,993.97		4.26	4.28
MOHAWK INDUSTRIES INC -	11,752.00	USD	140.780	1,472,975.93		0.63	0.63
MONDELEZ INTERNATIONAL INC A	6,679.00	USD	65.480	389,370.48		0.17	0.17
MOODY S CORP -	4,279.00	USD	322.030	1,226,821.91		0.52	0.52
MORGAN STANLEY -	40,289.00	USD	90.740	3,254,828.94		1.38	1.39
MSCI INC -	747.00	USD	501.690	333,656.01		0.14	0.14
NEWMONT GOLDCORP CORP -	37,188.00	USD	66.200	2,191,814.10		0.93	0.93
NIKE B	9,451.00	USD	136.550	1,148,979.75		0.49	0.49
NUTRIEN LTD -	5,194.00	CAD	109.010	397,440.46		0.17	0.17
NVIDIA CORP NAS	21,972.00	USD	243.850	4,770,185.36		2.02	2.03
OLD DOMINION FREIGHT LINE INC -	1,964.00	USD	314.030	549,105.16		0.23	0.23
ORACLE CORP -	1,899.00	USD	75.970	128,442.87		0.06	0.06
OWENS CORNING -	20,366.00	USD	93.190	1,689,732.50		0.72	0.72
PALO ALTO NETWORKS INC -	2,436.00	USD	594.250	1,288,811.43		0.55	0.55
PAYPAL HOLDINGS INC -	10,251.00	USD	111.930	1,021,540.63		0.43	0.44
PEPSICO INC -	16,592.00	USD	163.740	2,418,780.34		1.03	1.03
PERKINELMER, INC. -	5,227.00	USD	179.610	835,845.33		0.36	0.36
PNC FINANCIAL SERVICES GROUP -	10,392.00	USD	199.250	1,843,488.25		0.78	0.79
PROLOGIS TRUST -	6,278.00	USD	145.850	815,212.16		0.35	0.35
PRUDENTIAL FINANCIAL INC -	16,917.00	USD	111.660	1,681,759.46		0.71	0.72
REGENRON PHARMACEUTICALS -	5,308.00	USD	618.360	2,922,235.47		1.24	1.25
REGIONS FINANCIAL CORPORATION -	95,800.00	USD	24.190	2,063,214.03		0.88	0.88
ROLLINS INC -	18,664.00	USD	32.630	542,206.48		0.23	0.23
SALESFORCE.COM INC. -	12,319.00	USD	210.530	2,309,044.76		0.98	0.98
SEI INVESTMENTS CO -	8,607.00	USD	58.580	448,894.28		0.19	0.19
SNAP INC -	70,124.00	USD	39.940	2,493,547.51		1.06	1.06
STANLEY WORKS -	13,136.00	USD	162.700	1,902,801.99		0.81	0.81
STARBUCKS CORP -	37,803.00	USD	91.790	3,089,331.70		1.31	1.32
SYSCO CORPORATION -	1,056.00	USD	87.100	81,888.89		0.04	0.04
TARGET CORP -	3,301.00	USD	199.770	587,108.95		0.25	0.25
TRACTOR SUPPLY COMPANY -	6,222.00	USD	203.790	1,128,900.80		0.48	0.48
TRANE TECHNOLOGIES PLC -	21,657.00	USD	153.930	2,968,003.93		1.26	1.26
TRAVELERS COS INC -	1,421.00	USD	171.830	217,388.20		0.09	0.09
TWITTER INC -	35,942.00	USD	35.550	1,137,587.34		0.48	0.49
UNITEDHEALTH GROUP INC. -	10,998.00	USD	475.870	4,659,560.42		1.98	1.99
UNITER RENTALS INC -	841.00	USD	321.620	240,814.12		0.10	0.10
VEEVA SYSTEMS INC -	4,019.00	USD	229.050	819,579.73		0.35	0.35
VISA INC -	5,890.00	USD	216.120	1,133,321.58		0.48	0.48
WALT DISNEY -	31,124.00	USD	148.460	4,113,843.52		1.75	1.75
WASTE MANAGEMENT INC. -	9,717.00	USD	144.400	1,249,229.70		0.53	0.53
YUM! BRANDS INC -	7,751.00	USD	122.580	845,902.40		0.36	0.36
ZOETIS INC -	11,587.00	USD	193.650	1,997,705.26		0.85	0.85
Total shares				235,651,869.06		100.00	100.45
TOTAL SECURITIES PORTFOLIO				235,651,869.06		100.00	100.45
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	228.76	AUD	1.000	147.79		0.00	0.00
KBC GROUP CAD	-409,368.04	CAD	1.000	-287,354.32		0.00	-0.12
KBC GROUP CHF	-662,801.85	CHF	1.000	-643,197.30		0.00	-0.27
KBC GROUP DKK	-251,861.02	DKK	1.000	-33,859.35		0.00	-0.01
KBC GROUP EURO	540,722.74	EUR	1.000	540,722.74		0.00	0.23
KBC GROUP GBP	150,780.14	GBP	1.000	180,118.64		0.00	0.08
KBC GROUP HKD	0.23	HKD	1.000	0.03		0.00	0.00
KBC GROUP ILS	-0.29	ILS	1.000	-0.08		0.00	0.00
KBC GROUP JPY	-11,032,702.00	JPY	1.000	-85,283.81		0.00	-0.04
KBC GROUP NOK	23.53	NOK	1.000	2.38		0.00	0.00

