

# **KBC Institutional Fund**

## **Audited annual report**

### **31 December 2023**

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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

19 November 1991

### 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	Manager CBC Assurance SA, Professor Van Overstraetenplein 2, B-3000 Leuven	Chairman
Filip Abraham	/	Independent Director
Koen Inghelbrecht	/	Independent Director
Geert Rosiers	Client Relationship Manager Institutional Clients KBC Asset Management NV, Havenlaan 2, 1080 Brussels	Natural person to whom the executive management of the Bevek has been entrusted
Johan Tyteca	/	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, 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>	
Katrien Mattelaer	<i>Non-Executive Director</i>	
Axel Roussis	<i>Non-Executive Director</i>	
Luc Vanderhaegen	<i>Independent Director</i>	
Peter Andronov	<i>Chairman</i>	
Johan Lema	<i>President of the Executive Committee</i>	
Klaus Vandewalle	<i>Executive Director</i>	
Jürgen Verschaeve	<i>Executive Director</i>	
Frank Van de Vel	<i>Executive Director</i>	
Chris Sterckx	<i>Executive 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>	
Klaus Vandewalle	<i>Executive Director</i>	
Jürgen Verschaeve	<i>Executive Director</i>	
Frank Van de Vel	<i>Executive Director</i>	
Chris Sterckx	<i>Executive 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, Belgium, represented by Damien Walgrave, company auditor and recognized auditor.

## Financial portfolio management

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

## Financial service providers

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

## 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 Bevekwitwithin the usual terms;
- f) Ascertainsthat:
  - 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 BV, Manhattan Office Tower -Bolwerklaan 21 b8, 1210, Brussel, represented by Dirk Stragier and Nele Van Laethem.

## Distributor

KBC Asset Management NV, Havenlaan 2, 1080 Brussels

## Promoter

KBC

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

## Remuneration policy and remuneration paid by the management company

### General:

The KBC group has a specific management structure, under which KBC Group NV and the various group companies are brought together within one or more business units, for operational purposes.

KBC Asset Management NV is part of the KBC Asset Management product factory within the International Markets Division of the KBC group.

In 2010, the KBC group introduced the KBC Remuneration Policy, which lays down general remuneration guidelines for all staff and specific guidelines for those employees who could have a material impact on the risk profile of the company. Further information about the remuneration policy is available in the 'KBC Asset Management Group Compensation Report', which you can read at <https://kbcam.kbc.be/en/about-us>. The compensation report includes information from the level of the KBC Asset Management group entities about the remuneration principles and contains remuneration figures for the relevant fiscal year according to EU and national legislation. The report comprises the following sections:

- Overview of remuneration
- Risk adjustments
- Corporate governance
- Information provided on remuneration

## Remuneration paid by the management company for book year endings on 31 December 2023

The figures below show remuneration within KBC Asset Management NV as a whole (without breakdown).

the total reward over the fiscal year, broken down into the fixed and variable pay that the manager pays to its staff, the number of recipients and any amount paid direct by the bevek/sicav, including all performance rewards and carried interest.	Fixed pay: € 41.808.746 Variable pay: € 5.050.680 Number of recipients: 375
the aggregate pay amount, broken down into the highest management and the manager's staff whose acts significantly affect the fund's risk profile.	Management rewards: € 2.459.295 Reward for the manager's staff whose acts affect the risk profile: € 666.486

*Note: the figures contained in this table have not yet been approved by the Management Company's shareholders in general meeting, which is not scheduled until later this year. Any correction is made in the subsequent annual report.*

The annual evaluation required by Article 14B(1)(c) and (d) of Directive 2009/65/EC did not throw up any irregularities in compliance with the remuneration policy.



## List of sub-funds and share classes of KBC Institutional 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	Asia Pacific Responsible Investing
	Classic Shares
	Institutional B Shares
	Institutional Shares
2	Euro Bonds
	Classic Shares
	Institutional B Shares
	Institutional Shares
3	Euro Bonds Defensive Responsible Investing
	Classic Shares
	Institutional B Shares
	Institutional Shares
4	Euro Bonds Responsible Investing
	Classic Shares
	Institutional B Shares
	Institutional Shares
5	Euro Bonds Short Responsible Investing
	Classic Shares
	Institutional B Shares
	Institutional Shares
6	Euro Corporate Bonds
	Classic Shares
	Institutional B Shares
	Institutional Shares
7	Euro Corporate Bonds ex Financials
	Classic Shares
	Institutional B Shares
	Institutional Shares
8	Euro Equities Responsible Investing
	Classic Shares
	Institutional B Shares
	Institutional Shares
9	Euro Equity
	Classic Shares
	Institutional B Shares
	Institutional Shares
10	Euro Equity Small & Medium Caps
	Classic Shares
	Discretionary Shares
	Institutional Shares
11	European Real Estate
	Classic Shares
	Institutional Shares

12	Euro Satellite Equity
	Classic Shares
	Institutional B Shares
	Institutional Shares
13	Global Defensive
14	Global Defensive 1 Responsible Investing
	Classic Shares
	Institutional Shares
15	Global Responsible Investing
	Classic Shares
	Institutional Shares
16	North America Responsible Investing
	Classic Shares
	Institutional B Shares EUR
	Institutional Shares EUR
17	Rest Of Europe Responsible Investing
	Classic Shares
	Institutional B Shares
	Institutional Shares
18	Upper Grade Euro Corporate Bonds
	Classic Shares
	Institutional B Shares
	Institutional Shares
19	World Equity Responsible Investing
	Classic Shares
	Institutional B 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 Annual report, the Dutch will prevail.

## 1.2. Management report

### 1.2.1. Information for the shareholders

Pursuant to Article 3:6 of the Code of Companies and associations, information is supplied regarding the following:

- The balance sheet and profit and loss account provide a true and fair view of the performance and results of the undertaking for collective investment. The 'General market overview' section includes a description of the main risks and uncertainties facing the undertaking for collective investment.
- No important events took place after the close of the financial year.
- As regards events that might have a material impact on the development of the undertaking for collective investment, please refer to the 'Outlook' heading in the 'General market overview' section.
- The undertaking for collective investment does not conduct any research and development.
- The undertaking for collective investment does not have any branch offices.
- In establishing and applying the valuation rules, it is assumed that the undertaking for collective investment will continue to pursue its activities, even if the profit and loss account shows a loss for two consecutive financial years.
- All information required by the Code of Companies and associations has been included in this report.
- The risk profile of the undertaking for collective investment specified in the prospectus provides an overview regarding risk management.
- In certain sub-funds the balance-sheet item 'Accrued income' might be negative (-) as a result of time-deposit accounts with a negative (-) interest rate.

#### 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.

#### Fees for special assignments conducted within the bevek by the statutory auditor

- Other certifications :

Liquidations: 1.063 EUR excl. VAT

### **Significant changes during the financial year**

Date	Description	Subfund
1 January 2023	Implementation of the Sustainable Finance Disclosure Regulation (Level 1)	All conventional (art. 6 SFDR) sub-funds
1 January 2023	Name change	Global SRI Defensive 1, SRI Asia Pacific, SRI Euro Bonds, SRI Euro Equities, SRI Global, SRI North America, SRI Rest of Europe, SRI World Equity
1 January 2023	Implementation of the Sustainable Finance Disclosure Regulation (Level 2)	Global SRI Defensive 1, SRI Asia Pacific, SRI Euro Bonds, SRI Euro Equities, SRI Global, SRI North America, SRI Rest of Europe, SRI World Equity
3 April 2023	Increase of the management fee	Euro Equity Small & Medium Caps discretionary shares, Euro Equity Small & Medium Caps Institutional shares, Global Responsible Investing Classic shares
1 October 2023	The sub-fund will pursue responsible investment objectives.	Euro Bonds Short, Euro Bonds Defensive
1 October	Name change	Euro Bonds Short, Euro

### 1.2.1.1. Securities Financing Transactions (SFTs)

Except for the sub-fund applies:

#### 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 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 Beveke's assets, as stated under 'B. Service providers to the Beveke'.

## 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 Responsible Investing. The main criteria used cover human rights, employee rights, the environment and anticorruption.

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

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

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

For sub-funds that are passively managed and therefore replicate the composition of a financial index, the following applies:

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

## Integration of sustainability risk into the investment policy:

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

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

In its investment policy, the management company constantly assesses the underlying investments at issuer level, but also (if relevant) at the level of the asset allocation and the regional or sectoral allocation. In these regular assessments, the sustainability risk is considered as one of the various elements that can influence the return. The Responsible Investing research team assigns an ESG risk rating to the majority of companies included in the best-known benchmarks and to a selection of small and medium-sized companies, based on input from an ESG data provider, where ESG stands for "Environmental, Social and Governance". The ESG risk ratings are shared internally with portfolio managers and strategists so that they can use them as a factor in the investment decision-making process. Responsible Investing funds additionally have a target to improve the weighted average ESG risk rating (of companies) of the fund versus its asset allocation. More information on our Responsible Investing methodology can be found in this policy document: [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

### 1.2.1.4. Summary risk indicator

In accordance with Commission Regulation (EU) No.1286/2014, the Commission Delegated Regulation 2017/653 (EC) of March 8, 2017 as amended by the Commission Delegated Regulation 2021/2268 (EC) of September 6, 2021, a summary risk indicator has been calculated per sub-fund, or where relevant per share class or type of shares. The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. It is given as a figure between 1 and 7. The higher the figure, the greater the potential return, but also the more difficult it is to predict this return. Losses are possible too. The lowest figure does not mean that the investment is entirely free of risk. However, it does indicate that, compared with the higher figures, this product will generally provide a lower, but more predictable return.

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

The most recent indicator can be found under the 'What are the risks and what could I get in return?' heading in the 'Key Information' document.

### 1.2.1.5. Ongoing charges

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

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

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

### 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

**For the following sub-funds exist Commission Sharing Agreements: Asia Pacific Responsible Investing, Euro Equities Responsible Investing, Euro Equity, Euro Equity Small & Medium Caps, Euro Satellite Equity, North America Responsible Investing, Rest Of Europe Responsible Investing, World Equity Responsible Investing**

**For the following sub-funds don't exist Commission Sharing Agreements: Euro Bonds, Euro Bonds Defensive Responsible Investing, Euro Bonds Responsible Investing, Euro Bonds Short Responsible Investing, Euro Corporate Bonds, Euro Corporate Bonds ex Financials, European Real Estate, Global Defensive, Global Defensive 1 Responsible Investing, Global Responsible Investing, Upper Grade Euro Corporate Bonds**

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: 864 EUR/year (excluding VAT) for non-structured sub-funds. 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: Asia Pacific Responsible Investing, Euro Bonds, Euro Bonds Defensive Responsible Investing, Euro Bonds Responsible Investing, Euro Bonds Short Responsible Investing, Euro Corporate Bonds, Euro Corporate Bonds ex Financials, Euro Equities Responsible Investing, Euro Equity, Euro Equity Small & Medium Caps, Euro Satellite Equity, European Real Estate, Global Defensive, Global Defensive 1 Responsible Investing, Global Responsible Investing, North America Responsible Investing, Rest Of Europe Responsible Investing, Upper Grade Euro Corporate Bonds, World Equity Responsible Investing.

## 1.2.2. General market overview

1 January 2023 – 31 December 2023

### General overview

#### The economic context

The first months of 2023 were characterised by waning fears of recession. In the euro area, the growing confidence was helped by lower natural gas prices, which began falling in the final months of 2022. In the US, it was consumers who provided a positive note. In China, strict Covid measures were lifted, opening the door to the reopening of the economy. Here again, consumers were responsible for the better economic indicators, including a sharp rise in the Purchasing Managers Index (PMI), a good indicator of confidence levels. However, the recovery that was expected from China did not materialise. The Chinese real estate sector, in particular, continues to struggle, and the stimulus measures taken by the Chinese government have not yet been enough to restore foreign investor confidence in the region.

Meanwhile, Japan has become reacquainted with inflation. After almost three decades of trying to get inflation to return, it seems to have finally succeeded. This could herald a reversal of decades of ultra-flexible policies.

Over the summer we saw steadily deteriorating indicators. Initially, manufacturing showed some weakness, but the service sector then followed suit, too. This was mainly noticeable in Europe, where growth rates were also close to zero. Lower energy prices caused a sharp fall in headline inflation. However, core inflation remained high, prompting central banks to keep raising interest rates. Oil prices rose steeply in the third quarter of 2023, reflecting fears that interest rates will remain high for a long time. Meanwhile, another armed conflict erupted in the Middle East. This increased upward pressure on oil and gas prices for a while. However, a further escalation has so far failed to materialise, and economic realities have once again prevailed. Markets are again focused on weaker economic data and, together with sluggish growth forecasts for the coming quarters, this forced both oil prices and interest rates down again. Higher-risk assets were again able to benefit from this. Largely due to these lower long-term interest rates, share and bond prices recorded healthy gains in the last two months of the reporting period, enabling both asset classes to recover strongly from the autumn dip.

#### Monetary policy

After the US Federal Reserve first raised interest rates by 25 basis points in March 2022, further rate hikes have followed since June 2022. Fed Chairman Jerome Powell announced to central bankers at the Economic Symposium in Jackson Hole in August 2022 that he would do everything in his power to curb inflation, no matter the impact on the economy and households. He proved to be as good as his word, and raised key rates sharply. Where in the past interest rates have been raised in small steps, this time the Fed hiked interest rates several times in 0.75% increments. The persistently high core inflation prompted a steady series of sharp interest rate hikes. This policy was recently paused, but the Fed is retaining the option of further increases if this should prove necessary. The Fed says this is 'data dependent'. So if inflation were to make a persistent upward move, Powell is keeping open the possibility of further intervention. At the end of the reporting period, the US key rate stood at 5.5%.

In Europe, the ECB stressed in 2022 that the jump in inflation in the euro area would be temporary. However, this did not last long and it soon announced that the purchase programme would be discontinued in June 2022. Interest rates were raised for the first time in July 2022, by 50 basis points. In Europe, too, rates were systematically raised in 2022 and again in 2023. At the end of the reporting period, the European deposit rate stood at 4%. With core inflation also proving more persistent than expected in Europe, this has raised the prospect of further interest rate hikes there, too.

Staff at the two central banks are giving out mixed signals. Throughout the period of high inflation which followed the Covid pandemic, there appeared to be virtual unanimity among the central banks on the need to fight inflation by raising interest rates sharply. That unanimity is gradually evaporating. As always, the timing of any further interest rate cuts by the European and US central banks remains uncertain. The market is banking on an initial rate cut in the second quarter of this year.

A historic reversal of Japan's interest rate policy appears to be on the cards, with Japanese inflation still slightly above target. Markets already seem to be anticipating this, sending the yen higher.

#### Currency markets

All eyes are on an anticipated first interest rate cut. The market expects this to happen slightly faster in the US than in Europe. This enabled the euro to gain 3.12% against the US dollar during the reporting period. The euro fell 6.13% against the Swiss franc and lost 2.08% against the pound sterling. Against the Japanese yen, by contrast, the euro gained 10.9%.

#### Stock markets

The good economic outlook and the fall in energy prices enabled European stock markets to start 2023 with a flourish. The reopening of China's economy was partly responsible for this. In the US, the rise was initially less steep. The positions reversed from the second quarter, however. The US stock market caught up, while European markets marked time. After a sharp fall in the autumn, most indices ended the year on a strong note. Over the last 12 months, the global index has risen by 18.3% in euro terms.

Among traditional markets, US shares gained 22.45% in euro terms during the reporting period. In the second quarter, new developments around generative artificial intelligence provided new inspiration for investors, who eagerly hoovered up US shares. After an earlier period of sharp increases, long-term interest rates eased again at the end of the reporting period. This drove up prices of growth-oriented shares, chiefly in the US.

The euro area, where many economic data points are stuck at low levels, still gained 18.8% during the reporting period. Falling interest rates and the ensuing year-end rally also proved beneficial for European shares. Japan, helped by the low yen, also benefited, gaining 16.48% over the past 12 months.

The picture for shares from emerging markets (countries or regions that are expected to experience rapid economic growth to make up their lag with the West) is a mixed one at the present time. The lifting of the zero-Covid policy at the start of 2023 initially provided a shot in the arm for the Chinese stock market, but despite this, the Chinese stock market still lost 13.87% over the reporting period as the initial surge after the economy reopened was not sustained. The initial rise proved to be mainly consumption-driven, while the manufacturing industry lagged behind. The service sector benefited from the reopening, but industrial production remained below expectations, resulting in weaker growth. Among other things, problems in the real estate sector and increased concerns about local government debt meant that investments contributed less to the revival in China's growth. The lack of adequate stimulus measures by the Chinese government did nothing to help sentiment around Chinese shares. Moreover, stringent new regulations in the IT sector are weighing on Chinese technology shares.

India's stock market rose by 16.95% over the past 12 months, while Latin America posted a very strong performance (28.47%). The rise in the Brazilian stock market was particularly striking (28.46%), mainly thanks to the restoration of calm after the presidential election. Turkish shares had a weaker year, losing 8.34%.

Interest rates, which eased significantly at the end of the reporting period, fuelled hopes of more amenable financing costs. This provided a boost for cyclical shares, enabling the materials sector to gain 8.34% over the past 12 months. Industrials also posted healthy gains of 17.76%.

Financials gained 11.63% over the past 12 months, as financial institutions benefited from the higher interest rates. The upward revision of the economic growth outlook – especially in the US in the third quarter – is also good news, as it reduces the probability of defaults. Many economists seem to be taking a soft landing for the economy as the baseline scenario.

Consumer discretionary sectors rose by no less than 24.75% over the past 12 months, reflecting continuing strong consumption. Moreover, initial data on year-end sales proved very favourable.

Consumer staples, which are typically defensive sectors, lost 0.98%. Their defensive character means they are sometimes seen by investors as an alternative to fixed-income assets. With higher yields on the latter asset class, consumer staples are now facing more competition and investors are therefore more inclined to choose bonds. Corporate earnings forecasts were also revised downwards on average in this sector. Utilities (-2.95%), too, are often considered an alternative to fixed-income assets. Not surprisingly, they also posted a slightly negative result in the reporting period.

Health care, another defensive sector, bucked the trend by posting a positive result (+0.07%). A few drugs from two players are attracting all the attention. Their diabetes medication also seems to be able to treat a variety of other ailments. Meanwhile, the valuation of the sector has returned to normal from its elevated levels, making it a more interesting proposition once again.

The IT and communications sectors (+45.91% and +33.08%, respectively) were dominated by a few very large companies, which were able to take full advantage of the hype created around artificial intelligence. On top of that, interest rates eased a little at the end of the reporting period giving these companies a boost. They were accordingly among the best-performing sectors for this reporting period.

## **Bond markets**

US and euro area bond yields have recently undergone renewed major volatility, mainly on the back of the US banking crisis in the spring of 2023 and expectations that central banks would soon adjust their key rates. That adjustment did not materialise, however. Although global inflation has recently edged downwards, core inflation remains high. This has left central banks with no other choice but to keep the monetary reins tight for the foreseeable future. This realisation is also permeating bond markets, and long-term yields are continuing their upward movement in response. This upward trend is not smooth, however. Volatility is the buzzword, and we are consequently seeing wild swings on long-term rates. The last two months of the reporting period provided a perfect example of this volatility. Long-term interest rates fell spectacularly from mid-October, especially in Europe.

The Fed's key rate has been raised from 0.125% to 5.5% in a series of increments since March 2022. The ECB has also raised the deposit rate from -0.5% to 4% since July 2022. The central banks' priority remains fighting high inflation, and they are not allowing themselves to be distracted by the risk of a recession or financial instability. These central banks' key rates have gradually reached their peak, however. Investors regularly speculate that these key rates will fall rapidly, but the central banks maintain that a period of policy tightening is necessary for a healthier long-term inflation environment. Meanwhile however, the unanimity of central banks around that positioning seems to be ebbing away.

There was a short-lived increase in financial market turmoil in March in response to problems in the banking sector. The result was volatility. Although credit premiums for bonds issued by companies with strong balance sheets initially reacted strongly to this, this eased again towards the end of the reporting period, and credit premiums ended at virtually the same level as 12 months previously (-0.29%).

Although the trend in interest rates proved volatile, there is little evidence of this over the reporting period as a whole. In the US, 10-year government bonds are now yielding similar returns to those at the beginning of the

reporting period (3.88%). German government paper has fallen by -0.55% to 2.024% over the same period.

The fall in long-term interest rates at the end of the reporting period provided a boost for bond markets. Bonds with short maturities rose by 4.22%, while those with long maturities gained 8.95%. The overall gain for a broad basket across all maturities was 7%. High-grade corporate bonds also posted positive returns (+8.19%), as did growth market bonds in local currency, which gained 10.16% in euro terms. Bonds issued by companies with weaker credit ratings (High Yield) also delivered very healthy returns (+11.89%).

## **Outlook**

### **Economic context**

Economic conditions are still uncertain as the impact of the post-Covid reopening on Western economies slowly fades and the effects of stimulus policies during the pandemic give way to a strict monetary policy aimed at fighting inflation. On the other hand, money is still flowing into the economy in response to several new fiscal policy measures – often linked to sustainable infrastructure – creating an imbalance. The risk of a deep recession has disappeared, and the market is assuming a very soft landing for Western economies.

Despite steadily increasing interest rates and inflation figures not seen in 40 years, the economy has so far held up quite well, due in part to a very buoyant labour market. The military conflict in Ukraine and, more recently, the Middle East, with (temporarily) much higher energy prices as a result, together with a 'mild' banking crisis, did not knock the economy completely off the rails. However, most economists still expect that, following an inevitable slowdown, strict interest rate policies could cause a slight slackening of economic growth in the first half of 2024. Weak figures in the manufacturing and service sectors are the first harbingers of this. The signals coming from the US are mixed. The labour market remains quite strong in historical terms, and the numbers in the manufacturing and service sectors seem to be recovering. However, higher interest rates work through into the economy only slowly. Although mortgage rates fell slightly at the end of the reporting period, they are still high. That could put further pressure on household budgets.