KBC GROUP NZD	411.87	NZD	1.000	248.16	0.00	0.00
KBC GROUP SEK	-2,468,712.28	SEK	1.000	-232,875.72	0.00	-0.10
KBC GROUP SGD	50.38	SGD	1.000	33.04	0.00	0.00
KBC GROUP TRY	-3,777.68	TRY	1.000	-242.67	0.00	0.00
KBC GROUP USD	4,380,170.02	USD	1.000	3,899,724.02	0.00	1.66
KBC GROUP ZAR	127.64	ZAR	1.000	7.35	0.00	0.00
Total demand accounts				3,338,190.90	0.00	1.42
TOTAL CASH AT BANK AND IN HAND				3,338,190.90	0.00	1.42
OTHER RECEIVABLES AND PAYABLES						
<b>Receivables</b>						
<u>Belgium</u>						
KBC GROUP CAD RECEIVABLE	412,378.00	CAD	1.000	289,467.15	0.00	0.12
KBC GROUP CHF RECEIVABLE	634,864.00	CHF	1.000	616,085.80	0.00	0.26
KBC GROUP DKK RECEIVABLE	243,548.00	DKK	1.000	32,741.78	0.00	0.01
KBC GROUP EUR RECEIVABLE	4,422,715.09	EUR	1.000	4,422,715.09	0.00	1.89
KBC GROUP JPY RECEIVABLE	10,760,270.00	JPY	1.000	83,177.88	0.00	0.04
KBC GROUP SEK RECEIVABLE	2,343,773.00	SEK	1.000	221,090.09	0.00	0.09
KBC GROUP USD RECEIVABLE	775.20	USD	1.000	690.17	0.00	0.00
Total receivables				5,665,967.96	0.00	2.42
<b>Payables</b>						
<u>Belgium</u>						
KBC GROUP EUR PAYABLE	-5,579,926.04	EUR	1.000	-5,579,926.04	0.00	-2.38
KBC GROUP GBP PAYABLE	-157,075.00	GBP	1.000	-187,638.34	0.00	-0.08
KBC GROUP USD PAYABLE	-4,724,790.00	USD	1.000	-4,206,543.80	0.00	-1.79
Payables				-9,974,108.18	0.00	-4.25
TOTAL RECEIVABLES AND PAYABLES				-4,308,140.22	0.00	-1.84
OTHER						
Interest receivable		EUR		180,363.82	0.00	0.08
Accrued interest		EUR		17,500.02	0.00	0.01
Expenses payable		EUR		-270,985.14	0.00	-0.12
TOTAL OTHER				-73,121.30	0.00	-0.03
TOTAL NET ASSETS				234,608,798.44	0.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
Argentina	0.00	0.14	0.16	1.07
Australia	0.91	0.79	0.80	1.05
Austria	0.00	0.00	0.17	0.32
Belgium	1.29	0.12	-1.22	-0.01
Bermuda	0.00	0.00	0.00	0.04
Canada	2.35	0.55	0.57	6.15
Switzerland	1.04	1.25	1.28	2.85
China	0.00	0.29	0.00	0.00
Germany	2.73	4.25	3.21	2.46
Denmark	1.78	2.47	2.61	1.32
Spain	0.03	0.02	0.00	0.30
Finland	0.38	0.33	0.00	0.32
France	5.43	5.67	6.57	4.10
U.K.	3.03	4.44	5.10	4.81
Hong Kong	0.00	0.00	0.00	0.78
Ireland	0.94	0.88	0.99	0.46
Italy	1.32	1.24	0.20	0.34
Japan	9.75	10.21	9.01	4.73
Netherlands	2.00	1.64	2.33	3.12
Norway	0.06	0.00	0.00	1.07
New Zealand	0.39	0.38	0.35	0.40
Singapore	0.00	0.00	0.00	0.54
Sweden	0.97	0.71	0.99	1.29
U.S.A.	65.60	64.62	66.88	62.49
TOTAL	100.00	100.00	100.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
Cyclicals	8.84	10.99	10.48	10.73
Consum(cycl)	22.63	22.72	24.44	17.90
Cons.goods	12.30	9.68	9.63	9.16
Pharma	11.04	9.33	10.17	12.62
Financials	12.56	14.58	12.50	19.42
Technology	24.23	26.17	26.77	26.83
Telecomm.	2.39	1.19	0.41	0.40
Utilities	2.14	1.88	2.13	1.01
Real est.	3.87	3.46	3.47	1.74
Various	0.00	0.00	0.00	0.19
TOTAL	100.00	100.00	100.00	100.00