The prospect of this slowdown in growth and its potential impact on corporate earnings is creating a lot of uncertainty on stock markets. However, the underlying trend currently remains upwards despite the weaker economic picture. Nonetheless, the outlook for corporate earnings may be a little overly optimistic.

Bond markets also struggled to find a consistent direction for a while. However, the easing of interest rates during the last quarter of 2023 put bond markets into profit. Part of the expected return does therefore seem to have been realised in a short time.

Consequently, our investments are fairly balanced at present, with a neutral stance on both shares and bonds. This reflects concerns that the impact of higher interest rates could work through into corporate earnings. Loans have become substantially more expensive. This may also cause consumers to drop out, although sentiment remains quite strong for now. The robust US labour market is also keeping the economy afloat.

### **Monetary policy**

How far the central banks will go to dispel the spectre of inflation remains a matter of conjecture, given that they use data as it becomes available. Is slowing growth enough on its own, or are other steps necessary? The Fed and ECB have already raised interest rates very sharply. The market now seems to be betting on a first interest rate cut in the second quarter of 2024. There is also no longer a consensus among central banks on which interest rate path to follow. This lack of consensus is leading some market researchers to dream that interest rates may be cut even sooner.

The impact of rate hikes on the cost of financing home loans and instalment loans still has households worried, however. Although the fall in interest rates is also trickling down into home loans, rates still remain higher than what most consumers have been used to over the past decade.

### **Currency markets**

We expect the US dollar to weaken slightly for the remainder of the year. We are projecting a euro-US dollar exchange rate of around 1.15 by the end of 2024.

### **Financial markets**

Stock markets remain volatile, producing considerable volatility. Hopes for a rapid cooling of inflation and a readjustment of strict interest rate policies are interspersed with fears of more interest rate hikes, especially if the US economy proves to be stronger than initially thought. We do however acknowledge that the risk of a deep recession has been avoided. We are therefore now neutrally positioned in our share investments and make regular tactical adjustments.

Bond markets remain in the grip of interest rate movements, and have recently been particularly volatile as a result. The rapid fall in interest rates in the last two months does mean that some of the expected gains on bonds have already been realised. Nevertheless, current returns continue to provide a useful buffer in the portfolios. This is enabling bonds to resume their role as a safe haven. Here again, we are maintaining a neutral stance.

As always, we are holding a limited cash position to respond to opportunities as they arise. Cash is currently also delivering a healthy net return.

### **Stock markets**

US job growth remains surprisingly strong. In addition, a number of confidence indicators are improving. On the other hand, we are still seeing mixed results from the housing market. Inflation is cooling further, but core inflation remains stubbornly high. The strong labour market is pushing up wages as well as boosting purchasing power for

households. This means that the US central bank (Fed) will not be tempted to simply cut interest rates sharply. In the euro area, too, core inflation remains high, also forcing the European Central Bank (ECB) to maintain a strict monetary policy. We are therefore maintaining a fairly defensive positioning in our share strategy.

At regional level, the portfolio is relatively well balanced. We are maintaining a neutral stance on Emerging Asia and are more cautious on China. Within Asia, we are still positive towards the Pacific region, which consists mainly of Japanese companies. This region has decidedly defensive qualities and is benefiting from the recovery of the economy in Emerging Asia. The cheap yen is an advantage for Japanese exporting companies.

In the major Western economic centres, our regional preference depends mainly on the sectors we choose. As a result, our current positioning in North America is slightly underweight. We have a neutral stance on the euro area. Europe excluding the EMU, on the other hand, is being bolstered by the increased presence of more defensive industries, leading us to recommend an overweight position for this region. Within the EMU, although we are more positive for small and medium-sized enterprises, we are maintaining our neutral stance for now.

We are underweighting the cyclical sectors. We are invested below the benchmark level in both materials and industrials, following a fall in confidence indicators. Reduced demand for products is leading to reduced investment. The transportation sector also holds little attraction for us at present. The automotive sector is also facing headwinds. Competition is based firmly on price, and that eats away at margins.

We are giving a positive recommendation for financial shares, including banks and insurers, both of which are benefiting from higher interest rates, and are not overvalued.

We have a neutral stance on consumer discretionary sectors, given continuing consumer strength helped by a tight labour market. However, that could quickly reverse once higher interest rates do start to eat into household budgets.

We have a neutral stance on the technology sector, with its strong leaning towards the US. We are underweighting hardware due to lower near-term growth prospects. The strong AI-related rally had made the semiconductor subsector much more expensive. However, rising interest rates put an end to that this summer, prompting us to step in again, at much better prices. This allowed us to further boost the position to overweight. Within the technology sector, we are also maintaining a heavily overweight position in software companies. Its pricing power means this subsector is less impacted by inflation. We have a neutral stance on media companies.

We are continuing to focus on defensive sectors. Health care is a defensive sector that has an interesting pipeline. Moreover, new developments involving diabetes medication also look promising for other applications. We are overweight mainly in pharma companies, which are also no longer as expensive as they were a while ago.

We are also overweighting consumer staples. These companies, which include food and beverage producers as well as household and personal products manufacturers, provide stable income in uncertain times. We are overweighting food and beverage companies. We have a neutral stance on utilities and are maintaining the slightly underweight positions in real estate shares.

## **Bond markets**

Economic growth is still weak in Europe, while expectations for the US have been revised upwards. Nevertheless, we still expect to see a reduction in economic growth in early 2024. High inflation forced central banks to raise key rates, creating a restrictive monetary environment. Bonds however are seen as a safe haven. Positions are built up whenever fears of recession increase, which causes yields to fall. We have seen this happening recently. In this complex situation, it is unclear whether investors will focus more on the dip in growth figures, inflation or a potential reversal of central banks' interest rate policy. Against this backdrop, we still expect to see major fluctuations in bond yields, although German 10-year yields may have now peaked. We think the 10-year yields in the US, too, have peaked.

We have a neutral stance on the bond allocation. Following the sharp rise in both interest rates and credit premiums since early 2022, bonds are once again attractive after a long period of very low returns. Even after the recent fall in interest rates, the returns are still attractive. For the time being, we prefer high-grade corporate bonds to government bonds, but have become slightly less negative towards the latter category. The yield spread versus corporate bonds has narrowed considerably, improving the risk-return ratio for government bonds. The limited position in emerging market bonds has now been unwound, and we currently have a slightly negative view on this theme. However, we are maintaining a long-term position in green, social and sustainable bonds. These investments form a cornerstone of the bond portfolio.

The maturities have been regularly adjusted in recent months, and we are now positioned slightly shorter than the benchmark maturity. Considerable fluctuations in interest rates are likely to continue for a while. The fall in interest rates over the last two months has therefore prompted us to be a little more cautious again, given the fact that the prospect of renewed interest rate hikes has not yet entirely disappeared. Monitoring data closely and continuing to navigate these choppy waters successfully will also make the difference in the coming months.

## **1.3. Auditor's report**



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## KBC INSTITUTIONAL FUND NV

### **Auditor's report**

For the year ended 31.12.2023

## Statutory auditor's report to the shareholders' meeting of KBC INSTITUTIONAL FUND NV for the year ended on 31 December 2023 – Annual Accounts

(Free translation)

In the context of the statutory audit of the annual accounts of KBC INSTITUTIONAL FUND NV ("**COMPANY**"), we hereby submit our statutory audit report. This report includes our report on the annual accounts and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 30 March 2021, in accordance with the proposal of the board of directors. Our mandate will expire on the date of the shareholders' meeting deliberating on the annual accounts for the year ending 31 December 2023. We have performed the statutory audit of the annual accounts of KBC INSTITUTIONAL FUND NV for 3 financial years.

### Report on the annual accounts

#### Unqualified opinion

We have performed the statutory audit of the annual accounts of the Company, drafted in accordance with the financial reporting framework applicable in Belgium<sup>1</sup>, which comprises the balance sheet as at 31 December 2023 and the income statement for the year then ended, as well as the explanatory notes. The annual accounts shows a balance sheet total of 7.340.092.621,17 EUR and the income statement shows a profit of 740.551.332,62 EUR.

Compartment	Currency	Net Asset Value	Result
KBC Institutional Fund/Euro Equity	EUR	96.886.380,41	18.842.098,98
KBC Institutional Fund/Euro Satellite Equity	EUR	62.846.251,38	8.077.254,26
KBC Institutional Fund/World Equity Responsible Investing	EUR	1.780.448.136,70	255.900.210,13
KBC Institutional Fund/Global Responsible Investing	EUR	271.454.080,46	20.101.241,62
KBC Institutional Fund/Euro Equities Responsible Investing	EUR	433.075.471,67	62.233.249,27
KBC Institutional Fund/Euro Bonds Short Responsible Investing	EUR	70.103.260,28	3.895.456,51
KBC Institutional Fund/Euro Bonds Defensive Responsible Investing	EUR	11.858.097,91	2.190.614,39
KBC Institutional Fund/North America Responsible Investing	TWEUR	463.987.019,88	82.416.598,31
KBC Institutional Fund/European Real Estate	EUR	40.689.335,86	5.652.890,32
KBC Institutional Fund/Euro Bonds Responsible Investing	EUR	839.360.055,12	54.987.072,62
KBC Institutional Fund/Upper Grade Euro Corporate Bonds	EUR	10.670.253,83	690.067,06

<sup>1</sup> Royal Decree of 10 November 2006 on the accounting, annual accounts and periodic reports of certain public institutions for collective investment with a variable number of participation rights.



## KBC Institutional Fund NV

UCI set up in accordance with Belgian Law UCIT

Company number: BE0445.684.118

Compartment	Currency	Net Asset Value	Result
KBC Institutional Fund/Global Defensive 1 Responsible Investing	EUR	535.448.108,77	43.081.440,09
KBC Institutional Fund/Euro Bonds	EUR	1.504.444.672,75	87.407.024,75
KBC Institutional Fund/Euro Corporate Bonds	EUR	813.468.301,95	57.363.908,96
KBC Institutional Fund/Euro Equity Small & Medium Caps	EUR	82.365.723,94	9.764.829,13
KBC Institutional Fund/Global Defensive	EUR	102.653.227,95	8.783.029,93
KBC Institutional Fund/Euro Corporate Bonds ex Financials	EUR	16.747.878,63	2.698.114,69
KBC Institutional Fund/Asia Pacific Responsible Investing	EUR	92.926.350,58	6.087.211,51
KBC Institutional Fund/Rest Of Europe Responsible Investing	EUR	110.660.013,10	10.379.020,08

In our opinion, the annual accounts give a true and fair view of the Company's net asset value and financial position as of 31 December 2023 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

### Basis for the unqualified opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA), as applicable in Belgium. Our responsibilities under those standards are further described in the section "Responsibilities of the statutory auditor for the audit of the annual accounts". We have complied with all ethical requirements relevant to the statutory audit of the annual accounts in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of the board of directors for the preparation of the annual accounts

The board of directors is responsible for the preparation and fair presentation of the annual accounts in accordance with the financial reporting framework applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of the annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.



## Responsibilities of the statutory auditor for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of annual accounts in Belgium. The scope of the audit does neither comprise any assurance regarding the future viability of the Company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the Company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the annual accounts, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, if any, including any significant deficiencies in internal control that we might identify during our audit.

## Other legal and regulatory requirements

### Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the annual accounts for maintaining the company's accounting records in compliance with the legal and regulatory requirements applicable in Belgium, as well as for the company's compliance with the Companies Code and the company's articles of association.

### Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the annual accounts and compliance with certain obligations referred to in the Code of Companies and associations and the articles of association, as well as to report on these matters.

### Aspects regarding the directors' report

In our opinion, after performing the specific procedures on the annual report, the annual report is consistent with the annual accounts for that same year and has been established in accordance with the requirements of articles 3:5 and 3:6 of the Code of companies and associations.

In the context of our statutory audit of the annual accounts we are also responsible to consider, in particular based on information that we became aware of during the audit, if the annual report on the annual accounts is free of material misstatement, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such material misstatement.

### Statements regarding independence

Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the company during the performance of our mandate.

### Other statements

- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting is in accordance with the relevant legal and regulatory requirements.



KBC Institutional Fund NV

UCI set up in accordance with Belgian Law UCIT

Company number: BE0445.684.118

- Except for the non compliance with the deadlines for the convocation of the general shareholders' meeting, and the related documents to be transmitted, we do not have to report any transactions or decisions taken that are a breach to the Law on Companies and Associations.

Brussels, 26 March 2024

MAZARS BEDRIJFSREVISOREN  
The Statutory Auditor  
Represented by



Dirk Stragier  
Bedrijfsrevisor



Nele Van Laethem  
Bedrijfsrevisor

## 1.4. Aggregate balance sheet (in EUR)

Not applicable

Balance sheet layout		31/12/2023	31/12/2022
	<b>TOTAL NET ASSETS</b>	7,340,092,621.17	6,037,982,844.49
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds	3,045,635,082.31	2,764,797,979.24
	Of which bonds lent		98,025,867.28
	Collateral received in the form of bonds	108,250.00	876,704.02
B.	Money market instruments	196,316,012.05	175,049,797.29
C.	Shares and similar instruments		
	a) Shares	3,161,113,106.60	2,370,958,869.98
	Of which securities lent	96,435.48	839,583.50
	b) Closed-end undertakings for collective investment		39,444.00
D.	Other securities	35,711.42	42,234.33
E.	Open-end undertakings for collective investment	896,695,176.97	698,373,974.64
E.	Open-end undertakings for collective investment		
	a) Reinvested collateral in money market funds		99,040,415.65
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts (+/-)	-707,149.98	3,205,639.95
	j) Foreign exchange		
	Futures and forward contracts (+/-)	85.52	
	l) Credit		
	Swap contracts (+/-)		1,316.67
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	9,230,339.94	1,158,612.44
	c) Collateral	754,329.12	1,487,853.52
B.	Payables		
	a) Accounts payable (-)	-1,507,460.18	-1,723,187.80
	c) Borrowings (-)	-5,168,864.50	-4,264,598.10
	d) Collateral (-)	-108,250.00	-100,113,066.57
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	39,872,216.01	30,519,035.18
C.	Collateral received cash		297,367.87
D.			23,061.31
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	2,064,441.94	2,237,652.25
C.	Accrued expense (-)	-4,240,406.05	-4,026,261.38
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	7,340,092,621.17	6,037,982,844.50
<b>A.</b>	<b>Capital</b>	6,600,873,300.83	7,194,513,852.36
<b>B.</b>	<b>Income equalization</b>	-1,332,012.27	-3,052,541.38
<b>D.</b>	<b>Result of the bookyear</b>	740,551,332.62	-1,153,478,466.49

### Off-balance-sheet headings

I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments	108,250.00	876,704.02
I.A.b.	Cash at bank and in hand/deposits	754,329.12	100,724,216.07

III.	Notional amounts of futures and forward contracts (+)		
III.A.	Purchased futures and forward contracts		35,315,700.00
III.B.	Written futures and forward contracts	-46,197,376.13	-32,238,900.00
IV.	Notional amounts of swap contracts (+)		1,000,000.00
IX.	Financial instruments lent	96,435.48	98,865,450.78

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

Income Statement	31/12/2023	31/12/2022
<b>I. Net gains(losses) on investments</b>		
A. Bonds and other debt instruments		
a) Bonds	157,054,897.39	-605,433,526.47
B. Money market instruments	167,183.57	-584,053.78
C. Shares and similar instruments		
a) Shares	455,575,966.39	-646,040,658.85
b) Closed-end undertakings for collective investment	-10,108.00	-17,935.20
D. Other securities	-65,428.05	9,900.09
E. Open-end undertakings for collective investment	73,131,012.05	-35,587,046.60
F. Derivative financial instruments		
a) Bonds		
Futures and forward contracts	1,033,895.09	4,106,923.65
k) Credit		
Swap contracts (+/-)	12,965.49	-3,036.54
l) Financial indices		
Futures and forward contracts	446,971.09	2,356,918.62
H. Foreign exchange positions and transactions		
a) Derivative financial instruments		
Futures and forward contracts	85.52	
b) Other foreign exchange positions and transactions	-33,826,617.99	57,221,910.77
<b>Det. section I gains and losses on investments</b>		
Realised gains on investments	211,157,909.23	1,071,684,389.39
Unrealised gains on investments	372,066,249.60	-427,199,708.71
Realised losses on investments	-310,899,303.19	-1,347,066,263.87
Unrealised losses on investments	381,195,966.91	-521,389,021.12
<b>II. Investment income and expenses</b>		
A. Dividends	55,045,047.54	55,326,413.27
B. Interests		
a) Securities and money market instruments	62,761,891.85	47,794,079.25
b) Cash at bank and in hand and deposits	1,572,163.23	143,371.79
C. Interest on borrowings (-)	-311,755.68	-286,484.88
D. Swaps (+/-)	6,888.89	1,138.89
F. Other investment income	111,679.40	132,580.78
<b>III. Other income</b>		
A. Income received to cover the acquisition and realization of assets, to discourage withdrawals and for delivery charges	4,805,599.96	4,887,518.51
B. Other	25,306.43	34,725.89
<b>IV. Operating expenses</b>		
A. Investment transaction and delivery costs (-)	-2,740,582.92	-3,111,028.17
B. Financial expenses (-)	-7,229.12	-8,487.31
C. Custodian's fee (-)	-1,734,759.21	-1,826,334.85
D. Manager's fee (-)		
a) Financial management	-22,733,277.10	-23,841,360.69

	b)Administration and accounting management	-6,919,276.71	-6,454,033.84
	c)Commercial fee	-11,753.61	-11,554.68
E.	Administrative expenses (-)	26.46	-62.23
F.	Formation and organisation expenses (-)	-35,410.72	-38,851.42
G.	Remuneration, social security charges and pension	-1,157.57	-866.74
H.	Services and sundry goods (-)	-39,943.44	-63,582.93
J.	Taxes	-2,002,862.57	-1,611,634.90
L.	Other expenses (-)	-760,085.03	-573,407.94
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	87,030,510.08	70,492,137.82
V.	<b>Profit (loss) on ordinary activities before tax</b>	740,551,332.62	-1,153,478,466.49
VII.	<b>Result of the bookyear</b>	740,551,332.62	-1,153,478,466.49



<b>Appropriation Account</b>		<b>31/12/2023</b>	<b>31/12/2022</b>
<b>I.</b>	<b>Profit to be appropriated</b>	739,219,320.34	-1,156,531,007.87
	Profit for the period available for appropriation	740,551,332.62	-1,153,478,466.49
	Income on the creation of shares (income on the cancellation of shares)	-1,332,012.27	-3,052,541.38
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-726,735,269.64	1,167,714,481.87
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-12,484,050.70	-11,183,474.00

## 1.6. Summary of recognition and valuation rules

### 1.6.1. Summary of the rules

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

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

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

#### Differences

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

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

This tolerance limit is:

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



## 1.6.2. Exchange rates

1 EUR =	31/12/2023		31/12/2022	
		1.618890	AUD	1.573766
	1.456591	CAD	1.446070	CAD
	0.929728	CHF	0.987419	CHF
	7.454564	DKK	7.436437	DKK
	1.000000	EUR	1.000000	EUR
	0.866528	GBP	0.887230	GBP
	8.625714	HKD	8.329832	HKD
	3.977734	ILS	3.765791	ILS
	155.733557	JPY	140.818301	JPY
	11.218494	NOK	10.513479	NOK
	1.744689	NZD	1.687485	NZD
	4.343759	PLN	4.681225	PLN
	11.132497	SEK	11.120211	SEK
	1.457143	SGD	1.431395	SGD
	32.624733	TRY	19.978386	TRY
	1.104650	USD	1.067250	USD
	20.201286	ZAR	18.159258	ZAR

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## 2. Information on KBC Institutional Fund Asia Pacific Responsible Investing

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

Launch date: 15 December 2020

Initial subscription price: 1 000 EUR

Currency: EUR

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

Launch date: 15 December 2020

Initial subscription price: 1 000 EUR

Currency: EUR

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

Launch date: 15 December 2020

Initial subscription price: 1 000 EUR

Currency: EUR

##### **Institutional Shares Distribution**

Launch date: 15 December 2020

Initial subscription price: 1 000 EUR

Currency: EUR

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

Launch date: 15 February 2022

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 sub-fund aims to generate a return that matches the return of the benchmark, viz. the MSCI PACIFIC - Net Return Index, by investing in a selection of shares that are included in the benchmark and that comply with the responsible investing methodology criteria set out below. Active management is therefore limited to the responsible investing methodology. The benchmark comprises shares of companies from Japan and developed countries in the Asia-Pacific region.

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

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

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

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

The sub-fund is compliant with the transparency obligations of article 11 (1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Institutional Fund Asia Pacific Responsible Investing’ of this annual report. This annex specifically covers the periodic reports for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

### Negative screening

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

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



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

#### Positive selection methodology

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

- (1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and
- (2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;
- (3) support sustainable development, by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

#### **(1) ESG-score**

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

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

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

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

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

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

The targets can be revised upwards or downwards.

#### **(2) Carbon Intensity**

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

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

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

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

The targets may be revised upwards or downwards.

#### **(3) UN Sustainable Development Goals**

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

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

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

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

The targets may be revised upwards or downwards.

#### **Potential Exceptions**

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

- Developments as a result of which a company can no longer be regarded as eligible after purchase;  
Corporate events, such as a merger of one company with another, where the merged company can no longer be

- considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

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

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

The sub-fund aims to generate a return that matches the return of the benchmark: MSCI PACIFIC - Net Return Index.

The sub-fund aims to minimise the tracking error relative to the benchmark referred to above. Under normal market conditions, the expected tracking error is between 0% and 5%. Possible causes of this tracking error could be the Responsible Investing methodology, the method used to track the benchmark, transaction charges, dividend reinvestment and the costs generally borne by the sub-fund.

The tracking error measures the volatility of the sub-fund's return relative to that of the benchmark. The higher the tracking error, the more the sub-fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

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

### **Taxonomy related information**

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

### **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors were explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. The principal adverse impacts on sustainability factors that were taken into account through the exclusion policies can be found in the 'Annex for KBC Institutional Fund Asia Pacific Responsible Investing'.

The principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy. The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy can be found in the 'Annex for KBC Institutional Fund Asia Pacific Responsible Investing'.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Institutional Fund Asia Pacific Responsible Investing'.

### **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)**

The sub-fund may not lend any financial instruments.

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

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

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

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

## **2.1.4. Financial portfolio management**

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

## **2.1.5. Distributors**

KBC Asset Management NV, Havenlaan 2, 1080 Brussels.

## **2.1.6. Index and benchmark**

See 'Sub-fund's investment policy'.

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

As stipulated in the prospectus, the fund management aimed to reflect the performance of the MSCI PACIFIC Index.

The fund's strategy is also consistent with the SRI strategy and the fund's assets are invested accordingly.

## **2.1.8. Future policy**

As stipulated in the prospectus, the fund will continue to track the performance of the MSCI PACIFIC Index.

Compliance with the sustainability aspect of the strategy remains valid going forward.

## **2.1.9. Summary risk indicator (SRI)**

Classic Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of concentration risk: there is a concentration of investments in the shares of companies from Japan and the Asia Pacific Region.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

Institutional Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of concentration risk: there is a concentration of investments in the shares of companies from Japan and the Asia Pacific Region.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

Institutional B Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates.

- a moderate level of concentration risk: there is a concentration of investments in the shares of companies from Japan and the Asia Pacific Region.
  - a high level of market risk: the level of the risk reflects the volatility of the stock market.
  - a high level of performance risk: the level of the risk reflects the volatility of the stock market.
- There is no capital protection.

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

The summary 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).

### **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 0.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

### **2.1.11. Value-at-Risk**

Not applicable

## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	92,926,350.58	37,499,762.23
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
	a) Shares	93,036,755.64	37,378,842.91
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	521.04	482.29
B.	Payables		
	a) Accounts payable (-)	-117,024.70	
	c) Borrowings (-)	-134,449.98	-177,395.48
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	63,261.44	247,495.00
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	122,440.55	69,772.00
C.	Accrued expense (-)	-45,153.41	-19,434.49
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	92,926,350.58	37,499,762.23
<b>A.</b>	<b>Capital</b>	86,074,804.50	39,926,670.68
<b>B.</b>	<b>Income equalization</b>	764,334.57	133,694.63
<b>D.</b>	<b>Result of the bookyear</b>	6,087,211.51	-2,560,603.08

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	7,849,184.65	-1,872,113.56
D.	Other securities	-392.14	
F.	Derivative financial instruments		
	l) Financial indices		
	Futures and forward contracts	54,940.09	-10,267.47
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	-3,042,485.97	-1,324,527.12
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	1,464,907.48	554,200.14
	Unrealised gains on investments	7,672,398.73	119,744.26
	Realised losses on investments	-1,942,645.79	-607,038.67
	Unrealised losses on investments	-2,333,413.79	-3,273,813.88
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	1,658,298.85	860,337.08
B.	Interests		
	b) Cash at bank and in hand and deposits	965.01	218.52
C.	Interest on borrowings (-)	-12,817.93	-2,027.65
<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	8,418.52	7,595.55
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-49,336.86	-21,075.77
B.	Financial expenses (-)	-98.59	-383.25
C.	Custodian's fee (-)	-23,560.83	-12,691.64
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-271.86	-226.19
	Institutional Shares	-227,995.40	-131,632.07
	Institutional B Shares	-32,602.19	-7,863.98
	b) Administration and accounting management	-61,593.42	-31,923.06
	c) Commercial fee	-625.00	-625.00
E.	Administrative expenses (-)	0.01	
F.	Formation and organisation expenses (-)	-325.64	-100.53
G.	Remuneration, social security charges and pension	-14.29	-5.31
H.	Services and sundry goods (-)	-2,034.95	-3,098.33
J.	Taxes		
	Classic Shares	-63.07	-45.45
	Institutional Shares	-7,676.84	-3,139.89
	Institutional B Shares	-1,622.68	-721.50
L.	Other expenses (-)	-21,077.96	-6,286.46
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	1,225,964.88	646,305.06
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	6,087,211.51	-2,560,603.08
<b>VII.</b>	<b>Result of the bookyear</b>	6,087,211.51	-2,560,603.08

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	6,851,546.08	-2,426,908.45
	Profit for the period available for appropriation	6,087,211.51	-2,560,603.08
	Income on the creation of shares (income on the cancellation of shares)	764,334.57	133,694.63
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-6,849,779.45	2,428,293.03
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-1,766.63	-1,384.58

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Asia Pacific Responsible Investing

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Australia</u>							
ANZ GROUP HOLDINGS LTD -	78,488.00	AUD	25.920	1,256,668.59		1.35	1.35
AURIZON HOLDINGS LTD -	9,173.00	AUD	3.800	21,531.66		0.02	0.02
AUSTRALIAN STOCK EXCHANGE LTD -	6,928.00	AUD	63.060	269,863.62		0.29	0.29
BLUESCOPE STEEL LTD -	4,526.00	AUD	23.400	65,420.36		0.07	0.07
BRAMBLES LTD -	39,801.00	AUD	13.600	334,360.83		0.36	0.36
CAR GROUP LTD -	3,865.00	AUD	31.140	74,344.80		0.08	0.08
COCHLEAR LTD -	1,026.00	AUD	298.670	189,287.29		0.20	0.20
COLES GROUP LTD -	44,818.00	AUD	16.110	445,995.54		0.48	0.48
COMMONWEALTH BANK AUST -	38,925.00	AUD	111.800	2,688,146.44		2.89	2.89
COMPUTERSHARE LTD -	8,837.00	AUD	24.390	133,137.12		0.14	0.14
CSL LIMITED -	11,036.00	AUD	286.650	1,954,097.08		2.10	2.10
DEXUS/AU -	42,220.00	AUD	7.680	200,291.24		0.22	0.22
ENDEAVOUR GROUP LTD/AUSTRALIA -	68,919.00	AUD	5.210	221,798.80		0.24	0.24
FORTESCUE METALS GROUP -	44,419.00	AUD	29.020	796,248.60		0.86	0.86
GOODMAN GROUP -	44,199.00	AUD	25.300	690,741.36		0.74	0.74
GPT GROUP -	54,294.00	AUD	4.640	155,615.31		0.17	0.17
HARDIE JAMES -	7,488.00	AUD	56.490	261,288.27		0.28	0.28
IDP EDUCATION LTD -	12,871.00	AUD	20.030	159,248.64		0.17	0.17
INDEPENDENCE GROUP NL -	15,955.00	AUD	9.050	89,192.41		0.10	0.10
INSURANCE AUSTRALIA GR LTD -	40,075.00	AUD	5.660	140,111.07		0.15	0.15
MACQUARIE GROUP LTD -	7,865.00	AUD	183.630	892,123.25		0.96	0.96
MEDIBANK PVT LTD -	28,100.00	AUD	3.560	61,792.93		0.07	0.07
MIRVAC GROUP -	162,246.00	AUD	2.090	209,460.81		0.23	0.23
NATIONAL AUSTRALIA BANK -	70,413.00	AUD	30.700	1,335,284.24		1.44	1.44
NORTHERN STAR RESOURCES LTD -	14,681.00	AUD	13.650	123,785.79		0.13	0.13
ORICA LTD -	1,801.00	AUD	15.940	17,733.09		0.02	0.02
QBE INSURANCE GROUP LTD -	50,540.00	AUD	14.810	462,352.06		0.50	0.50
RAMSAY HEALTH CARE LTD -	1,527.00	AUD	52.610	49,623.78		0.05	0.05
REA GROUP LTD -	425.00	AUD	181.150	47,556.49		0.05	0.05
SCENTRE GROUP -	175,118.00	AUD	2.990	323,433.11		0.35	0.35
SEEK LTD -	13,986.00	AUD	26.730	230,927.14		0.25	0.25
SONIC HEALTHCARE LTD -	15,043.00	AUD	32.080	298,092.68		0.32	0.32
STOCKLAND -	92,905.00	AUD	4.450	255,376.89		0.27	0.28
SUNCORP GROUP LTD -	44,129.00	AUD	13.850	377,534.25		0.41	0.41
TELSTRA GROUP LTD -	61,679.00	AUD	3.960	150,874.21		0.16	0.16
TRANSURBAN GROUP -	94,641.00	AUD	13.710	801,492.15		0.86	0.86
TREASURY WINE ESTATES LTD -	23,678.00	AUD	10.780	157,668.99		0.17	0.17
VICINITY CENTRES -	167,465.00	AUD	2.040	211,026.37		0.23	0.23
WESTPAC BANKING -	77,917.00	AUD	22.900	1,102,174.11		1.19	1.19
WISETECH GLOBAL LTD -	2,761.00	AUD	75.370	128,542.70		0.14	0.14
WOOLWORTH GROUP LTD -	30,728.00	AUD	37.200	706,089.47		0.76	0.76
<u>Cayman Islands</u>							
ESR CAYMAN LTD -	22,044.00	HKD	10.800	27,600.63		0.03	0.03
FUTU HOLDINGS LTD -	569.00	USD	54.630	28,139.66		0.03	0.03
GRAB HOLDINGS LTD -	34,476.00	USD	3.370	105,177.31		0.11	0.11
SEA LTD -	8,051.00	USD	40.500	295,175.39		0.32	0.32
SITC INTERNATIONAL HOLDINGS CO -	7,985.00	HKD	13.480	12,478.71		0.01	0.01
<u>China</u>							
WH GROUP LTD -	22,166.00	HKD	5.040	12,951.58		0.01	0.01
<u>Hong Kong</u>							
AIA GROUP LTD -	293,354.00	HKD	68.050	2,314,328.75		2.49	2.49
BOC HONG KONG HOLD LTD -	88,358.00	HKD	21.200	217,163.41		0.23	0.23
BUDWEISER BREWING CO APAC LTD -	113,482.00	HKD	14.620	192,344.27		0.21	0.21
CK ASSET HOLDINGS LTD -	28,788.00	HKD	39.200	130,828.53		0.14	0.14
CK HUTCHISON HOLDINGS LTD -	62,334.00	HKD	41.850	302,430.35		0.33	0.33
HANG LUNG PROPERTIES LTD -	103,565.00	HKD	10.880	130,631.17		0.14	0.14
HANG SENG BANK LTD. -	28,648.00	HKD	91.050	302,398.17		0.33	0.33
HENDERSON LAND -	7,539.00	HKD	24.050	21,020.05		0.02	0.02
HKT TRUST /HKT LTD -	1,926.00	HKD	9.320	2,081.02		0.00	0.00



Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
HONG KONG EXCHANGES & CLEARING LTD. -	32,124.00	HKD	268.000	998,089.11		1.07	1.07
HONG KONG LAND HOLDINGS -	5,000.00	USD	3.480	15,751.60		0.02	0.02
MTR CORPORATION -	75,139.00	HKD	30.300	263,944.70		0.28	0.28
NEW WORLD DEV -	80,001.00	HKD	12.120	112,409.48		0.12	0.12
SINO LAND CO. -	186,013.00	HKD	8.490	183,086.32		0.20	0.20
SUN HUNG KAI PROPS -	38,016.00	HKD	84.450	372,195.38		0.40	0.40
SWIRE PROPERTIES LTD -	98,404.00	HKD	15.800	180,249.78		0.19	0.19
TECHTRONIC INDUSTRIES COMP LTD -	29,672.00	HKD	93.050	320,087.05		0.34	0.34
THE LINK REIT -	73,269.00	HKD	43.850	372,472.98		0.40	0.40
WHARF (HOLDINGS) LTD. -	4,526.00	HKD	25.150	13,196.46		0.01	0.01
WHARF REAL ESTATE INVESTMENT CO LTD -	16,567.00	HKD	26.400	50,705.22		0.06	0.06
<u>Japan</u>							
ADVANTEST CORP -	22,300.00	JPY	4,797.000	686,898.20		0.74	0.74
AEON CO LTD. -	18,000.00	JPY	3,151.000	364,198.96		0.39	0.39
AGC INC -	6,900.00	JPY	5,236.000	231,988.54		0.25	0.25
AISIN SEIKI CO -	1,400.00	JPY	4,933.000	44,346.25		0.05	0.05
AJINOMOTO -	8,200.00	JPY	5,440.000	286,437.94		0.31	0.31
ASAHI GROUP HOLDINGS LTD -	13,200.00	JPY	5,258.000	445,668.88		0.48	0.48
ASAHI INTECC CO LTD -	11,200.00	JPY	2,868.500	206,295.94		0.22	0.22
ASAHI KASEI CORP -	40,900.00	JPY	1,039.000	272,870.54		0.29	0.29
ASTELLAS PHARMA INC -	54,200.00	JPY	1,686.000	586,779.12		0.63	0.63
AZBIL CORP -	6,300.00	JPY	4,666.000	188,757.01		0.20	0.20
BAYCURRENT CONSULTING INC -	1,500.00	JPY	4,951.000	47,687.22		0.05	0.05
BRIDGESTONE CORP -	17,800.00	JPY	5,840.000	667,499.04		0.72	0.72
BROTHER INDUSTRIES -	11,300.00	JPY	2,250.500	163,295.89		0.18	0.18
CANON INC -	22,800.00	JPY	3,620.000	529,982.12		0.57	0.57
CAPCOM CO. -	3,100.00	JPY	4,556.000	90,690.79		0.10	0.10
CENTRAL JAPAN RAILWAY -	13,300.00	JPY	3,584.000	306,081.75		0.33	0.33
CHIBAB BANK LTD/THE -	4,700.00	JPY	1,018.500	30,738.08		0.03	0.03
CHUGAI PHARMACEUTICAL CO LTD -	18,500.00	JPY	5,342.000	634,590.27		0.68	0.68
CONCORDIA FINANCIAL GROUP LT -	7,500.00	JPY	644.600	31,043.41		0.03	0.03
DAI NIPPON PRINTNG -	10,600.00	JPY	4,173.000	284,035.12		0.31	0.31
DAI-ICHI LIFE HOLDINGS INC -	18,600.00	JPY	2,992.000	357,348.80		0.38	0.39
DAIFUKU CO LTD -	11,800.00	JPY	2,852.500	216,135.18		0.23	0.23
DAIICHI SANKYO COMPANY LTD -	43,700.00	JPY	3,872.000	1,086,512.14		1.17	1.17
DAITO TRUST CONSTRUCTION -	700.00	JPY	16,350.000	73,490.90		0.08	0.08
DAIWA HOUSE -	17,400.00	JPY	4,272.000	477,307.53		0.51	0.51
DAIWA HOUSE REIT INVESTMENT CO -	97.00	JPY	251,700.000	156,773.53		0.17	0.17
DAIWA SECURITIES GROUP INC -	52,200.00	JPY	949.100	318,126.81		0.34	0.34
DENSO CORP. -	45,500.00	JPY	2,127.000	621,436.39		0.67	0.67
DENTSU INC. -	2,700.00	JPY	3,618.000	62,726.37		0.07	0.07
DISCO CORP -	2,100.00	JPY	34,980.000	471,690.25		0.51	0.51
EAST JAPAN RAILWAY -	7,500.00	JPY	8,129.000	391,485.95		0.42	0.42
EISAI CO. -	4,400.00	JPY	7,052.000	199,242.86		0.21	0.21
FANUC CORP -	19,100.00	JPY	4,147.000	508,610.36		0.55	0.55
FAST RETAILING CO LTD. -	4,400.00	JPY	34,990.000	988,585.91		1.06	1.06
FUJI ELECTRIC HOLDINGS CO LTD -	6,500.00	JPY	6,069.000	253,307.64		0.27	0.27
FUJI PHOTO FILM -	8,700.00	JPY	8,473.000	473,341.14		0.51	0.51
FUJITSU LTD -	4,700.00	JPY	21,275.000	642,074.21		0.69	0.69
GLP J-REIT -	215.00	JPY	140,500.000	193,969.11		0.21	0.21
HAMAMATSU PHOTONICS KK -	5,000.00	JPY	5,800.000	186,215.49		0.20	0.20
HANKYU HANSHIN HOLDINGS INC -	2,800.00	JPY	4,489.000	80,709.64		0.09	0.09
HIKARI TSUSHIN -	1,400.00	JPY	23,380.000	210,179.49		0.23	0.23
HITACHI -	20,900.00	JPY	10,170.000	1,364,850.35		1.47	1.47
HITACHI CONSTRUCTION MACHINERY CO -	5,600.00	JPY	3,727.000	134,018.64		0.14	0.14
HONDA MOTOR CO -	101,000.00	JPY	1,466.000	950,764.90		1.02	1.02
HOYA CORPORATION -	9,600.00	JPY	17,625.000	1,086,471.04		1.17	1.17
HULIC CO LTD -	18,400.00	JPY	1,476.500	174,449.24		0.19	0.19
IBIDEN CO LTD -	3,300.00	JPY	7,815.000	165,600.15		0.18	0.18
IT HOLDINGS CORP -	1,300.00	JPY	3,107.000	25,935.96		0.03	0.03
JAPAN AIRLINES -	5,700.00	JPY	2,775.000	101,567.71		0.11	0.11
JAPAN EXCHANGE GROUP INC -	16,500.00	JPY	2,983.000	316,049.42		0.34	0.34
JAPAN POST HOLDINGS CO LTD -	8,400.00	JPY	2,504.000	135,061.45		0.14	0.14
JAPAN POST HOLDINGS CO LTD -	42,700.00	JPY	1,259.500	345,337.58		0.37	0.37
JAPAN POST HOLDINGS CO LTD -	48,500.00	JPY	1,436.000	447,212.54		0.48	0.48
JAPAN REAL ESTATE INV CORP -	51.00	JPY	584,000.000	191,249.73		0.21	0.21
JAPAN RETAIL FD INV CORP -	310.00	JPY	101,900.000	202,840.03		0.22	0.22
JSR CORPORATION -	1,400.00	JPY	4,020.000	36,138.65		0.04	0.04
KAJIMA CORP -	4,600.00	JPY	2,356.500	69,605.42		0.08	0.08
KAO CORP -	14,600.00	JPY	5,800.000	543,749.22		0.58	0.59
KDDI CORPORATION -	33,100.00	JPY	4,486.000	953,465.67		1.02	1.03
KEISEI ELECTRIC RAILWAY CO LTD -	800.00	JPY	6,664.000	34,232.83		0.04	0.04
KENEDIX OFFICE INVESTMENT CORP -	20.00	JPY	160,800.000	20,650.66		0.02	0.02
KEYENCE CORP -	4,900.00	JPY	62,120.000	1,954,543.43		2.10	2.10
KIKKOMAN CORP -	1,800.00	JPY	8,634.000	99,793.52		0.11	0.11
KIRIN BREWERY -	28,500.00	JPY	2,066.000	378,088.07		0.41	0.41
KOEI TECMO HOLDINGS CO LTD -	9,300.00	JPY	1,608.500	96,055.41		0.10	0.10
KOITO MANUFACTURING CO LTD -	10,700.00	JPY	2,197.500	150,983.84		0.16	0.16
KUBOTA CORP -	33,400.00	JPY	2,122.500	455,210.18		0.49	0.49