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

	31/08/2020	28/02/2021	31/08/2021	28/02/2022
AUSTRALIAN DOLLAR	0.92	0.79	0.80	1.05
CANADIAN DOLLAR	2.35	0.55	0.57	6.17
SWISS FRANC	1.04	1.25	1.28	2.73
DANISH KRONE	1.78	2.47	2.62	1.32
EURO	13.95	12.90	10.84	10.29
POUND STERLING	3.03	2.55	2.26	4.18
HONG KONG DOLLAR	0.00	0.00	0.00	0.78
JAPANESE YEN	9.75	10.21	9.02	4.73
NORWEGIAN KRONE	0.06	0.00	0.00	1.07
NEW ZEALAND DOLLAR	0.39	0.38	0.35	0.40
SWEDISH KRONA	0.97	0.71	0.99	1.43
SINGAPORE DOLLAR	0.00	0.00	0.00	0.54
US DOLLAR	65.76	68.19	71.27	65.31
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Eco Fund World (in Euro)

	1 <sup>st</sup> half of year
<b>Purchases</b>	162,957,219.16
<b>Sales</b>	203,261,430.99
<b>Total 1</b>	366,218,650.15
<b>Subscriptions</b>	15,376,365.36
<b>Redemptions</b>	51,837,830.95
<b>Total 2</b>	67,214,196.31
<b>Monthly average of total assets</b>	261,621,089.72
<b>Turnover rate</b>	114.29%

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

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

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

Nil

## 2.4.4. Changes in the number of subscriptions and redemptions and the

## net asset value

### Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2020 - 08*	11,952.26	5,600.28	7,297.23	1,464.40	50,543.68	19,276.49	69,820.17
2021 - 08*	13,453.46	4,004.44	6,326.83	2,452.02	57,670.31	20,828.91	78,499.22
2022 - 02*	8,184.95	3,156.46	2,218.40	799.73	63,636.86	23,185.63	86,822.49

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2020 - 08*	12,942,862.51	4,459,933.39	7,714,747.78	1,110,190.14
2021 - 08*	16,766,014.35	3,615,648.55	7,659,947.95	2,262,869.67
2022 - 02*	12,161,857.99	3,266,086.00	3,218,448.15	839,969.84