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
KYOCERA -	23,600.00	JPY	2,058.000	311,871.13		0.34	0.34
KYOWA KOGYO CO LTD -	2,400.00	JPY	2,370.000	36,523.92		0.04	0.04
LASERTEC CORP -	1,700.00	JPY	37,170.000	405,750.70		0.44	0.44
MAKITA -	2,500.00	JPY	3,890.000	62,446.40		0.07	0.07
MATSUMOTOKIYOSHI HOLD CO LTD -	3,900.00	JPY	2,497.000	62,531.80		0.07	0.07
MAZDA MOTOR CORP. -	5,900.00	JPY	1,523.500	57,718.13		0.06	0.06
MEIJI HOLDINGS CO LTD -	1,500.00	JPY	3,349.000	32,257.02		0.04	0.04
MINEBEA -	13,900.00	JPY	2,898.500	258,705.64		0.28	0.28
MISUMI GROUP INC -	1,300.00	JPY	2,389.500	19,946.57		0.02	0.02
mitsubishi chemical holdings corp -	17,000.00	JPY	864.000	94,314.93		0.10	0.10
mitsubishi estate -	32,800.00	JPY	1,943.000	409,227.15		0.44	0.44
mitsubishi ufj financial group -	286,900.00	JPY	1,211.500	2,231,884.74		2.40	2.40
mitsubishi ufj lease & finance -	4,800.00	JPY	946.800	29,182.15		0.03	0.03
mitsui chemical inc -	7,600.00	JPY	4,182.000	204,087.04		0.22	0.22
mitsui fudosan -	17,100.00	JPY	3,458.000	379,698.51		0.41	0.41
mitsui sumitomo insur group -	7,700.00	JPY	5,546.000	274,213.22		0.30	0.30
mizuho financial group inc. -	64,600.00	JPY	2,412.500	1,000,731.65		1.08	1.08
monotaro co ltd -	1,000.00	JPY	1,539.500	9,885.47		0.01	0.01
MURATA MANUFACTURING CO -	44,300.00	JPY	2,993.000	851,389.40		0.92	0.92
M3 INC -	8,200.00	JPY	2,333.000	122,841.86		0.13	0.13
NAMCO BANDAI HOLDING INC -	18,200.00	JPY	2,826.500	330,322.51		0.36	0.36
NEC CORP(NIPPON EL.) -	7,600.00	JPY	8,350.000	407,490.85		0.44	0.44
NEC ELECTRONICS CORP -	32,600.00	JPY	2,549.000	533,586.99		0.57	0.57
NEXON CO LTD -	12,300.00	JPY	2,569.500	202,941.81		0.22	0.22
NIDEC -	7,700.00	JPY	5,695.000	281,580.29		0.30	0.30
NINTENDO CO -	25,800.00	JPY	7,359.000	1,219,147.65		1.31	1.31
NIPPON BUILDING FUND INC -	57.00	JPY	611,000.000	223,631.96		0.24	0.24
NIPPON EXPRESS HOLDINGS CO L -	2,000.00	JPY	8,014.000	102,919.37		0.11	0.11
NIPPON PAINT HOLDINGS CO LTD -	10,900.00	JPY	1,140.000	79,790.13		0.09	0.09
NIPPON PROLOGIS REIT INC -	98.00	JPY	271,400.000	170,786.57		0.18	0.18
NIPPON TEL & TEL -	628,200.00	JPY	172.300	695,025.93		0.75	0.75
NISSAN CHEMICAL INDUSTRIES LTD -	4,900.00	JPY	5,506.000	173,240.76		0.19	0.19
NISSAN MOTOR -	32,600.00	JPY	554.200	116,011.73		0.13	0.13
NISSIN FOOD PRODUCTS -	1,500.00	JPY	4,921.000	47,398.26		0.05	0.05
NITORI HOLDINGS CO LTD -	2,700.00	JPY	18,880.000	327,328.30		0.35	0.35
NITTO DENKO -	2,100.00	JPY	10,550.000	142,262.21		0.15	0.15
NOMURA HOLDINGS INC -	75,500.00	JPY	637.700	309,158.48		0.33	0.33
NOMURA REAL ESTATE HOLD INC -	6,200.00	JPY	3,709.000	147,661.17		0.16	0.16
NOMURA REAL ESTATE MASTER FUND -	172.00	JPY	165,000.000	182,234.33		0.20	0.20
NOMURA RESEARCH INSTITUTE LTD -	12,300.00	JPY	4,101.000	323,901.29		0.35	0.35
NTT DATA CORPORATION -	21,800.00	JPY	1,999.000	279,825.37		0.30	0.30
OBAYASHI CORP -	6,000.00	JPY	1,220.000	47,003.36		0.05	0.05
OBIC CO LTD -	1,100.00	JPY	24,295.000	171,603.99		0.18	0.19
ODAKYU ELECTRIC RAILWAY -	16,300.00	JPY	2,151.000	225,136.45		0.24	0.24
OJI HOLDINGS CORP -	42,200.00	JPY	543.000	147,139.77		0.16	0.16
OLYMPUS CORP -	23,500.00	JPY	2,040.500	307,908.91		0.33	0.33
OMRON CORP -	6,000.00	JPY	6,583.000	253,625.49		0.27	0.27
ONO PHARMACEUTICAL CO LTD -	9,700.00	JPY	2,516.000	156,711.25		0.17	0.17
OPEN HOUSE CO LTD -	300.00	JPY	4,183.000	8,057.99		0.01	0.01
ORACLE CORP JAPAN -	2,100.00	JPY	10,870.000	146,577.27		0.16	0.16
ORIENTAL LAND COMPANY,LTD -	24,700.00	JPY	5,251.000	832,830.78		0.90	0.90
ORIX (ORIENT LEASING) -	35,200.00	JPY	2,656.000	600,327.90		0.65	0.65
OTSUKA CORP -	900.00	JPY	5,813.000	33,593.92		0.04	0.04
OTSUKA HOLDINGS CO LTD -	7,300.00	JPY	5,289.000	247,921.52		0.27	0.27
PAN PACIFIC INT HOLD CO LTD -	12,800.00	JPY	3,364.000	276,492.75		0.30	0.30
PANASONIC CORPORATION -	42,600.00	JPY	1,396.500	382,004.37		0.41	0.41
RAKUTEN INC -	28,100.00	JPY	628.000	113,314.05		0.12	0.12
RECRUIT HOLDINGS CO LTD -	37,100.00	JPY	5,963.000	1,420,549.97		1.53	1.53
RESONA HOLDINGS INC -	44,200.00	JPY	716.500	203,355.66		0.22	0.22
ROHM CORP. -	4,000.00	JPY	2,702.500	69,413.43		0.08	0.08
SBI HOLDINGS INC -	1,500.00	JPY	3,172.000	30,552.18		0.03	0.03
SECOM CO -	6,000.00	JPY	10,155.000	391,245.16		0.42	0.42
SEIKO EPSON CORP -	16,000.00	JPY	2,110.500	216,831.88		0.23	0.23
SEKISUI CHEMICAL -	3,500.00	JPY	2,032.500	45,678.98		0.05	0.05
SEKISUI HOUSE LTD -	18,300.00	JPY	3,132.000	368,036.29		0.40	0.40
SEVEN & I HOLDINGS CO LTD -	21,300.00	JPY	5,595.000	765,239.70		0.82	0.82
SG HOLDINGS CO LTD -	17,700.00	JPY	2,024.000	230,039.05		0.25	0.25
SHARP CORP -	4,000.00	JPY	1,005.500	25,826.16		0.03	0.03
SHIMADZU CORPORATION -	10,700.00	JPY	3,942.000	270,843.36		0.29	0.29
SHIMANO INC -	2,400.00	JPY	21,835.000	336,497.80		0.36	0.36
SHIN-ETSU CHEM CO -	41,200.00	JPY	5,917.000	1,565,368.47		1.68	1.69
SHIONOGI & CO -	5,400.00	JPY	6,798.000	235,717.98		0.25	0.25
SHISEIDO CO -	6,300.00	JPY	4,252.000	172,009.17		0.19	0.19
SMC CORP. -	1,200.00	JPY	75,760.000	583,766.28		0.63	0.63
SOFTBANK CORP -	79,500.00	JPY	1,759.500	898,202.37		0.97	0.97
SOMPO JAPAN NIPPONKOA HOLDINGS -	6,100.00	JPY	6,896.000	270,112.63		0.29	0.29
SONY CORP -	30,900.00	JPY	13,410.000	2,660,756.02		2.86	2.86
SQUARE ENIX CO -	4,500.00	JPY	5,063.000	146,297.95		0.16	0.16
SUMCO CORPORATION -	2,300.00	JPY	2,114.500	31,228.66		0.03	0.03
SUMISHO COMPUTER SYSTEMS CORP -	8,600.00	JPY	2,796.000	154,402.18		0.17	0.17

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
SUMITOMO METAL MINING -	2,900.00	JPY	4,246.000	79,067.10		0.09	0.09
SUMITOMO MITSUI FINANCIAL GROUP INC -	30,400.00	JPY	6,880.000	1,343,011.77		1.44	1.45
SUMITOMO MITSUI TRUST HOLD INC -	18,200.00	JPY	2,706.000	316,240.13		0.34	0.34
SUMITOMO REALTY & DEV. -	3,700.00	JPY	4,194.000	99,643.26		0.11	0.11
SUNTORY BEVERAGE & FOOD LTD -	700.00	JPY	4,650.000	20,901.08		0.02	0.02
SUZUKI MOTOR CORP. -	6,500.00	JPY	6,033.000	251,805.07		0.27	0.27
SYSMEX CORP -	2,700.00	JPY	7,858.000	136,236.53		0.15	0.15
T&D HOLDINGS INC -	7,500.00	JPY	2,240.500	107,900.64		0.12	0.12
TAISEI CORP -	1,600.00	JPY	4,822.000	49,541.02		0.05	0.05
TAIYO NIPPON SANJO CORP -	8,000.00	JPY	3,776.000	193,972.32		0.21	0.21
TAKEDA PHARMACEUTICAL CO LTD -	36,400.00	JPY	4,054.000	947,551.72		1.02	1.02
TDK CORP -	8,700.00	JPY	6,717.000	375,242.83		0.40	0.40
TERUMO CORP. -	13,000.00	JPY	4,622.000	385,825.64		0.42	0.42
TOBU-RAILWAY CO.LTD. -	700.00	JPY	3,789.000	17,031.01		0.02	0.02
TOHO CO LTD -	5,200.00	JPY	4,769.000	159,238.64		0.17	0.17
TOKIO MARINE HOLDINGS INC -	39,600.00	JPY	3,529.000	897,355.73		0.97	0.97
TOKYO ELECTRON -	12,200.00	JPY	25,255.000	1,978,449.64		2.13	2.13
TOKYU CORPORATION -	4,600.00	JPY	1,721.000	50,834.26		0.06	0.06
TOPPAN PRINTING -	11,900.00	JPY	3,935.000	300,683.43		0.32	0.32
TOSOH CORP -	2,900.00	JPY	1,801.000	33,537.41		0.04	0.04
TOTO -	8,100.00	JPY	3,713.000	193,120.23		0.21	0.21
TOYOTA INDUSTRIES CORP. -	2,300.00	JPY	11,500.000	169,841.37		0.18	0.18
TOYOTA TSUSHO CORPORATION -	6,400.00	JPY	8,308.000	341,424.17		0.37	0.37
TREND MICRO INC -	2,100.00	JPY	7,548.000	101,781.53		0.11	0.11
UNI-CHARM -	6,700.00	JPY	5,098.000	219,327.17		0.24	0.24
USS CO LTD -	11,700.00	JPY	2,836.000	213,063.91		0.23	0.23
WEST JAPAN RAILWAY -	3,300.00	JPY	5,881.000	124,618.61		0.13	0.13
YAKULT HONSA -	2,800.00	JPY	3,167.000	56,940.84		0.06	0.06
YAMAHA CORPORATION -	9,000.00	JPY	3,257.000	188,225.33		0.20	0.20
YAMAHA MOTORS -	36,600.00	JPY	1,259.500	296,003.64		0.32	0.32
YAMATO HOLDINGS CO LTD -	4,500.00	JPY	2,605.500	75,287.24		0.08	0.08
YASKAWA ELECTRIC CORP -	3,300.00	JPY	5,890.000	124,809.32		0.13	0.13
YOKOGAWA ELECTRIC CORP -	10,000.00	JPY	2,689.000	172,666.70		0.19	0.19
Z HOLDINGS CORP -	56,500.00	JPY	499.700	181,290.73		0.20	0.20
ZENSHO HOLDINGS CO LTD -	700.00	JPY	7,389.000	33,212.50		0.04	0.04
<u>New Zealand</u>							
AUCKLAND INTL AIRPORT LTD -	60,082.00	NZD	8.800	303,046.29		0.33	0.33
EBOS GROUP LTD -	7,713.00	NZD	35.500	156,939.98		0.17	0.17
FISHER & PAYKEL HEALTHCARE CORP. -	6,798.00	NZD	23.600	91,954.94		0.10	0.10
MERIDIAN ENERGY LTD -	61,131.00	NZD	5.540	194,112.36		0.21	0.21
SPARK NEW ZEALAND LTD NZL REGD	17,272.00	NZD	5.180	51,280.74		0.06	0.06
XERO LTD -	3,631.00	AUD	112.300	251,877.00		0.27	0.27
<u>Singapore</u>							
ASCENDAS REAL ESTATE INVESTM. TR. -	130,600.00	SGD	3.030	271,571.00		0.29	0.29
CAPITALAND INTEGR COMMERCIAL TRUST -	190,300.00	SGD	2.060	269,031.78		0.29	0.29
CAPITALAND LTD -	94,300.00	SGD	3.160	204,501.43		0.22	0.22
CITY DEVELOPMENTS LTD -	46,800.00	SGD	6.650	213,582.21		0.23	0.23
DBS GROUP HOLDINGS LTD -	48,400.00	SGD	33.410	1,109,735.35		1.19	1.19
MAPLETREE LOGISTICS TRUST -	105,200.00	SGD	1.740	125,621.09		0.14	0.14
OVERSEA-CHINESE BANKING CORP LTD. -	70,800.00	SGD	13.000	631,646.64		0.68	0.68
SINGAPORE AIRLINES LTD -	18,100.00	SGD	6.560	81,485.44		0.09	0.09
SINGAPORE EXCHANGE LTD. -	9,400.00	SGD	9.830	63,413.10		0.07	0.07
SINGAPORE TELECOM -	213,100.00	SGD	2.470	361,225.15		0.39	0.39
UNITED OVERSEAS BANK LTD. -	33,600.00	SGD	28.450	656,023.10		0.71	0.71
Total shares				93,036,755.64		100.00	100.12
TOTAL SECURITIES PORTFOLIO				93,036,755.64		100.00	100.12
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	83,471.24	AUD	1.000	51,560.77		0.00	0.06
KBC GROUP EURO	-134,011.70	EUR	1.000	-134,011.70		0.00	-0.14
KBC GROUP HKD	94,493.86	HKD	1.000	10,954.90		0.00	0.01
KBC GROUP JPY	-54,711.00	JPY	1.000	-351.31		0.00	0.00
KBC GROUP NZD	1,301.13	NZD	1.000	745.77		0.00	0.00
KBC GROUP SGD	-41.45	SGD	1.000	-28.45		0.00	0.00
KBC GROUP USD	-64.64	USD	1.000	-58.52		0.00	0.00
Total demand accounts				-71,188.54		0.00	-0.08
TOTAL CASH AT BANK AND IN HAND				-71,188.54		0.00	-0.08
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP JPY RECEIVABLE	81,144.00	JPY	1.000	521.04		0.00	0.00
Total receivables				521.04		0.00	0.00

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-117,024.70	EUR	1.000	-117,024.70		0.00	-0.13
Payables				-117,024.70		0.00	-0.13
<b>TOTAL RECEIVABLES AND PAYABLES</b>				-116,503.66		0.00	-0.13
<b>OTHER</b>							
Interest receivable		EUR		122,440.55		0.00	0.13
Expenses payable		EUR		-45,153.41		0.00	-0.05
<b>TOTAL OTHER</b>				77,287.14		0.00	0.08
<b>TOTAL NET ASSETS</b>				92,926,350.58		0.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Australia	21.18	22.90	20.41	19.49
Belgium	-0.08	0.19	-0.46	-0.20
China	0.00	0.00	0.07	0.01
Cayman Islands	0.00	0.00	0.52	0.50
Hong Kong	10.16	9.18	7.39	6.98
Japan	62.02	61.66	66.83	67.78
New Zealand	1.50	1.34	0.89	1.14
Singapore	5.22	4.73	4.35	4.30
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	15.53	15.01	12.71	
Consum(cycl)	18.53	19.50	18.90	
Cons.goods	7.77	7.92	6.48	
Pharma	9.53	8.29	9.64	
Financials	22.51	23.20	24.83	
Technology	13.28	12.73	14.90	
Telecomm.	2.93	4.32	3.60	
Utilities	0.86	0.79	0.39	
Real est.	9.06	8.24	8.55	
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	

	31/12/2023
Banking	17.00
Tech Hardware & Semiconductors	12.70
Health Care	10.25
Real Estate	7.71
Industrial Products	7.38
Industrial Services	6.61
Insurance	6.11
Materials	5.32
Consumer Discretionary Products	5.32
Financial Services	3.46
Retail & Wholesale - Staples	3.38
Telecommunications	3.35
Software & Tech Services	2.92
Consumer Staple Products	2.87
Retail & Wholesale - Discretionary	2.32
Media	1.99
Consumer Discretionary Services	1.10
Utilities	0.21
<b>TOTAL</b>	<b>100.00</b>

The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral

spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
AUSTRALIAN DOLLAR	21.57	23.29	20.62	19.82
EURO	-0.08	-0.46	-0.43	-0.27
HONG KONG DOLLAR	10.16	9.20	7.66	7.02
JAPANESE YEN	62.03	62.17	66.84	67.78
NEW ZEALAND DOLLAR	1.11	1.03	0.64	0.87
SINGAPORE DOLLAR	5.22	4.78	4.35	4.30
US DOLLAR	-0.01	-0.01	0.32	0.48
TOTAL	100.00	100.00	100.00	100.00

#### 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Asia Pacific Responsible Investing (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	25,439,093.06	38,282,635.39	63,721,728.45
<b>Sales</b>	4,590,304.11	8,210,815.13	12,801,119.23
<b>Total 1</b>	30,029,397.17	46,493,450.52	76,522,847.69
<b>Subscriptions</b>	20,662,104.34	30,133,944.43	50,796,048.77
<b>Redemptions</b>	780,122.20	1,437,108.51	2,217,230.71
<b>Total 2</b>	21,442,226.54	31,571,052.94	53,013,279.48
<b>Monthly average of total assets</b>	47,582,314.66	76,046,193.44	62,182,321.45
<b>Turnover rate</b>	18.05%	19.62%	37.81%

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:  
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
2021 - 12	0.00	48.00	0.00	0.00	0.00	48.00	48.00
2022 - 12	0.00	0.00	0.00	0.00	0.00	48.00	48.00
2023 - 12	0.00	18.00	0.00	4.00	0.00	62.00	62.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	0.00	54,001.92	0.00	0.00
2022 - 12	0.00	0.00	0.00	0.00
2023 - 12	0.00	18,713.52	0.00	4,149.00

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	53,599.88	0.00	1,116.66
2022 - 12	48,636.79	0.00	1,013.27
2023 - 12	67,104.20	0.00	1,082.33

## Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	15,950.08	0.00	7,338.76	0.00	22,670.32	0.00	22,670.32
2022 - 12	13,138.57	0.00	5,996.50	0.00	29,812.40	0.00	29,812.40
2023 - 12	41,655.47	0.00	983.10	0.00	70,484.77	0.00	70,484.77

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	17,373,334.20	0.00	7,956,786.51	0.00
2022 - 12	13,924,737.11	0.00	6,405,564.97	0.00
2023 - 12	44,354,264.02	0.00	1,055,369.63	0.00

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	25,326,905.64	1,117.18	0.00
2022 - 12	30,239,863.94	1,014.34	0.00
2023 - 12	78,565,390.62	1,114.64	0.00

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2022 - 12	9,682.00		1,992.00		7,690.00		7,690.00
2023 - 12	7,377.00		1,218.00		13,849.00		13,849.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2022 - 12	9,082,218.99		1,921,531.34	
2023 - 12	7,222,917.64		1,195,615.14	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2022 - 12	7,211,261.50	937.75	
2023 - 12	14,293,855.76	1,032.12	

## 2.4.5. Performance figures

### Classic Shares

BE6325116372

KBC Institutional Fund Asia Pacific Responsible Investing Classic Shares CAP

Annual performance compared to the benchmark on 31/12/2023 (in EUR)

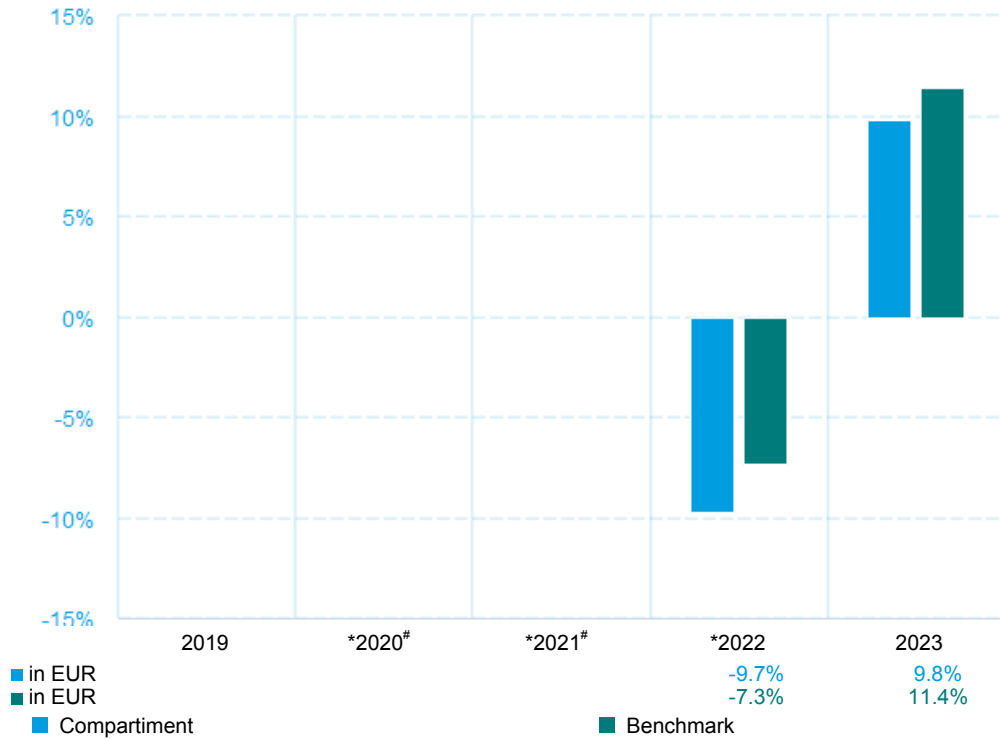
The cumulative returns are shown where they relate to a period of at least one year.

### Classic Shares

BE6325117388

KBC Institutional Fund Asia Pacific Responsible Investing Classic Shares DIS

Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

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

Cap Div	ISIN Code	Currency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE6325117388	EUR	9.82%	11.37%							15/12/2020	-0.53%

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.
- 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:

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

$i = 1 \dots N$

from which  $C = C_0 * \dots * C_N$ .

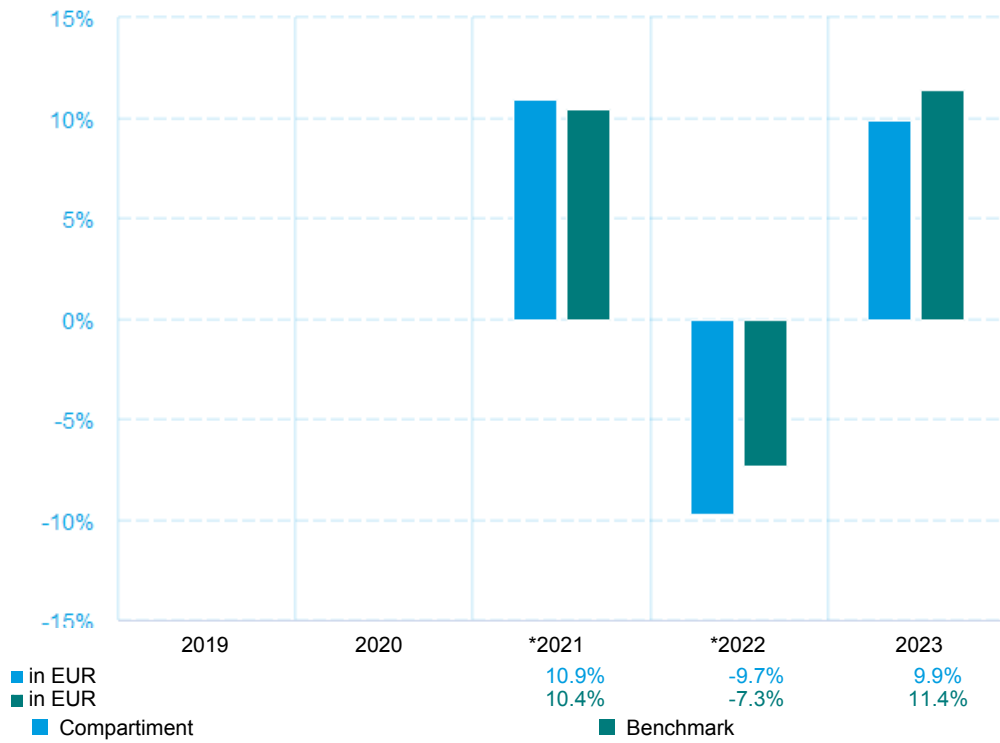
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the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

Dividend on ex-dividend date 28/03/2024: 19,9458 net (28,4940 gross).

**Institutional Shares**

BE6325118394

KBC Institutional Fund Asia Pacific Responsible Investing Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

**Institutional Shares**

BE6325119400

KBC Institutional Fund Asia Pacific Responsible Investing Institutional Shares DIS  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)

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

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	BE6325118394	EUR	9.89%	11.37%	3.25%	4.46%					15/12/2020	3.63%

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

- Calculation method for date D, where NAV stands for net asset value:

#### Capitalisation units (CAP)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

#### Distribution units (DIV)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

where C is a factor that is determined for all N dividends between the calculation

date D and the reference date.

For dividend i on date Di with value Wi:

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

i = 1 ... N

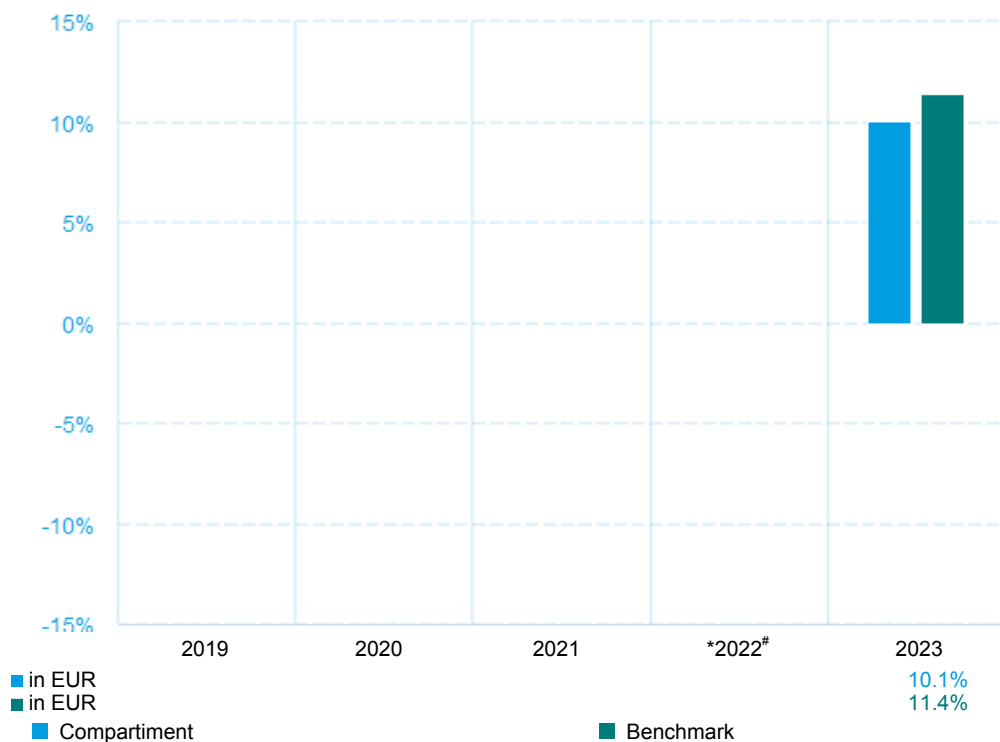
from which C = C<sub>0</sub> \* ... \* C<sub>N</sub>.

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

## Institutional B Shares

BE6332394400

KBC Institutional Fund Asia Pacific Responsible Investing Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

\* 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
CAP	BE6332394400	EUR	10.06%	11.37%							15/02/2022	1.84%

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.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\left[ \frac{NIW(D)}{NIW(Y)} \right]^{1/X} - 1$$
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 Capitalisation :

Ongoing charges : 0,000%  
Transaction costs: 0,078%

#### Classic Shares Distribution :

Ongoing charges : 0,705%  
Transaction costs: 0,078%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,643%  
Transaction costs: 0,078%

#### Institutional Shares Distribution :

Ongoing charges : 0,000%  
Transaction costs: 0,078%

#### Institutional B Shares Capitalisation :

Ongoing charges : 0,485%  
Transaction costs: 0,078%

Percentage calculated at reporting date: 31 December 2023 .

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.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.45%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	of the net assets of the sub-fund per year.
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### **Institutional Shares**

Fee for managing the investment portfolio	Max 0.45%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	of the net assets of the sub-fund per year.

### **Institutional B Shares**

Fee for managing the investment portfolio	Max 0.40%	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.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	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.

**Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**  
KBC Institutional Fund Asia Pacific Responsible Investing

**Legal entity identifier:**  
875500HK19KDEN1B6M25

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Did this financial product have a sustainable investment objective?**

Yes    No

<p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b>: %</p> <p style="margin-left: 40px;"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective</b>: %</p>	<p><input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 82.04% of sustainable investments</p> <p style="margin-left: 40px;"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>
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**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

This sub-fund:

- has promoted the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- has promoted climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;
- has supported sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The specific objectives of the sub-fund can be found in the table under title 'How did the sustainability indicators perform?' of this annex.

The sub-fund invested 82.04% of the assets in "sustainable investments" as defined by art. 2.17 SFDR and 18.04% in other investments aligned with environmental or social characteristics.



No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI Pacific-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How did the sustainability indicators perform?**

**Sustainability indicators**  
measure how the environmental or social characteristics promoted by the financial product are attained.

	Target	Target applied	Actuals	Objective attained
<b>Instruments issued by companies</b>				
ESG risk score	10% better than the following benchmark: MSCI Pacific-Net Return index.	20.28	19.77	Yes
Carbon Intensity	A reduction of 50% by 2030 based on the following benchmark: MSCI Pacific-Net Return index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%.	98.59	53.72	Yes
<b>Minimum % Sustainable Investments</b>	A minimum of 55% of sustainable investments.	55	82.04	Yes
<b>Other specific objectives</b>	not applicable			

As indicated in the table above, the sub-fund has reached all targets during the reference period.

The sub-fund pursued these objectives (directly or indirectly) based on a dual approach: the negative screening and the positive selection methodology. The reference period of this annual report is 1 January 2023 to 31 December 2023. The objectives and results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year and, for this reason, are not a reliable indicator for future results.

All targets are also monitored by KBC Asset Management at month-end. Given the difference in the periodicity of the calculations, it cannot be excluded that the monitoring at month-end leads to different results than the situation at the end of the financial year as shown in the table above and section 2.1.7 of the general annual report.

No breaches at month-end have been identified for this sub-fund.

**... and compared to previous periods?**

Sustainability indicators	Achieved result	
	31/12/2022	31/12/2023
<b>Instruments issued by companies</b>		
ESG risk score		19.77
Carbon Intensity		53.72
<b>Sustainable Investments</b>	86.24	82.04

For both reporting periods, the results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year. Therefore, they are not a reliable indicator of future results.

For the reporting period 01/01/2022 - 31/12/2022, the results achieved were not reported for each sustainability indicator separately (except for the percentage of sustainable investments).

For the year 2022, it was only described in a general way whether or not the targets were achieved.

**What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The sub-fund promoted a combination of environmental and social characteristics and, even though it didn't have sustainable investments as an objective, the sub-fund invested 82.04% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this chapter only reflect the situation at the end of the financial year of the sub-fund and, for that reason, are not a reliable indicator for future results.

**(1) UN Sustainable Development Goals**

To support sustainable development, the sub-fund invested a part of its portfolio in companies that contribute to the UN Sustainable Development Goals (including both social and environmental objectives).

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, were designated as 'sustainable investments'.

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

***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and anti-bribery matters.

The sustainable investments that the sub-fund partially made did not cause significant harm to the sustainable investment objective through the negative screening. The sub-fund took into account the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 through the negative screening.

The negative screening amounts to the sub-fund's a priori exclusion of companies from the Responsible Investment universe which fall foul the exclusion policies.

The application of these policies means that companies involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, and companies active in the palm oil industry are subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather are excluded. The negative screening also ensures that companies based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These principles of negative screening are not exhaustive and may be modified on the advice of the Responsible Investing Advisory Board.

***How were the indicators for adverse impacts on sustainability factors taken into account?***

Through the exclusion policy for Responsible Investing funds and, in particular, the normative screening and ESG risk assessment, all indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account for instruments issued by companies. The sub-fund did not invest in companies that seriously violate the principles of the United Nations Global Compact and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, and any companies involved in serious controversies related to environmental, social or good governance issues are also excluded. Also excluded were companies that deviate significantly (score of -10) from any of the UN's first 15 Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk score of more than 40 according to data provider Sustainalytics.

In addition to the normative screening and ESG risk assessment, through the positive selection methodology on carbon intensity and the exclusions in the exclusion policy for Responsible Investment funds, the following indicators of principle adverse impacts on sustainability factors were also considered for all investments of this sub-fund:

- **Indicator 4:** exposure to companies active in the fossil fuel sector was taken into account as the sub-fund did not invest in companies that are active in the fossil fuel sector.
- **Indicator 10:** Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises was taken into account as the sub-fund did not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14:** exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) was taken into account as the sub-fund did not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors were implicitly taken into

account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercised the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators of principal adverse impacts on sustainability factors that the sub-fund can take into account can be found in Annex I of Delegated Regulation (EU) 2022/1288.

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Yes.

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, were excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assessed the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures were taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

The principal adverse impacts on sustainability factors were explicitly taken into account for all investments of this sub-fund by the exclusion policies applied. In addition, the principle adverse impacts on sustainability factors were implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting. More information on the principal adverse impacts on sustainability factors can be found under the heading 'How were the indicators for adverse impacts on sustainability factors taken into account' of this Annex.



## What were the top investments of this financial product?

This list includes the investments constituting the greatest proportion of the financial product during the reference period which is:

01/01/2023-31/12/2023

Largest investments	Sector	% assets	Country
AIA GROUP LTD	Insurance	2.65%	Hong Kong
SONY GROUP CORP	Tech Hardware & Semiconductors	2.63%	Japan
COMMONWEALTH BANK OF AUSTRAL	Banking	2.45%	Australia
MITSUBISHI UFJ FINANCIAL GRO	Banking	2.34%	Japan
KEYENCE CORP	Industrial Products	1.90%	Japan
CSL LTD	Health Care	1.85%	Australia
TOKYO ELECTRON LTD	Tech Hardware & Semiconductors	1.77%	Japan
ANZ GROUP HOLDINGS LTD	Banking	1.40%	Australia
SHIN-ETSU CHEMICAL CO LTD	Materials	1.33%	Japan
SUMITOMO MITSUI FINANCIAL GR	Banking	1.31%	Japan
TAKEDA PHARMACEUTICAL CO LTD	Health Care	1.27%	Japan
HITACHI LTD	Industrial Products	1.22%	Japan
RECRUIT HOLDINGS CO LTD	Industrial Services	1.19%	Japan
DAIICHI SANKYO CO LTD	Health Care	1.18%	Japan
MIZUHO FINANCIAL GROUP INC	Banking	1.18%	Japan



## What was the proportion of sustainability-related investments?

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results. At the end of the year, the proportion of sustainable investments was 82.04%.

### What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

The sub-fund could invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described in the prospectus under title "Information concerning the sub-fund Asia Pacific Responsible Investing".

Within these categories of eligible assets, the sub-fund invested 100.08% in assets that promote environmental or social characteristics and 0.08% in other investments. The category "other investments" contained technical items, such as cash and derivatives, and assets in which the sub-fund invests temporarily following a planned update of the eligible universe, which determines the assets that promote environmental and/or social characteristics, for which there are no environmental or social safeguards. The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.

Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Asia Pacific Responsible Investing' of the prospectus.

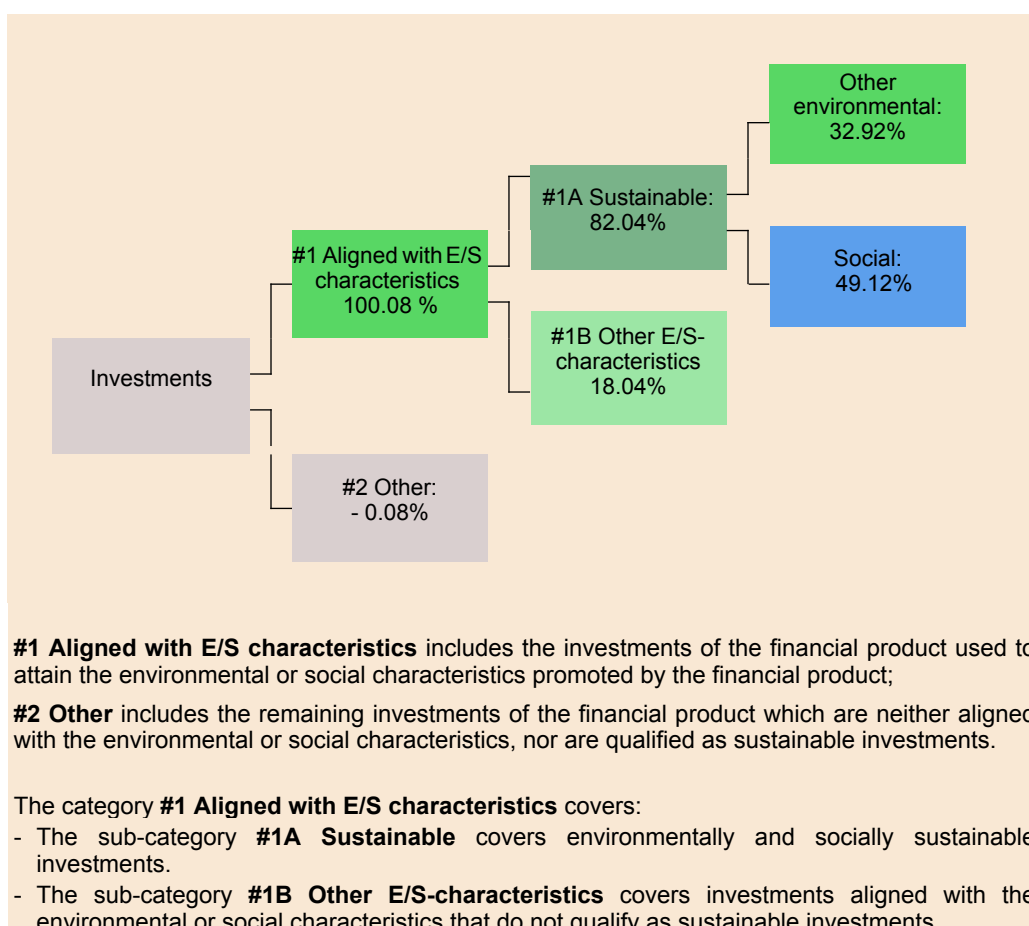
Investments in derivatives are not used to attain the environmental or social characteristics promoted by the financial product and will not affect them.

32.92% of the sustainable investments are environmentally sustainable investments and 49.12% are socially sustainable investments.

The sustainable investments are equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are considered "sustainable" by the Responsible Investing Advisory Board.

More information can be found at the section 'What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?' of this Annex.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.



### *In which economic sectors were the investments made?*

On 31/12/2023 the investments were made in the following sectors:

<b>Sector</b>	<b>%Assets</b>
Banking	17.00%
Tech Hardware & Semiconductors	12.70%
Health Care	10.25%
Real Estate	7.71%
Industrial Products	7.38%
Industrial Services	6.61%
Insurance	6.11%
Materials	5.32%
Consumer Discretionary Products	5.32%
Financial Services	3.46%
Retail & Wholesale - Staples	3.38%
Telecommunications	3.35%
Software & Tech Services	2.92%
Consumer Staple Products	2.87%
Retail & Wholesale - Discretionary	2.32%
Media	1.99%
Consumer Discretionary Services	1.10%
Utilities	0.21%

Sectors and sub-sectors of the economy that derive income from exploration, mining, extraction, production, processing, storage, refining or distribution - including transportation, storage and trading - in fossil fuels are excluded by the exclusion policy. Consequently, the sub-fund has not invested in these sectors and sub-sectors.



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework ("investments aligned with the EU Taxonomy"). Although the sub-fund does not aim to invest in investments aligned with the EU Taxonomy, it cannot be ruled out that the sub-fund does contain investments aligned with the EU Taxonomy. The percentage invested in EU Taxonomy-aligned investments was set at 31 December 2023. KBC Asset Management NV determined that insufficient reliable, timely and verifiable data from issuers or investee companies were available at that time for consistent reporting, and this based on its own research and services from data suppliers. The percentage invested in investments aligned with the EU Taxonomy was therefore set at 0%.

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>(1)</sup>?**

Yes:

In fossil gas                       In nuclear energy

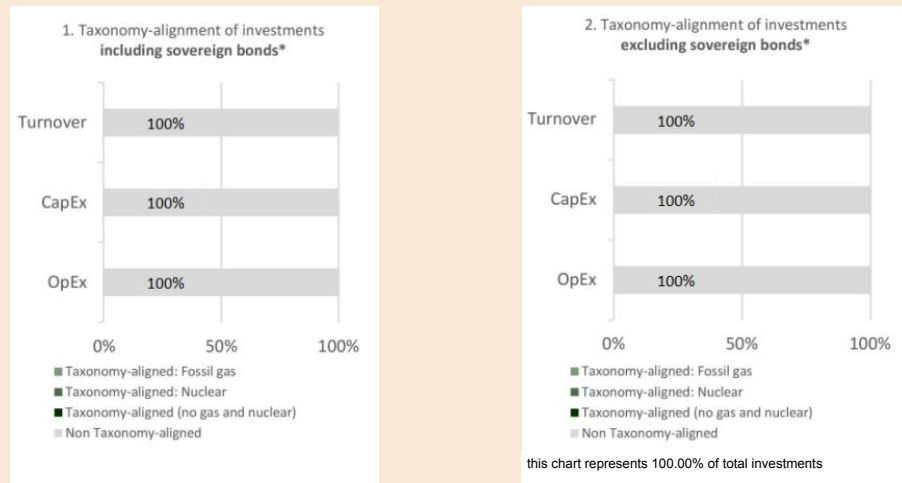
No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy--alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\*For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

**What was the share of investments made in transitional and enabling activities?**

Not applicable.

**How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The previous reference period (which ran from 1 January 2022 tot 31 December 2022) also reported 0% on EU taxonomy-aligned investments.

KBC Asset Management NV determined, based on its own research and services from data suppliers, that insufficient reliable, timely and verifiable data of issuers in which investments were made were available for the previous and current financial year. The percentage of investments aligned with the EU taxonomy was therefore set at 0% for both reference periods.

**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

The sub-fund invested 82.04% in sustainable investments as defined by art. 2.17 SFDR. At the end of the financial year of the sub-fund, the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 32.92%.

Asset managers depend on available sustainability data relating to their investee companies. Currently, there is a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

**What was the share of socially sustainable investments?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

At the end of the financial year of the sub-fund, the share of socially sustainable investments was 49.12%.

**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

At the end of the financial year, the "not sustainable" category may include the following investments:

Assets	Purpose of investments and presence of minimum environmental or social safeguards
Investments in cash	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in assets that no longer met screening criteria	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in derivatives	Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Asia Pacific Responsible Investing' of the prospectus. Investments in derivatives were not used to attain the environmental or social characteristics promoted by the sub-fund and did not affect them.

For investments included under “#2 not sustainable”, there were no environmental or social safeguards.



## What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The sub-fund

- promoted the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promoted climate change mitigation, by preferring companies with lower Carbon Intensity, with the objective of meeting a predetermined carbon intensity target;
- supported sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

The sub-fund excluded companies involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices were also excluded, and companies active in the palm oil industry were subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather were excluded. The negative screening also ensured that companies based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) were excluded from the sub-fund's investment universe.

KBC Asset Management NV executed the voting rights of shares managed in the sub-fund according to the Proxy Voting and Engagement Policy. As such, KBC Asset Management monitored the companies in which the sub-fund is invested in, intervened with investee companies (avoiding insider information), took part in appropriate collective engagement initiatives and exercised voting rights in a considered way. These responsibilities were executed in the exclusive concern of defending the interests of the investors of the funds.



## How did this financial product perform compared to the reference benchmark?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI Pacific-Net Return index was used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

More information can be found in the table under the "How did the sustainability indicators perform" section of this annex.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.



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## 2. Information on KBC Institutional Fund Euro Bonds

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

Launch date: 27 November 2014

Initial subscription price: 1 000 EUR

Currency: EUR

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

Launch date: 17 January 1997

Initial subscription price: 1 000 000 BEF

Currency: EUR

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

Launch date: 19 January 2021

Initial subscription price: 1 000 EUR

Currency: EUR

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

Launch date: 12 December 2007

Initial subscription price: 4 006.73 EUR

Currency: EUR

##### **Institutional Shares Distribution**

Launch date: 19 January 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 bonds.

##### 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 primarily in bonds denominated in strong European currencies, i.e. the euro and currencies closely linked to the euro.

The fund is actively managed with reference to the following benchmark: JP Morgan EMU Government Bonds Investment Grade ALL Maturities - Total 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.

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

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

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

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

The longterm expected tracking error for this fund is 1.00%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

### **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors that were taken into account through the general exclusion policy, were exposure to controversial weapons ('indicator 14'), exposure to companies active in the fossil fuel sector ('indicator 4') and Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10').

The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy were greenhouse gas emissions ('indicator 1'), carbon footprint ('indicator 2'), greenhouse gas intensity of investee companies ('indicator 3'), exposure to companies active in the fossil fuel sector ('indicator 4'), gender diversity on the board of directors ('indicator 13').

Required disclaimers for benchmark providers:

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 201(7), J.P. Morgan Chase & Co. All rights reserved.

### **Characteristics of the bonds and debt instruments**

The sub-fund invests in bonds and debt instruments issued by both companies and public authorities.