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2020 - 08*	70,995,916.85	1,098.70	802.19
2021 - 08*	106,142,716.37	1,461.53	1,049.30
2022 - 02*	112,850,691.79	1,409.48	998.70

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

### Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2020 - 08*	15,500.00		57,300.05		138,000.00		138,000.00
2021 - 08*	20,306.00		41,500.00		116,806.00		116,806.00
2022 - 02*	0.00		32,000.00		84,806.00		84,806.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2020 - 08*	16,563,530.00		64,169,035.00	
2021 - 08*	23,496,988.38		58,170,750.00	
2022 - 02*	0.00		48,020,480.00	

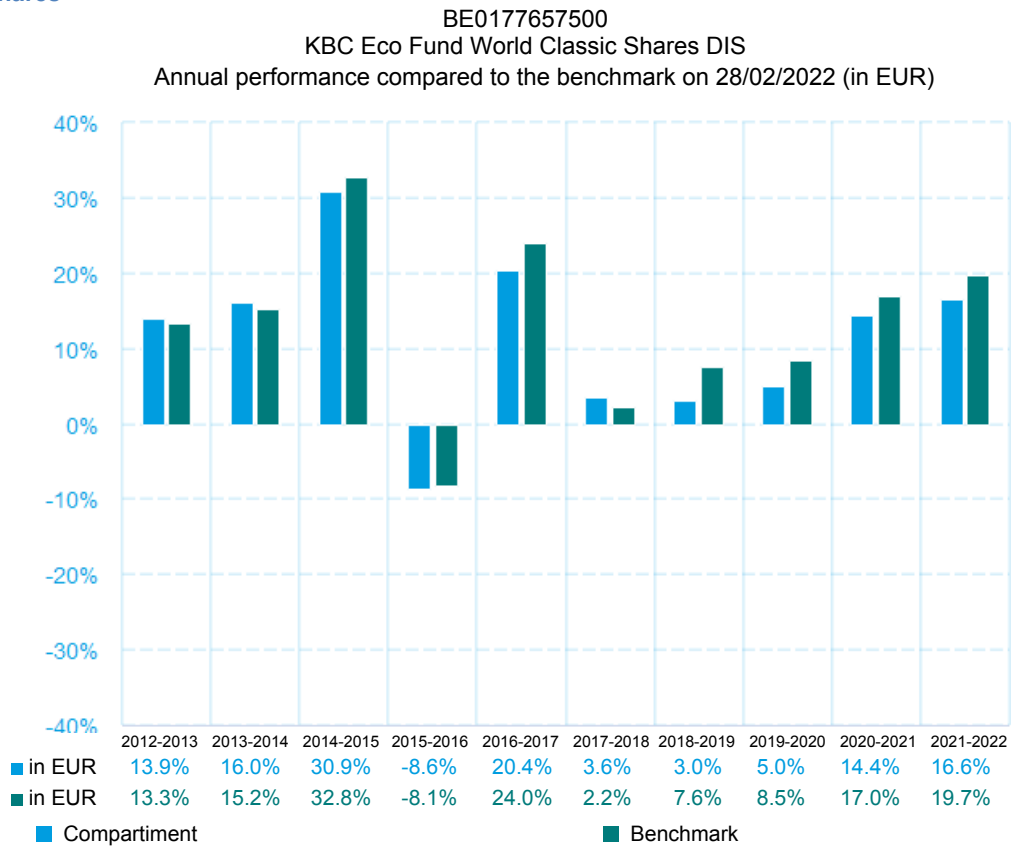
Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2020 - 08*	154,254,038.57	1,117.78	
2021 - 08*	173,817,239.20	1,488.08	
2022 - 02*	121,758,106.65	1,435.73	