The sub-fund invests directly and/or indirectly at least 90% of its assets in bonds and debt instruments

- in bonds and debt instruments rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies: Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or
- in government bonds issued in local currency or non-subordinated corporate bonds\* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has an investment grade rating by at least one of the rating agencies mentioned above, and/or

This means that the sub-fund may invest up to 10% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or which do not comply with the above-mentioned credit requirements.

All maturities are taken into consideration in the selection of bonds and debt instruments.

\*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

### **Derogation for investments in public issuers**

**The sub-fund has been granted a derogation to invest more than 35% of its assets in various issues of securities and money market instruments that are issued or guaranteed by a Member State of the European Economic Area, by its local authorities, by a state that is not a Member State of the European Economic Area, or by public international institutions in which one or more Member States of the European Economic Area participate, insofar as the investments are made in at least six such issues and the investment in a single issue does not exceed 30% of the assets. The sub-fund may invest more than 35% of its assets in securities or money market instruments issued by:**

- Germany
- France

The sub-fund will use this option when managing issuer-specific credit risks, like when an issuer's credit rating is downgraded and the manager wants to invest the sub-fund's assets in higher rated issues. The sub-fund will only be able to use this derogation for the issuers named above if – at the time of derogation – they have a long-term rating of at least AA/Aa2 from Moody's (Moody's Investor Service), S&P (Standard & Poor's, a Division of the McGraw-Hill Companies) or Fitch (Fitch Ratings), and if the investments are made primarily in liquid issues (of at least 500 million euros). The sub-fund will invest no more than 50% of its assets in issues by the same issuer and, when making use of this derogation, will always invest in issues by at least five different issuers.

### **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 NV, Havenlaan 2, 1080 Brussels.

## 2.1.6. Index and benchmark

See 'Sub-fund's investment policy'.

## 2.1.7. Policy pursued during the financial year

At the start of the reporting period sentiment on the financial markets remained very nervous. Europe was still threatened by a shortage of gas during winter as the fallout from the Russian invasion in Ukraine continued. Both in Europe and the United States, inflation figures remained far above the comfort level of the central banks. The Federal Reserve in the US and the European Central Bank continued to hike their policy rates. Central Bank policy pushed up 2 year German Government yields by 45 bps in 23H1. As 10 year German yields dropped by 20 bps, the yield curve flattened quite substantially. At the end of June, short end yields reached a cycle high at 3.20%, while 10 yr yields stood at 2.40%. This is what professionals refer to as an 'inverse yield curve', which indicates that monetary policy is restrictive.

During summer constructive sentiment on bond markets ended, with a shift in Central Bank communication. Although both ECB and Fed indicated that policy rates were close to, or even at the peak of the cycle, they pushed back against market pricing of rate cuts in 2024. As money market curves moved higher, that pushed bond curves into a bear steepening move. A 45 bp rally in 10y German Rates, took them to a level of 2.85% at end of September.

However, bear market in bonds hit a wall when inflation data started to surprise to the downside. In 23Q4 it became clear that inflation was moving towards central bank targets much more quickly than initially expected. ECB and Fed welcomed the disinflationary trend. Fed President Jerome Powell acknowledged that Fed Funds rates had reached a level that is high enough to restore price stability, and he added that the next step of the central bank was likely going to be a cut, and not a hike. Bond markets were delighted with this 'policy pivot'. In final quarter of the year, German Bund yields from 2 to 10 yrs of maturity dropped 80 bps.

The average duration of the portfolio was always between 6 and 8 years. Relative to the benchmark the portfolio had been holding a neutral duration stance, around 7 years. In 1Q23 we sold all our out-of-bench Inflation Linked Bond positions. In December we initiated an underweight position in Italian and Spanish debt, while overweighting German, Dutch and Austrian bonds.

## 2.1.8. Future policy

After having reached a 3% top in 23Q3, our economists expect yields to keep trading in a range between 2.00% and 2.50% in the foreseeable future. We'll be trading the interest rate sensitivity of the portfolio in a very dynamic way, trying to surf the waves of rising and falling interest rates within the range as indicated by our economists. There will be also further focus on relative value opportunities in country allocation and yield curves.

## 2.1.9. Summary risk indicator (SRI)

Institutional B Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation. There is no capital protection.

Classic Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation. There is no capital protection.

Institutional Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation. There is no capital protection.

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

The summary 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).

### **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 0.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

### **2.1.11. Value-at-Risk**

Not applicable

## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	1,504,444,672.75	1,480,397,788.40
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds	1,414,899,682.81	1,409,087,317.88
	Of which bonds lent		75,150,289.60
B.	Money market instruments	79,493,296.34	65,990,233.28
E.	Open-end undertakings for collective investment		
	a) Reinvested collateral in money market funds		76,371,714.20
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts (+/-)		3,205,639.95
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	4,064,213.03	21,111.74
	c) Collateral		1,487,853.50
B.	Payables		
	a) Accounts payable (-)	-1,277,998.72	
	c) Borrowings (-)		-2,752,986.74
	d) Collateral (-)		-75,841,401.12
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	8,446,900.43	4,365,352.25
C.	Collateral received cash		-433,769.01
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income		196,958.89
C.	Accrued expense (-)	-1,181,421.14	-1,300,236.42
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	1,504,444,672.75	1,480,397,788.40
<b>A.</b>	<b>Capital</b>	1,419,498,557.78	1,708,389,042.53
<b>B.</b>	<b>Income equalization</b>	-2,460,909.78	2,930,548.25
<b>D.</b>	<b>Result of the bookyear</b>	87,407,024.75	-230,921,802.38

Off-balance-sheet headings			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.b.	Cash at bank and in hand/deposits		77,329,254.62
III.	Notional amounts of futures and forward contracts (+)		
III.A.	Purchased futures and forward contracts		35,315,700.00
III.B.	Written futures and forward contracts		-32,238,900.00
IX.	Financial instruments lent		75,150,289.60



## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	64,831,798.91	-247,735,557.18
B.	Money market instruments	96,185.56	-264,392.79
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts	806,525.05	4,047,728.65
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	-10.66	-1,315,720.11
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	16,300,929.86	20,889,949.13
	Unrealised gains on investments	-43,034,302.71	70,144,564.41
	Realised losses on investments	-92,413,600.07	-141,195,966.47
	Unrealised losses on investments	184,881,471.78	-195,106,488.50
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	a) Securities and money market instruments	27,286,483.10	19,946,180.41
	b) Cash at bank and in hand and deposits	424,168.01	30,565.07
C.	Interest on borrowings (-)	-55.07	-40,025.68
<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	825,922.76	541,851.47
B.	Other	4.49	
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-7,921.06	-24,572.45
B.	Financial expenses (-)	-686.40	-607.22
C.	Custodian's fee (-)	-308,819.85	-260,812.01
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-1,577,622.30	-1,130,862.12
	Institutional Shares	-1,973,146.60	-2,100,225.10
	Institutional B Shares	-503,604.35	-307,271.45
	b) Administration and accounting management	-1,578,736.88	-1,386,699.02
	c) Commercial fee	-625.00	-625.00
E.	Administrative expenses (-)	20.52	-9.78
F.	Formation and organisation expenses (-)	-5,490.65	-4,253.50
G.	Remuneration, social security charges and pension	-235.51	-214.06
H.	Services and sundry goods (-)	-3,546.33	-4,799.91
J.	Taxes		
	Classic Shares	-674,843.30	-570,893.99
	Institutional Shares	-162,562.42	-79,701.71
	Institutional B Shares	-24,256.62	-7,430.19
L.	Other expenses (-)	-41,920.65	-253,454.71
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	21,672,525.89	14,346,139.05
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	87,407,024.75	-230,921,802.38
<b>VII.</b>	<b>Result of the bookyear</b>	87,407,024.75	-230,921,802.38

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	84,946,114.97	-227,991,254.13
	Profit for the period available for appropriation	87,407,024.75	-230,921,802.38
	Income on the creation of shares (income on the cancellation of shares)	-2,460,909.78	2,930,548.25
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-74,579,174.62	236,883,411.51
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-10,366,940.35	-8,892,157.38

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Euro Bonds

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Bonds</b>							
Government bonds							
<u>Austria</u>							
AUSTRIA 15/25 +1.20% 23/06 20/10	7,000,000.00	EUR	97.876	6,867,393.27		0.46	0.46
AUSTRIA 18/28 +0.75% 25/01 20/02	5,000,000.00	EUR	93.811	4,722,604.79		0.32	0.31
REPUBLIC OF AUSTRIA 19/29 +0.50%	12,000,000.00	EUR	91.426	11,022,407.66		0.74	0.73
REPUBLIC OF AUSTRIA 20/30 0.00%	5,000,000.00	EUR	86.710	4,335,477.00		0.29	0.29
REPUBLIC OF AUSTRIA 20/40 0.00%	10,000,000.00	EUR	62.731	6,273,088.00		0.42	0.42
REPUBLIC OF AUSTRIA 21/36 +0.25%	11,700,000.00	EUR	73.352	8,587,813.36		0.57	0.57
REPUBLIC OF AUSTRIA 22/32 +0.90%	30,000,000.00	EUR	87.935	26,611,294.50		1.78	1.77
REPUBLIC OF AUSTRIA 22/49 +1.85%	2,500,000.00	EUR	81.889	2,075,032.80		0.14	0.14
REPUBLIC OF AUSTRIA 23/30 +3.45%	6,500,000.00	EUR	106.215	6,942,575.41		0.47	0.46
REPUBLIC OF AUSTRIA 23/33 +2.90%	4,000,000.00	EUR	102.495	4,213,893.15		0.28	0.28
<u>Belgium</u>							
BELGIUM 15/25 +0.80% 14/01 22/06	5,000,000.00	EUR	97.328	4,887,165.03		0.33	0.33
BELGIUM 15/31 +1.00% 17/02 22/06	2,000,000.00	EUR	90.379	1,817,961.11		0.12	0.12
BELGIUM 17/27 +0.80% 24/01 22/06	2,000,000.00	EUR	95.254	1,913,386.01		0.13	0.13
BELGIUM 17/37 +1.45% 31/05 22/06	6,000,000.00	EUR	84.433	5,111,151.73		0.34	0.34
BELGIUM 18/33 +1.25% 05/03 22/04	9,000,000.00	EUR	89.472	8,129,668.54		0.54	0.54
BELGIUM 19/29 +0.90% 15/01 22/06	10,000,000.00	EUR	92.986	9,345,321.31		0.63	0.62
BELGIUM 20/27 0.00%	5,000,000.00	EUR	91.996	4,599,800.00		0.31	0.31
BELGIUM 20/40 +0.40%	7,000,000.00	EUR	66.750	4,687,052.31		0.31	0.31
BELGIUM 22/32 +0.35%	7,000,000.00	EUR	83.652	5,868,374.67		0.39	0.39
BELGIUM 22/39 +2.75%	5,000,000.00	EUR	97.735	4,981,026.45		0.33	0.33
BELGIUM 22/53 +1.40%	5,000,000.00	EUR	67.114	3,392,019.80		0.23	0.23
BELGIUM 23/43 +3.45%	3,000,000.00	EUR	105.566	3,220,704.41		0.22	0.21
BELGIUM 97/28 5.5% 28/3 OLO31	10,000,000.00	EUR	113.100	11,724,754.09		0.79	0.78
FLEMISH COMMUNITY 21/31 +0.30%	5,000,000.00	EUR	82.874	4,146,563.60		0.28	0.28
<u>Bulgaria</u>							
REP OF BULGARIA 23/31 +4.375%	1,680,000.00	EUR	105.155	1,775,839.94		0.12	0.12
REP OF BULGARIA 23/36 +4.875%	2,160,000.00	EUR	107.507	2,335,391.14		0.16	0.16
<u>Finland</u>							
FINLAND 9/25 4.00% 04/07	2,500,000.00	EUR	101.973	2,597,958.88		0.17	0.17
FINLAND 12/28 2.75% 04/07	2,000,000.00	EUR	101.914	2,065,028.63		0.14	0.14
FINLAND 12/42 2.625% 04/07 04/07	500,000.00	EUR	97.431	493,539.00		0.03	0.03
FINLAND 15/31 +0.75% 15/04 15/04	3,000,000.00	EUR	89.134	2,689,880.66		0.18	0.18
FINLAND 17/47 +1.375% 15/04 15/04	250,000.00	EUR	76.059	192,569.86		0.01	0.01
FINLAND 18/34 +1.125% 13/02 15/04	9,500,000.00	EUR	86.923	8,333,023.11		0.56	0.55
FINLAND 20/36 +0.125%	3,000,000.00	EUR	73.288	2,201,278.34		0.15	0.15
FINLAND 21/26 0.00%	5,000,000.00	EUR	93.901	4,695,025.00		0.31	0.31
FINLAND 22/32 +1.50%	4,000,000.00	EUR	92.263	3,707,733.11		0.25	0.25
FINLAND 22/43 +0.50%	2,000,000.00	EUR	65.669	1,320,431.18		0.09	0.09
<u>France</u>							
CAISSE DAMORTISSEMENT DE LA D 21/26 0.00%	5,000,000.00	EUR	93.033	4,651,662.50		0.31	0.31
CAISSE DAMORTISSEMENT DE LA D 21/31 0.00%	5,000,000.00	EUR	82.791	4,139,574.50		0.28	0.28
CAISSE DAMORTISSEMENT DE LA D 22/27 +1.75%	10,000,000.00	EUR	97.250	9,741,256.83		0.65	0.65
CAISSE DAMORTISSEMENT DE LA D 22/27 +2.875%	9,400,000.00	EUR	101.079	9,662,379.06		0.65	0.64
CAISSE DAMORTISSEMENT DE LA D 22/29 +0.60%	10,000,000.00	EUR	89.568	8,962,401.27		0.60	0.60
FRENCH REPUBLIC /32 5.75 % 25/10	20,000,000.00	EUR	125.764	25,356,950.96		1.70	1.69
FRENCH REPUBLIC 15/26 +0.50% 25/05 25/05	2,000,000.00	EUR	95.774	1,921,436.28		0.13	0.13
FRENCH REPUBLIC 15/31 +1.50% 25/05 25/05	10,000,000.00	EUR	94.426	9,531,939.26		0.64	0.63
FRENCH REPUBLIC 15/36 +1.25% 25/05 25/05	7,000,000.00	EUR	84.590	5,973,431.49		0.40	0.40
FRENCH REPUBLIC 16/27 +1.00% 25/05 25/05	9,000,000.00	EUR	95.981	8,691,896.56		0.58	0.58
FRENCH REPUBLIC 16/39 +1.75%	22,000,000.00	EUR	86.946	19,324,792.43		1.29	1.29
FRENCH REPUBLIC 17/28 +0.75% 25/05 25/05	22,000,000.00	EUR	93.915	20,759,578.69		1.39	1.38
FRENCH REPUBLIC 17/28 +0.75% 25/11 25/11	15,000,000.00	EUR	93.234	13,995,550.82		0.94	0.93
FRENCH REPUBLIC 18/29 +0.50% 25/05 25/05	14,000,000.00	EUR	91.307	12,824,661.39		0.86	0.85
FRENCH REPUBLIC 18/29 0.00%	19,500,000.00	EUR	87.753	17,111,835.00		1.15	1.14
FRENCH REPUBLIC 19/30 0.00%	3,000,000.00	EUR	85.520	2,565,593.40		0.17	0.17
FRENCH REPUBLIC 20/26 0.00%	10,000,000.00	EUR	95.125	9,512,500.00		0.64	0.63
FRENCH REPUBLIC 20/31 0.00%	10,000,000.00	EUR	83.068	8,306,848.00		0.56	0.55
FRENCH REPUBLIC 20/40 +0.50%	18,500,000.00	EUR	69.248	12,865,999.68		0.86	0.86
FRENCH REPUBLIC 20/44 +0.50%	30,000,000.00	EUR	62.631	18,865,909.32		1.26	1.25

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
FRENCH REPUBLIC 21/32 +2.00%	10,000,000.00	EUR	96.344	9,652,954.23		0.65	0.64
FRENCH REPUBLIC 21/32 0.00%	10,000,000.00	EUR	81.842	8,184,160.00		0.55	0.54
FRENCH REPUBLIC 21/38 +1.25%	30,000,000.00	EUR	81.380	24,637,411.65		1.65	1.64
FRENCH REPUBLIC 22/25 0.00%	15,000,000.00	EUR	96.755	14,513,250.00		0.97	0.97
FRENCH REPUBLIC 22/26 +2.50%	12,500,000.00	EUR	100.417	12,634,092.21		0.85	0.84
FRENCH REPUBLIC 22/28 +0.75%	6,000,000.00	EUR	94.233	5,691,829.31		0.38	0.38
FRENCH REPUBLIC 22/33 +3.00%	3,000,000.00	EUR	104.035	3,174,661.66		0.21	0.21
FRENCH REPUBLIC 23/29 +2.75%	17,000,000.00	EUR	102.416	17,803,879.61		1.19	1.18
FRENCH REPUBLIC 97/29 5.5% 25/04	10,000,000.00	EUR	115.910	11,963,677.59		0.80	0.80
<u>Germany</u>							
FEDERAL REPUBLIC OF GERMANY /30 6.25% 4/1	1,000,000.00	EUR	124.071	1,302,182.60		0.09	0.09
FEDERAL REPUBLIC OF GERMANY /31 5.5% 04/01	10,000,000.00	EUR	123.270	12,868,005.90		0.86	0.86
FEDERAL REPUBLIC OF GERMANY 5/37 4% 04/01	20,000,000.00	EUR	120.372	24,861,255.30		1.66	1.65
FEDERAL REPUBLIC OF GERMANY 8/40 +4.75% 04/07 04/07	5,000,000.00	EUR	133.888	6,809,895.96		0.46	0.45
FEDERAL REPUBLIC OF GERMANY 14/46 2.50% 28/02 15/08	10,000,000.00	EUR	103.906	10,483,471.17		0.70	0.70
FEDERAL REPUBLIC OF GERMANY 15/25 +0.50% 16/01 15/02	10,000,000.00	EUR	97.412	9,784,624.65		0.66	0.65
FEDERAL REPUBLIC OF GERMANY 15/25 +1.00% 17/07 15/08	15,000,000.00	EUR	97.598	14,695,437.69		0.98	0.98
FEDERAL REPUBLIC OF GERMANY 17/27 +0.50% 14/07 15/08	1,500,000.00	EUR	94.935	1,426,816.98		0.10	0.10
FEDERAL REPUBLIC OF GERMANY 17/48 +1.25% 15/08 15/08	15,000,000.00	EUR	81.258	12,258,385.62		0.82	0.82
FEDERAL REPUBLIC OF GERMANY 20/30 0.00%	10,000,000.00	EUR	89.151	8,915,050.00		0.60	0.59
FEDERAL REPUBLIC OF GERMANY 20/35 0.00%	20,000,000.00	EUR	78.807	15,761,400.00		1.06	1.05
FEDERAL REPUBLIC OF GERMANY 21/31 0.00%	10,000,000.00	EUR	86.614	8,661,355.00		0.58	0.58
FEDERAL REPUBLIC OF GERMANY 21/36 0.00%	25,000,000.00	EUR	76.722	19,180,525.00		1.28	1.27
FEDERAL REPUBLIC OF GERMANY 22/32 +1.70%	10,000,000.00	EUR	97.916	9,854,798.39		0.66	0.66
FEDERAL REPUBLIC OF GERMANY 22/38 +1.00%	17,500,000.00	EUR	85.051	14,992,862.64		1.00	1.00
FEDERAL REPUBLIC OF GERMANY 23/25 +2.80%	15,000,000.00	EUR	100.190	15,310,741.08		1.02	1.02
FEDERAL REPUBLIC OF GERMANY 23/25 +3.10%	10,000,000.00	EUR	100.966	10,233,808.11		0.69	0.68
FEDERAL REPUBLIC OF GERMANY 23/28 +2.40%	5,500,000.00	EUR	102.085	5,685,712.63		0.38	0.38
LANDWIRT.RENTENBANK 21/28 0.00%	7,000,000.00	EUR	89.770	6,283,900.00		0.42	0.42
<u>Ireland</u>							
IRELAND 9/25 5.40% 13/03 13/03	2,500,000.00	EUR	102.786	2,676,984.95		0.18	0.18
IRELAND 15/45 +2.00% 10/02 18/02	2,000,000.00	EUR	86.453	1,763,470.96		0.12	0.12
IRELAND 18/28 +0.90% 15/05 15/05	7,500,000.00	EUR	94.851	7,155,898.18		0.48	0.48
IRELAND 18/33 +1.30% 17/04 15/05	1,500,000.00	EUR	90.921	1,375,961.64		0.09	0.09
IRELAND 20/35 +0.40%	2,000,000.00	EUR	79.346	1,591,899.41		0.11	0.11
IRELAND 21/41 +0.55%	2,500,000.00	EUR	70.092	1,761,729.64		0.12	0.12
IRELAND 23/43 +3.00%	1,500,000.00	EUR	103.828	1,566,272.46		0.11	0.10
<u>Italy</u>							
REPUBLIC OF ITALY 9/25 5.00% 01/03-09	5,000,000.00	EUR	102.040	5,183,288.15		0.35	0.35
REPUBLIC OF ITALY 9/40 5.00 01/03-09	5,000,000.00	EUR	110.517	5,607,149.15		0.38	0.37
REPUBLIC OF ITALY 14/30 +3.50% 01/09 01/03	10,000,000.00	EUR	101.888	10,302,621.81		0.69	0.69
REPUBLIC OF ITALY 15/25 +1.50% 01/12 01/06	10,000,000.00	EUR	97.888	9,800,294.40		0.66	0.65
REPUBLIC OF ITALY 16/26 +1.25%	10,000,000.00	EUR	95.814	9,590,925.84		0.64	0.64
REPUBLIC OF ITALY 17/27 +2.05%	13,000,000.00	EUR	97.402	12,771,744.79		0.86	0.85
REPUBLIC OF ITALY 18/25 +2.50%	19,000,000.00	EUR	99.383	18,939,955.52		1.27	1.26
REPUBLIC OF ITALY 18/28 +2.00% 01/02 01/02	12,000,000.00	EUR	96.666	11,698,606.54		0.78	0.78
REPUBLIC OF ITALY 18/28 +2.80% 01/12 01/12	5,000,000.00	EUR	99.294	4,975,386.38		0.33	0.33
REPUBLIC OF ITALY 19/35 +3.35%	10,000,000.00	EUR	96.194	9,728,313.76		0.65	0.65
REPUBLIC OF ITALY 20/25 +1.85%	5,000,000.00	EUR	98.304	4,961,063.36		0.33	0.33
REPUBLIC OF ITALY 20/26 +0.50%	12,500,000.00	EUR	95.306	11,938,947.43		0.80	0.79
REPUBLIC OF ITALY 20/27 +0.95%	3,000,000.00	EUR	93.463	2,812,076.43		0.19	0.19
REPUBLIC OF ITALY 20/30 +0.95%	10,000,000.00	EUR	86.478	8,686,798.09		0.58	0.58
REPUBLIC OF ITALY 20/31 +0.90%	10,000,000.00	EUR	84.581	8,480,018.24		0.57	0.56
REPUBLIC OF ITALY 21/28 +0.25%	10,000,000.00	EUR	89.624	8,969,574.13		0.60	0.60
REPUBLIC OF ITALY 21/31 +0.60%	4,000,000.00	EUR	81.735	3,279,263.41		0.22	0.22
REPUBLIC OF ITALY 22/26 +3.50%	5,000,000.00	EUR	101.299	5,145,021.49		0.34	0.34
REPUBLIC OF ITALY 22/27 +2.65%	20,000,000.00	EUR	99.233	19,887,121.44		1.33	1.32
REPUBLIC OF ITALY 22/29 +2.80%	25,000,000.00	EUR	98.562	24,667,298.45		1.65	1.64
REPUBLIC OF ITALY 22/32 +2.50%	25,000,000.00	EUR	92.352	23,135,836.70		1.55	1.54
REPUBLIC OF ITALY 22/35 +4.00%	10,000,000.00	EUR	102.133	10,278,823.77		0.69	0.68
REPUBLIC OF ITALY 23/30 +3.70%	10,000,000.00	EUR	102.611	10,275,295.00		0.69	0.68
REPUBLIC OF ITALY 23/31 +4.00%	2,500,000.00	EUR	104.212	2,621,695.44		0.18	0.17
REPUBLIC OF ITALY 23/43 +4.45%	10,000,000.00	EUR	103.157	10,460,385.79		0.70	0.70
REPUBLIC OF ITALY 23/53 +4.50%	10,000,000.00	EUR	102.831	10,392,482.22		0.70	0.69
<u>Lithuania</u>							
LITHUANIA 22/27 +2.30%	3,000,000.00	EUR	96.014	2,912,280.65		0.20	0.19
LITHUANIA 22/32 +2.125%	2,000,000.00	EUR	92.022	1,864,931.37		0.13	0.12
LITHUANIA 23/33 +3.875%	2,950,000.00	EUR	105.015	3,161,957.45		0.21	0.21
<u>Netherlands</u>							
NETHERLANDS 5/37 4% 15/01	8,000,000.00	EUR	116.772	9,646,842.29		0.65	0.64
NETHERLANDS 10/42 3.75 % 15/01	2,000,000.00	EUR	117.963	2,430,756.85		0.16	0.16
NETHERLANDS 12/33 2.50% 15/01	5,000,000.00	EUR	101.786	5,208,478.08		0.35	0.35
NETHERLANDS 16/26 +0.50% 24/03 15/07	7,000,000.00	EUR	95.777	6,720,387.94		0.45	0.45
NETHERLANDS 19/40 +0.50% 23/05 15/01	12,500,000.00	EUR	74.164	9,330,129.04		0.62	0.62
NETHERLANDS 20/27 0.00%	5,000,000.00	EUR	93.676	4,683,795.00		0.31	0.31
NETHERLANDS 20/30 0.00%	2,000,000.00	EUR	87.016	1,740,320.00		0.12	0.12

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NETHERLANDS 21/29 0.00%	5,000,000.00	EUR	89.923	4,496,145.00		0.30	0.30
NETHERLANDS 21/31 0.00%	7,000,000.00	EUR	84.883	5,941,842.20		0.40	0.40
NETHERLANDS 22/26 0.00%	3,000,000.00	EUR	95.273	2,858,190.00		0.19	0.19
NETHERLANDS 22/32 +0.50%	12,500,000.00	EUR	86.347	10,821,945.25		0.72	0.72
NETHERLANDS 23/30 +2.50%	1,000,000.00	EUR	101.912	1,037,407.67		0.07	0.07
NETHERLANDS 98/28 5.5% 15/1	5,000,000.00	EUR	112.745	5,899,436.78		0.40	0.39
<u>Portugal</u>							
PORTUGAL 14/30 +3.875% 15/02 15/02	1,000,000.00	EUR	108.386	1,117,511.11		0.08	0.07
PORTUGAL 18/34 +2.25% 18/04 18/04	1,000,000.00	EUR	95.505	970,722.73		0.07	0.07
PORTUGUESE REPUBLIC 19/29 +1.95%	5,000,000.00	EUR	98.239	4,964,444.01		0.33	0.33
PORTUGUESE REPUBLIC 20/30 +0.475%	1,500,000.00	EUR	87.908	1,320,014.59		0.09	0.09
PORTUGUESE REPUBLIC 23/38 +3.50%	2,000,000.00	EUR	104.382	2,124,742.42		0.14	0.14
<u>Slovakia</u>							
SLOVAKIA GOVERNEMENT 18/68 +2.25%	5,000,000.00	EUR	71.211	3,622,025.41		0.24	0.24
SLOVAKIA GOVERNEMENT 21/36 +0.375%	6,250,000.00	EUR	69.075	4,333,324.79		0.29	0.29
SLOVAKIA GOVERNEMENT 22/32 +4.00%	2,500,000.00	EUR	107.344	2,702,986.41		0.18	0.18
<u>Slovenia</u>							
SLOVENIA 20/50 +0.4875%	5,000,000.00	EUR	52.217	2,615,486.89		0.18	0.17
<u>Spain</u>							
SPAIN 5/37 4.2% 31/01	5,000,000.00	EUR	110.663	5,724,162.74		0.38	0.38
SPAIN 10/25 4.65% 30/07	12,500,000.00	EUR	102.716	13,080,900.94		0.88	0.87
SPAIN 11/26 5.9% 30/07	5,000,000.00	EUR	108.090	5,527,031.16		0.37	0.37
SPAIN 13/28 5.15% 31/10 31/10	14,000,000.00	EUR	111.747	15,760,763.37		1.06	1.05
SPAIN 15/30 +1.95% 04/03 30/07	7,000,000.00	EUR	95.679	6,754,241.62		0.45	0.45
SPAIN 16/26 +1.30% 31/10 31/10	10,000,000.00	EUR	96.675	9,688,444.28		0.65	0.64
SPAIN 16/26 +1.95% 19/01 30/04	4,000,000.00	EUR	98.517	3,992,482.08		0.27	0.27
SPAIN 17/27 +1.45% 31/10 31/10	10,000,000.00	EUR	96.176	9,640,985.31		0.65	0.64
SPAIN 17/33 +2.35% 01/03 30/07	3,000,000.00	EUR	95.102	2,882,344.39		0.19	0.19
SPAIN 20/26 0.00%	17,000,000.00	EUR	94.711	16,100,931.20		1.08	1.07
SPAIN 20/30 +0.50%	2,500,000.00	EUR	87.590	2,198,058.68		0.15	0.15
SPAIN 20/30 +1.25%	5,000,000.00	EUR	91.024	4,561,275.64		0.31	0.30
SPAIN 20/40 +1.20%	5,000,000.00	EUR	71.784	3,598,860.13		0.24	0.24
SPAIN 21/27 0.00%	15,000,000.00	EUR	92.569	13,885,419.00		0.93	0.92
SPAIN 21/37 +0.85%	17,000,000.00	EUR	73.711	12,590,962.52		0.84	0.84
SPAIN 21/42 +1.00%	10,000,000.00	EUR	66.903	6,731,835.05		0.45	0.45
SPAIN 21/71 +1.45%	8,000,000.00	EUR	50.276	4,040,779.45		0.27	0.27
SPAIN 22/29 +0.80%	10,000,000.00	EUR	90.705	9,103,744.04		0.61	0.61
SPAIN 22/32 +0.70%	5,000,000.00	EUR	84.400	4,243,240.20		0.28	0.28
SPAIN 23/26 +2.80%	10,000,000.00	EUR	100.431	10,205,297.79		0.68	0.68
SPAIN 23/29 +3.50%	10,000,000.00	EUR	104.453	10,521,835.73		0.70	0.70
SPAIN 23/33 +3.15%	10,000,000.00	EUR	101.678	10,376,942.34		0.69	0.69
Bonds issued by international institutions							
<u>EU institutions outside BLEU terr.</u>							
COUNCIL OF EUROPE 21/31 0.00%	4,000,000.00	EUR	84.162	3,366,484.20		0.23	0.22
EUROPEAN UNION 23/26 +2.75%	3,400,000.00	EUR	100.785	3,448,387.48		0.23	0.23
EUROPEAN UNION 23/28 +3.125%	2,000,000.00	EUR	103.067	2,067,819.07		0.14	0.14
EUROPEAN UNION 23/44 +4.00%	3,000,000.00	EUR	113.445	3,427,292.98		0.23	0.23
INT.DEVELOPMENT ASSOCIATION 22-42 0.7%	5,000,000.00	EUR	68.137	3,439,942.19		0.23	0.23
<u>Germany</u>							
STATE OF BREMEN 22/29 +0.45%	5,000,000.00	EUR	90.351	4,535,316.39		0.30	0.30
Bonds issued by credit institutions							
<u>France</u>							
CAISSE FRANCAISE DE DEVELOP. 18/28 +1.00% 31/01 31/01	3,500,000.00	EUR	93.837	3,316,120.82		0.22	0.22
CAISSE FRANCAISE DE DEVELOP. 23/30 +2.875%	10,000,000.00	EUR	101.074	10,378,382.90		0.69	0.69
<u>Germany</u>							
KFW 18/28 +0.625%	15,000,000.00	EUR	93.252	14,079,163.35		0.94	0.94
KFW 20/28 0.00%	5,000,000.00	EUR	89.462	4,473,087.50		0.30	0.30
KFW 21/28 0.00%	13,500,000.00	EUR	89.078	12,025,489.50		0.81	0.80
KFW 21/31 0.00%	5,000,000.00	EUR	84.187	4,209,337.50		0.28	0.28
KFW 22/27 +1.25%	10,000,000.00	EUR	96.147	9,676,883.46		0.65	0.64
KFW 23/30 +2.75%	8,000,000.00	EUR	101.925	8,285,639.34		0.55	0.55
KFW 23/33 +2.75%	10,000,000.00	EUR	101.765	10,416,097.04		0.70	0.69
STATE OF NORTH RHINE WESTPHALI 16/31 +0.625%	4,000,000.00	EUR	87.229	3,500,144.46		0.23	0.23
STATE OF NORTH RHINE WESTPHALI 16/41 +0.75% 16/08 16/08	2,000,000.00	EUR	69.624	1,398,009.69		0.09	0.09
<u>Netherlands</u>							
BANK NED. GEMEENTEN 17/27 +0.625% 19/06 19/06	2,000,000.00	EUR	94.130	1,889,200.43		0.13	0.13
BANK NED. GEMEENTEN 22/32 +1.875%	5,000,000.00	EUR	94.117	4,749,124.43		0.32	0.32
BANK NED. GEMEENTEN 22/37 +1.25%	5,000,000.00	EUR	81.759	4,134,757.62		0.28	0.28
Corporate bonds							
<u>Denmark</u>							

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
KOMMUNEKREDIT 21/29 0.00%	6,500,000.00	EUR	86.663	5,633,104.75		0.38	0.37
Total bonds				1,414,945,201.93		94.68	94.05
<b>Money market instruments</b>							
Government money market instruments							
<u>France</u>							
FRENCH REPUBLIC 13/24 1.75% 25/11 25/11	28,000,000.00	EUR	98.748	27,694,959.12		1.85	1.85
<u>Germany</u>							
FEDERAL REPUBLIC OF GERMANY 19/24 0.00%	20,000,000.00	EUR	97.517	19,503,480.00		1.31	1.30
FEDERAL REPUBLIC OF GERMANY 22/24 +0.40%	20,000,000.00	EUR	98.012	19,625,687.96		1.31	1.31
<u>Italy</u>							
REPUBLIC OF ITALY 14/24 2.50% 01/09 01/12	2,500,000.00	EUR	99.270	2,486,531.92		0.17	0.17
REPUBLIC OF ITALY 14/24 3.75% 01/09 01/03	10,000,000.00	EUR	100.152	10,137,118.22		0.68	0.67
Total money market instruments				79,447,777.22		5.32	5.28
TOTAL SECURITIES PORTFOLIO				1,494,392,979.15		100.00	99.33
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	0.29	AUD	1.000	0.18		0.00	0.00
KBC GROUP EURO	8,446,900.25	EUR	1.000	8,446,900.25		0.00	0.56
Total demand accounts				8,446,900.43		0.00	0.56
TOTAL CASH AT BANK AND IN HAND				8,446,900.43		0.00	0.56
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	4,064,213.03	EUR	1.000	4,064,213.03		0.00	0.27
Total receivables				4,064,213.03		0.00	0.27
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-1,277,998.72	EUR	1.000	-1,277,998.72		0.00	-0.09
Payables				-1,277,998.72		0.00	-0.09
TOTAL RECEIVABLES AND PAYABLES				2,786,214.31		0.00	0.19
OTHER							
Interest receivable		EUR		0.00		0.00	0.00
Expenses payable		EUR		-1,181,421.14		0.00	-0.08
TOTAL OTHER				-1,181,421.14		0.00	-0.08
TOTAL NET ASSETS				1,504,444,672.75		0.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Austria	5.13	4.70	5.80	5.42
Belgium	4.74	5.66	5.55	5.66
Bulgaria	0.00	0.00	0.00	0.27
Germany	22.13	20.72	21.02	21.34
Denmark	0.48	0.35	0.33	0.37
Spain	11.13	12.44	11.09	12.04
Finland	1.76	0.99	1.42	1.88
France	25.04	24.66	25.62	24.87
Ireland	1.66	1.16	0.81	1.19
Italy	15.33	17.32	16.35	18.39
Latvia	0.00	0.23	0.00	0.00
Lithuania	0.00	0.00	0.39	0.53
Netherlands	5.54	5.18	7.54	5.42
Norway	0.72	0.57	0.00	0.00
Poland	0.32	0.25	0.23	0.00
Portugal	1.65	1.30	0.66	0.70
Slovenia	0.19	0.12	0.15	0.17
Slovakia	0.66	0.69	0.63	0.71
Sweden	0.16	0.12	0.11	0.00
U.S.A.	0.18	-0.09	0.05	0.00
EU institutions outside BLEU terr.	3.18	3.63	2.25	1.04

TOTAL	100.00	100.00	100.00	100.00
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#### Sector breakdown (as a % of securities portfolio)

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	0.35	0.26	0.00	
Financials	4.22	7.82	9.86	
Government	95.04	91.63	89.87	
Various	0.39	0.29	0.27	
TOTAL	100.00	100.00	100.00	

	31/12/2023
National	90.71
Supranationals	7.28
Regional & Local	1.28
Financial Services	0.73
TOTAL	100.00

The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
EURO	100.00	100.00	100.00	100.00

### 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Euro Bonds (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	1,237,571,005.31	624,130,037.79	1,861,701,043.10
<b>Sales</b>	1,118,000,952.64	796,353,404.92	1,914,354,357.57
<b>Total 1</b>	2,355,571,957.95	1,420,483,442.71	3,776,055,400.67
<b>Subscriptions</b>	500,506,461.70	231,655,234.11	732,161,695.81
<b>Redemptions</b>	376,137,886.52	407,245,058.13	783,382,944.65
<b>Total 2</b>	876,644,348.22	638,900,292.24	1,515,544,640.46
<b>Monthly average of total assets</b>	1,622,774,703.59	1,539,816,439.80	1,581,128,988.84
<b>Turnover rate</b>	91.14%	50.76%	142.97%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions.

A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%), reason: IF Euro Bonds is a buildingblock in Institutional CPPI proposition (GlobalFlexibleAllocation). Hence, turnover linked to the CPPI algorithm.

The detailed list of transactions can be consulted free of charge at the company designated as financial service: 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
2021 - 12	2,360.23	147,607.00	5,186.45	7,079.00	13,172.86	140,528.00	153,700.86
2022 - 12	1,353.39	601,405.00	5,683.84	29,797.00	8,842.42	712,136.00	720,978.42
2023 - 12	1,179.36	88,152.00	2,939.93	72,609.00	7,081.85	727,679.00	734,760.85

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	16,286,432.86	144,672,336.09	36,115,025.43	6,917,374.36
2022 - 12	8,428,362.39	525,162,955.69	35,210,024.12	25,247,288.12
2023 - 12	6,940,504.00	71,615,384.16	17,325,481.66	59,062,159.42

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	225,942,291.16	6,822.49	968.28
2022 - 12	626,204,552.07	5,800.53	807.31
2023 - 12	660,079,162.51	6,178.99	846.97

## Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	43,895.90	0.00	48,858.56	0.00	138,262.32	0.00	138,262.32
2022 - 12	47,946.43	0.00	46,809.61	0.00	139,399.14	0.00	139,399.14
2023 - 12	43,131.84	784.00	63,052.28	19.00	119,478.70	765.00	120,243.70

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	306,849,844.22	0.00	339,877,508.00	0.00
2022 - 12	301,409,029.11	0.00	299,645,859.56	0.00
2023 - 12	257,770,805.69	785,794.30	373,059,710.14	19,142.69

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	953,543,728.07	6,896.63	0.00
2022 - 12	817,596,955.00	5,865.15	0.00
2023 - 12	747,886,180.46	6,252.85	1,050.28



## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	513,545.00		421,442.00		133,367.26		133,367.26
2022 - 12	290,117.00		385,489.00		37,995.26		37,995.26
2023 - 12	405,739.00		349,665.00		94,069.26		94,069.26

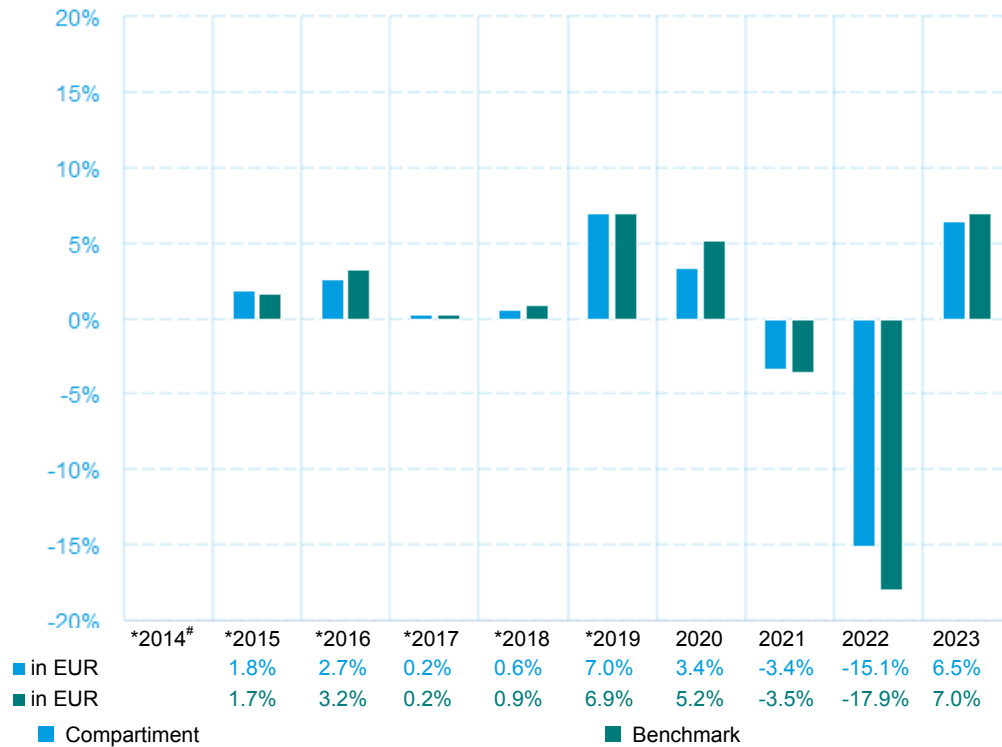
Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	591,645,464.56		481,667,723.76	
2022 - 12	312,101,033.38		402,393,490.36	
2023 - 12	398,970,258.88		340,914,632.98	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	151,234,314.89	1,133.97	
2022 - 12	36,596,281.36	963.18	
2023 - 12	96,479,329.78	1,025.62	

## 2.4.5. Performance figures

### Institutional B Shares

BE6274083268  
KBC Institutional Fund Euro Bonds Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

\* 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
CAP	BE6274083268	EUR	6.48%	7.01%	-4.40%	-5.38%	-0.68%	-0.97%			27/11/2014	0.28%

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

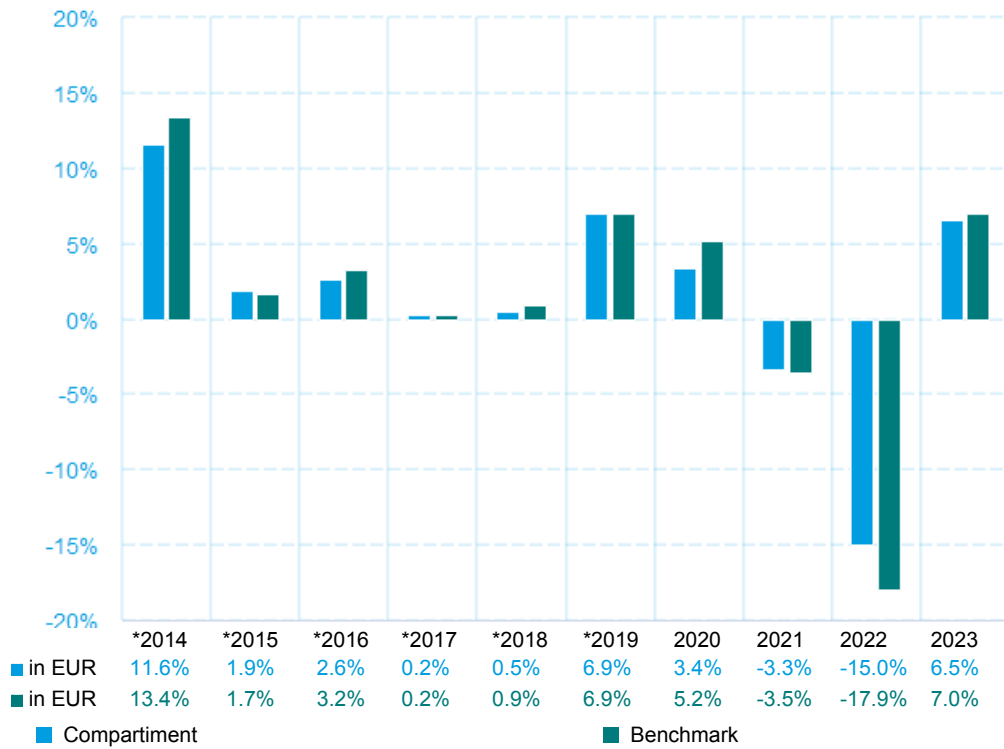
\* Return on annual basis.