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

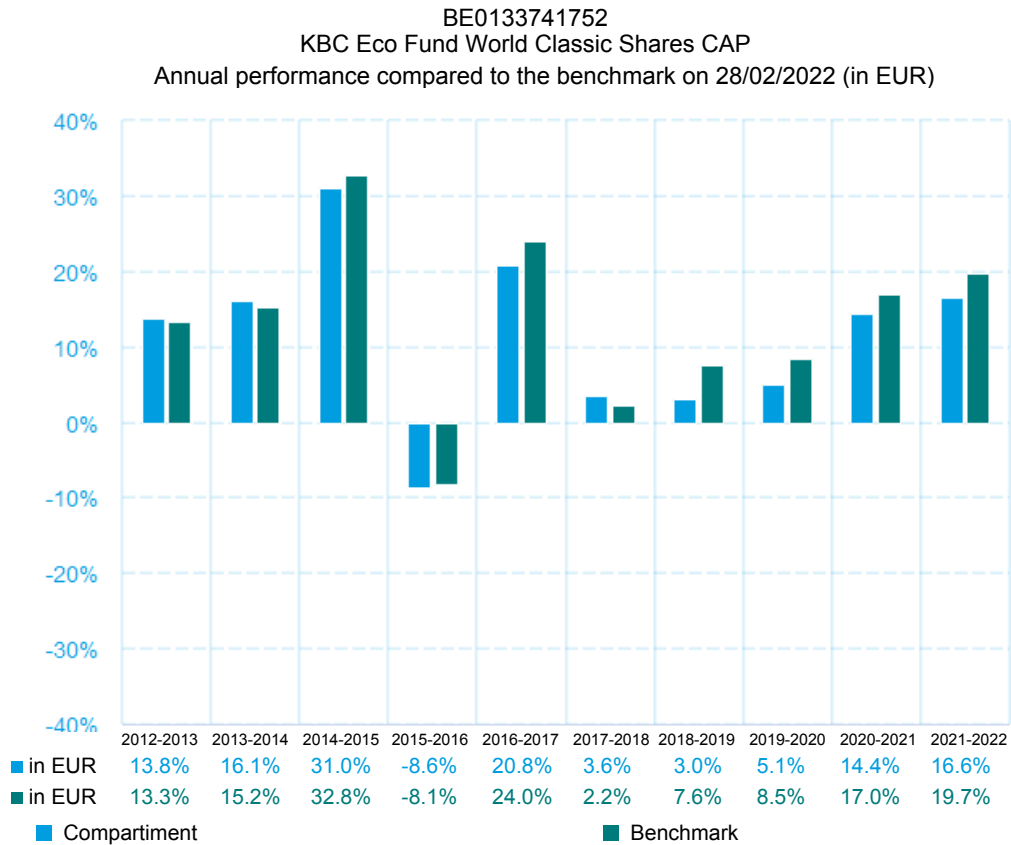


## 2.4.5. Performance figures

### Classic Shares



### Classic Shares



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE0177657500	EUR	16.57%	19.68%	11.87%	14.95%	8.35%	10.81%	11.01%	12.68%	30/04/1992	4.81%
CAP	BE0133741752	EUR	16.60%	19.68%	11.91%	14.95%	8.39%	10.81%	11.08%	12.68%	30/04/1992	6.00%

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

\* Return on annual basis.

### Classic Shares

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

#### Capitalisation units (CAP)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

#### Distribution units (DIV)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

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

For dividend i on date Di with value Wi:

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

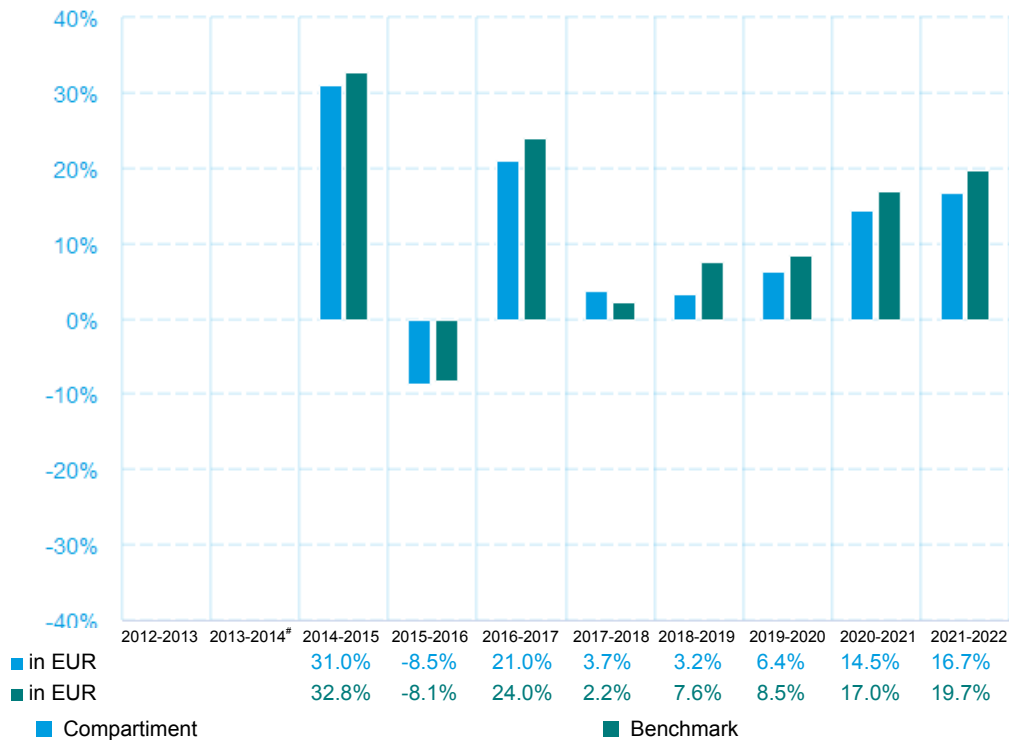
i = 1 ... N

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

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

## Institutional Shares

BE6257810497  
KBC Eco Fund World Institutional Shares CAP  
Annual performance compared to the benchmark on 28/02/2022 (in EUR)



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

Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6257810497	EUR	16.70%	19.68%	12.42%	14.95%	8.74%	10.81%	%		25/09/2013	10.42%

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

\* Return on annual basis.

## Institutional Shares

- The bar chart shows the performance for full financial years (period of 12 months prior to the half-yearly closing).
- The figures do not take account of any restructuring..
- Calculated in EUR.
- Calculation method for date D, where NAV stands for net asset value:  
**Capitalisation units (CAP)**  
Return on date D over a period of X years :  
$$\left[ \frac{NIW(D)}{NIW(Y)} \right]^{1/X} - 1$$
where Y = D-X  
Return on date D since the start date S of the unit:  
$$\left[ \frac{NIW(D)}{NIW(S)} \right]^{1/F} - 1$$
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### *Ongoing Charges and Transaction costs:*

#### *Classic Shares Distribution :*

Ongoing charges : 1,766%

Transaction costs: 0,085%

#### *Classic Shares Capitalisation :*

Ongoing charges : 1,744%

Transaction costs: 0,085%

#### *Institutional Shares Capitalisation :*

Ongoing charges : 1,659%

Transaction costs: 0,085%

Percentage calculated at reporting date: 28 February 2022 (period of 12 months prior to the half-yearly closing).

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

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

### *Existence of Commission Sharing Agreements*

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

No CSA accrual during this period.

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

The management company has shared 53,00% of its fee with the distributor, and institutional and/or professional parties.

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

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

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

### Classic Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	-	-
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	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Fee paid to the independent directors	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Annual tax	See prospectus General Part : '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.

### Institutional Shares

Fee for managing the investment portfolio	Max 1.50%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	-	-
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	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Fee paid to the independent directors	A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.8. Recurrent fees and charges'.	
Annual tax	See prospectus General Part : '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.

### Anti-dilution levy

During the past reporting period, no anti-dilution levy, as described in the general information on the Bevek of this report, under title 1.2.1.9. *Non-recurring fees and charges borne by the investor*, was charged in favor of this sub-fund.

### ***Exercising voting rights***

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

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

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

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