### Institutional B Shares

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

Classic Shares

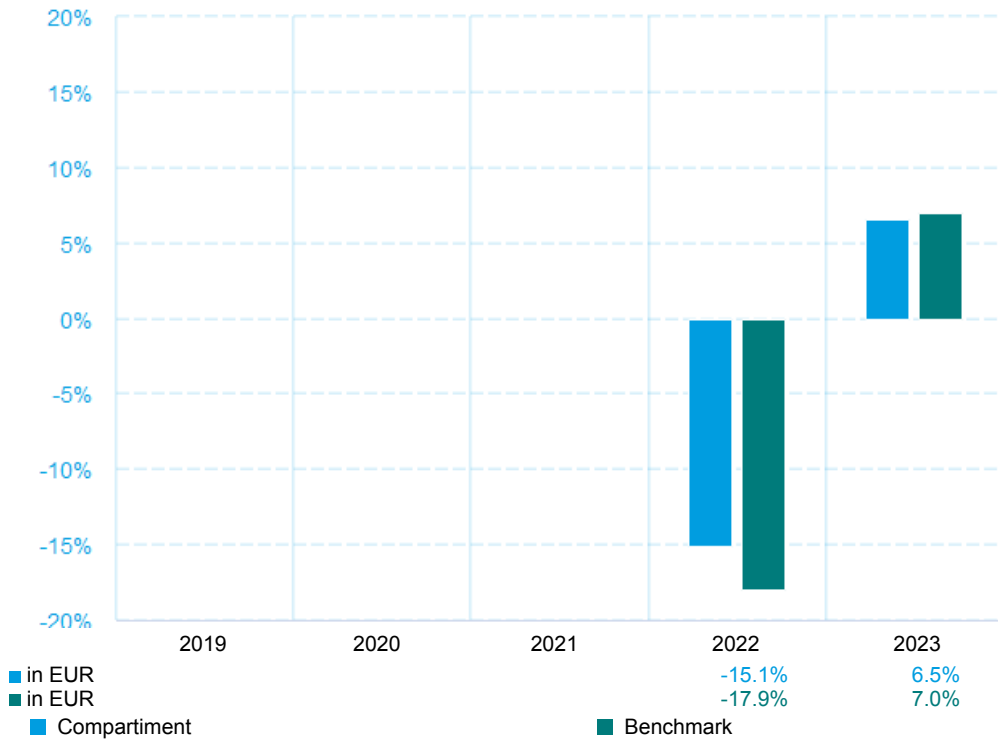
BE0162584123  
 KBC Institutional Fund Euro Bonds Classic Shares CAP  
 Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

Classic Shares

BE6325884292  
 KBC Institutional Fund Euro Bonds Classic Shares DIS  
 Annual performance compared to the benchmark on 31/12/2023 (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	BE0162584123	EUR	6.52%	7.01%	-4.33%	-5.38%	-0.65%	-0.97%	1.29%	1.37%	17/01/1997	3.45%
DIS	BE6325884292	EUR	6.53%	7.01%							19/01/2021	-4.38%

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.
- 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

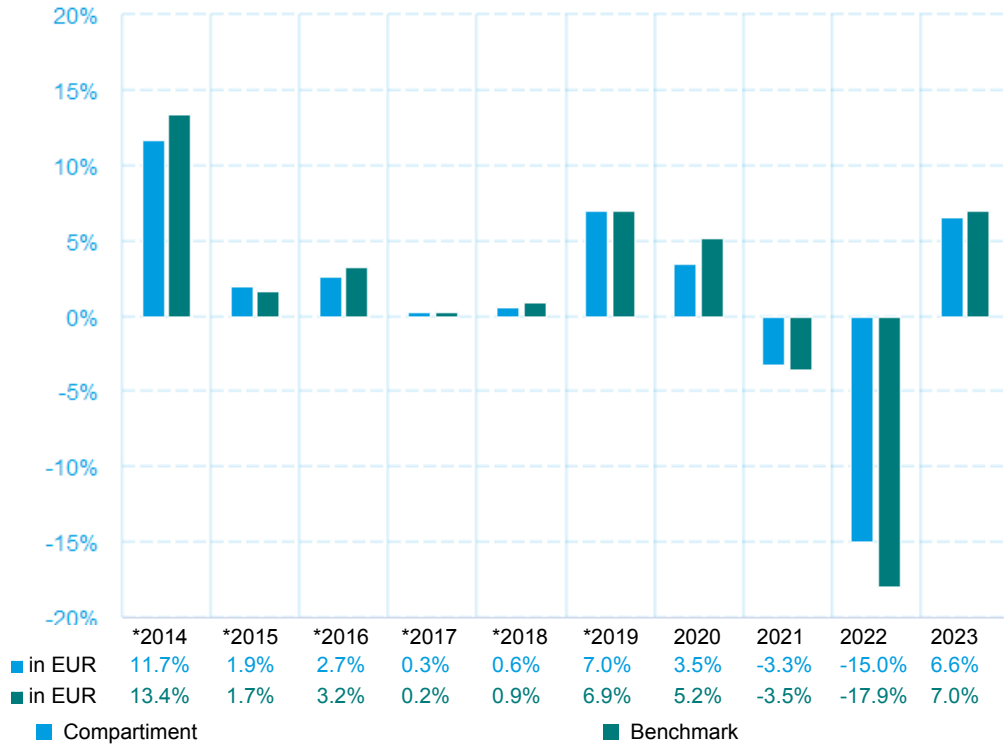
from which C = C0 \* ... \* CN.

- 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

Dividend on ex-dividend date 28/03/2024: 9,9681 net (14,2402 gross).

**Institutional Shares**

BE0947881943  
 KBC Institutional Fund Euro Bonds Institutional Shares CAP  
 Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

**Institutional Shares**

BE6325886313  
 KBC Institutional Fund Euro Bonds Institutional Shares DIS  
 Annual performance compared to the benchmark on 31/12/2023 (in EUR)  
 The cumulative returns are shown where they relate to a period of at least one year.

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	BE0947881943	EUR	6.61%	7.01%	-4.28%	-5.38%	-0.58%	-0.97%	1.36%	1.37%	12/12/2007	2.78%

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.
- 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

Dividend on ex-dividend date 28/03/2024: 4,2511 net (6,0730 gross).

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Institutional B Shares Capitalisation :

Ongoing charges : 0,527%  
Transaction costs: 0,000%

#### Classic Shares Capitalisation :

Ongoing charges : 0,465%  
Transaction costs: 0,000%

#### Classic Shares Distribution :

Ongoing charges : 0,467%  
Transaction costs: 0,000%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,388%  
Transaction costs: 0,000%

#### Institutional Shares Distribution :

Ongoing charges : 0,177%  
Transaction costs: 0,000%

Percentage calculated at reporting date: 31 December 2023 .

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

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 52,68% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Institutional B Shares

Fee for managing the investment portfolio	Max 0.40%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.025%	of the net assets of the sub-fund per year.

### Classic Shares

Fee for managing the investment portfolio	Max 0.25%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.025%	of the net assets of the sub-fund per year.

### Institutional Shares

Fee for managing the investment portfolio	Max 0.25%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.025%	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.

### **Securities lending**

Pursuant to the Royal Decree of 7 March 2006 on securities lending, the undertaking for collective investment in transferable securities(UCITS) has entered into securities lending transactions, whereby the title to the securities that have been lent has been transferred, without recognition of that transfer of ownership in the accounts. For the period from 01/01/2023 to 31/12/2023, the realised net income for the UCITS amounts to 50.259,14 EUR and for the Management Company 15.464,35 EUR. Direct and indirect costs and charges are deducted from the gross income. These are set at a flat rate of 35% of the fee received and consist 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 the sub-fund uses an agent, the fee paid to the agent. The undertaking for collective investment in transferable securities will thus receive 65% of the fee received for securities lent. The number of securities lent varied between 0 and 22, with a market value fluctuating between 0 and 92834313.83 EUR. The detailed list of securities lending transactions carried out may be obtained from the registered office of the undertaking for collective investment in transferable securities at Havenlaan 2, 1080 Brussels. During the reporting period, securities lending transactions were effected in relation to the following securities lending systems:

Manager of the securities lending system: Société Générale

Type of securities lending transactions effected: the lending transactions are effected through the agency of a Lending Agent.

Nature of the lent securities: the securities lending transaction applies only to the bond portion of the portfolio.

Nature of the financial collateral: only cash is accepted.

Reinvestment of the financial collateral received: financial collateral may be reinvested in monetary funds.

- Section II, entitled 'Income and expenditure relative to the investments', contains the net results of transactions in respect of the lending of securities including the result generated by reinvesting financial guarantees tendered in the context of lending bon.

### **Transparency of securities financing transactions and of reuse**

Global data:

1) The amount of securities and commodities on loan as a proportion of total lendable assets defined as excluding cash and cash equivalents;	Nil	%
2) The amount of assets engaged in each type of SFT's and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency) and as a proportion of the collective investment undertaking's assets under management (AUM).		
The amount of assets engaged in each type of SFTs and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency)	0,00	EUR
proportion of the collective investment undertaking's assets under management (AUM)	Nil	%

Concentration data:

1) Ten largest collateral issuers across all SFTs and total return swaps (break down of volumes of the collateral securities and commodities received per issuer's name)

name collateral issuer	Market value on a settled basis	currency
Nil	Nil	Nil

2) Top 10 counterparties of each type of SFTs and total return swaps separately (Name of counterparty and gross volume of outstanding transactions).

type SFT (lending program)	name counterparty	Country of counterparty	Market value on a settled basis	currency
Nil	Nil	Nil	Nil	Nil

Aggregate transaction data for each type of SFTs and total return swaps separately to be broken down according to the below categories:

1) Type and quality of collateral;	equity (Goldman Sachs)	equity(KBC Bank)	bonds (Société Générale)
type	Nil.	Nil.	Nil.
quality – Bloomberg composite rating: see table below			
2) Maturity tenor of the collateral broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open maturity: see table below;			
3) Currency of the collateral: see table below			
4) Maturity tenor of the SFTs and total return swaps broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open transactions;	Nil.	Nil.	Nil.
5) Country in which the counterparties are established: see table above			
6) Settlement and clearing (e.g., tri-party, Central Counterparty, bilateral).	Nil.	Nil.	Nil.

collateral	quality	currency	Maturity tenor
Nil	Nil	Nil	Nil

Data on reuse of collateral:

1) Share of collateral received that is reused, compared to the maximum amount specified in the prospectus or in the disclosure to investors;	Nil
2) Cash collateral reinvestment returns to the collective investment undertaking. (EUR)	717.464,23

Safekeeping of collateral received by the collective investment undertaking as part of SFTs and total return swaps:

1) Number and names of custodians and the amount of collateral assets safe-kept by each of the custodians.

<u>number</u>	<u>Name collateral custodian</u>	<u>Market value on a settled basis</u>	<u>currency</u>
Nil	Nil	Nil	Nil

Safekeeping of collateral granted by the collective investment undertaking as part of SFTs and total return swaps:

1) The proportion of collateral held in segregated accounts or in pooled accounts, or in any other accounts.	Nil
--	-----

Data on return and cost for each type of SFTs and total return swaps:

1) Data on return and cost for each type of SFTs and total return swaps broken down between the collective investment undertaking, the manager of the collective investment undertaking and third parties (e.g. agent lender) in absolute terms and as a percentage of overall returns generated by that type of SFTs and total return swaps.
---

Lending program: equity (Société Générale)	collective investment undertaking	manager of the collective investment undertaking	agent lender
return EUR	77.321,76	15.464,35	11.598,26
percentage of overall returns	100,00 %	20,00%	15,00%
cost EUR	27.062,61		
percentage of overall returns	35,00 %		

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  - 2.2. Balance sheet
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    - 2.4.6. Costs
    - 2.4.7. Notes to the financial statements and other data



# 2. Information on KBC Institutional Fund Euro Bonds Defensive Responsible Investing

## 2.1. Management report

### 2.1.1. Launch date and subscription price

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

Launch date:	27 November 2014
Initial subscription price:	1 000 EUR
Currency:	EUR

#### **Classic Shares Capitalisation**

Launch date:	3 August 2001
Initial subscription price:	5 000 EUR
Currency:	EUR

#### **Classic Shares Distribution**

Launch date:	3 August 2001
Initial subscription price:	5 000 EUR
Currency:	EUR

#### **Institutional Shares Capitalisation**

Launch date:	24 August 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 bonds.

#### 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 referred to in 2.1.

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 of the sub-fund are invested primarily in government bonds denominated in euros.

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

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

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

The Governments, supranational debtors and/or government-linked agencies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 11 (1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'). More information on how the sub-fund promotes environmental and social characteristics can be found in the 'Annex for KBC Institutional Fund Euro Bonds Defensive Responsible Investing' of this annual report. This annex specifically covers the periodic reports for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

### Negative screening

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

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

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



### Positive selection methodology

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

- (1) promote the integration of sustainability into the policy decisions of governments, supranational debtors and/or agencies linked to governments by preferring governments, supranational debtors and/or agencies linked to governments with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and
- (2) promote climate change mitigation, by preferring governments, supranational debtors and/or agencies linked to governments with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;
- (3) support sustainable development, by including governments, supranational debtors and/or agencies linked to governments that contribute to the **UN Sustainable Development Goals** and
- (4) support sustainable development by encouraging the transition to a more sustainable world via **bonds financing green and/or social projects**.

The sub-fund's targets are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

If investments were to be made in instruments issued by companies, no positive selection methodology is applied to these companies, but the companies must only comply with the negative screening requirements listed above.

### (1) ESG-score

The contribution to the integration of sustainability into policy decisions of the governments, supranational debtors and/or agencies linked to governments is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are the following five pillars:

- overall economic performance and stability (e.g., quality of institutions and government);
- socio-economic development and health of the population (e.g., education and employment);
- equality, freedom and the rights of all citizens;
- environmental policy (e.g., climate change); and
- security, peace and international relations.

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

The ESG score for countries of the portfolio is compared to a reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).

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

The targets can be revised upwards or downwards.

### (2) Carbon Intensity

The objective to promote climate change mitigation, by favoring lower carbon intensity governments, supranational debtors and/or government-linked agencies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to entities for which data is not available.

The contribution of governments, supranational debtors and/or government-linked agencies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as the greenhouse gas emissions (in tonnes CO<sub>2</sub> equivalent), divided by the Gross Domestic Product (in current prices, in mln USD).

The carbon intensity is compared to a reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).

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

The targets may be revised upwards or downwards.

### (3) UN Sustainable Development Goals

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

Governments are assessed on the five pillars as described in the ESG score, which contain indicators that can be linked to the 17 UN Sustainable Development Goals. If a government scores sufficiently well on one of these pillars and not significantly poor on the other pillars, the bonds of this government and its sub-governments and agencies are considered to be instruments that contribute to sustainable development. Bonds of supranational governments contribute to the UN's Sustainable development goals if one of the two criteria is met:

- at least half of its members contribute to the UN Sustainable Development Goals (weighted by voting power/full paid-in capital/percentage of population (in order of availability)).

- the mission statement of the supranational institution has a sustainable objective and less than half of its members fall in the worst half of the screening for controversial regimes.

In addition, the Responsible Investing Advisory Board can award the "sustainable development" label to instruments. More information about this and the concrete goals of the sub-fund can be found at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds .

#### **(4) Bonds financing green and/or social projects**

To encourage the transition to a more sustainable world, the sub-fund commits to invest a minimum proportion of the portfolio in bonds financing green and/or social projects. Bonds whose proceeds will be used exclusively to finance (a combination of) green and social projects that are aligned with the International Capital Market Association (ICMA) Green Bond Principles and Social Bond Principles on the Use of Proceeds are considered bonds financing green and/or social projects. Instruments that meet these requirements are labelled 'sustainable investments', in line with article 2(17) SFDR.

More information on bonds financing green and/or social projects and the concrete goals of the sub-fund can be found at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

#### **Potential Exceptions**

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

- Developments as a result of which an issuer can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible issuer based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

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

The fund manager may not use derivatives whose underlying is not of a responsible nature. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: JP Morgan EMU ex Portugal, Ireland, Italy, Greece and Spain all Maturities - Total 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 responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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

The longterm expected tracking error for this fund is 0.75%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

#### **Taxonomy related information**

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

#### **Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the

European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors were explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. The principal adverse impacts on sustainability factors that were taken into account through the exclusion policies can be found in the 'Annex for KBC Institutional Fund Euro Bonds Defensive Responsible Investing'.

The principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy. The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy can be found in the 'Annex for KBC Institutional Fund Euro Bonds Defensive Responsible Investing'.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Institutional Fund Euro Bonds Defensive Responsible Investing'.

#### Required disclaimers for benchmark providers:

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 201(7), J.P. Morgan Chase & Co. All rights reserved.

### **Characteristics of the bonds and debt instruments**

The sub-fund invests in bonds and debt instruments, issued by government agencies, entities that benefit from a formal government guarantee or by public bodies.

The sub-fund invests 100% of its assets in bonds and debt instruments

- in bonds and debt instruments with a minimum rating of AA-/Aa3 from at least one of the following rating agencies:

Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or

- in government bonds denominated in local currency that do not have a credit rating from the above rating agencies but whose issuer does have a credit rating of AA-/Aa3 from at least one of the above rating agencies.

All maturities are taken into consideration when selecting the bonds and debt instruments.

### **Derogation for investments in public issuers**

The sub-fund has been granted a derogation to invest up to 100% of its assets in various issues of securities and money market instruments that are issued or guaranteed by a Member State of the European Economic Area, by its local authorities, by a state that is not a Member State of the European Economic Area or by public international institutions in which one or more Member States of the European Economic Area participate. The sub-fund can invest more than 35% of its assets in securities or money market instruments issued by:

– the Member States of the Economic and Monetary Union.

### **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 NV, Havenlaan 2, 1080 Brussels.

## 2.1.6. Index and benchmark

See 'Sub-fund's investment policy'.

## 2.1.7. Policy pursued during the financial year

At the start of the reporting period sentiment on the financial markets remained very nervous. Europe was still threatened by a shortage of gas during winter as the fallout from the Russian invasion in Ukraine continued. Both in Europe and the United States, inflation figures remained far above the comfort level of the central banks. The Federal Reserve in the US and the European Central Bank continued to hike their policy rates. Central Bank policy pushed up 2 year German Government yields by 45 bps in 23H1. As 10 year German yields dropped by 20 bps, the yield curve flattened quite substantially. At the end of June, short end yields reached a cycle high at 3.20%, while 10 yr yields stood at 2.40%. This is what professionals refer to as an 'inverse yield curve', which indicates that monetary policy is restrictive.

During summer constructive sentiment on bond markets ended, with a shift in Central Bank communication. Although both ECB and Fed indicated that policy rates were close to, or even at the peak of the cycle, they pushed back against market pricing of rate cuts in 2024. As money market curves moved higher, that pushed bond curves into a bear steepening move. A 45 bp rally in 10y German Rates, took them to a level of 2.85% at end of September.

However, bear market in bonds hit a wall when inflation data started to surprise to the downside. In 23Q4 it became clear that inflation was moving towards central bank targets much more quickly than initially expected. ECB and Fed welcomed the disinflationary trend. Fed President Jerome Powell acknowledged that Fed Funds rates had reached a level that is high enough to restore price stability, and he added that the next step of the central bank was likely going to be a cut, and not a hike. Bond markets were delighted with this 'policy pivot'. In final quarter of the year, German Bund yields from 2 to 10 yrs of maturity dropped 80 bps.

The average duration of the portfolio was always between 6 and 8 years. Relative to the benchmark the portfolio had been holding a neutral duration stance, around 7 years. In 1Q23 we sold all our out-of-bench Inflation Linked Bond positions.

## 2.1.8. Future policy

After having reached a 3% top in 23Q3, our economists expect yields to keep trading in a range between 2.00% and 2.50% in the foreseeable future. We'll be trading the interest rate sensitivity of the portfolio in a very dynamic way, trying to surf the waves of rising and falling interest rates within the range as indicated by our economists. There will be also further focus on relative value opportunities in country allocation and yield curves.

## 2.1.9. Summary risk indicator (SRI)

Institutional B Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- There is no capital protection.

Classic Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- There is no capital protection.

Institutional Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- There is no capital protection.

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

The summary 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).

### **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 274 440.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

### **2.1.11. Value-at-Risk**

Not applicable

## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	11,858,097.91	20,038,341.71
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds	10,038,914.55	19,763,833.72
	Of which bonds lent		408,268.95
B.	Money market instruments	1,500,504.35	245,419.55
E.	Open-end undertakings for collective investment		
	a) Reinvested collateral in money market funds		355,026.31
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts (+/-)	-6,800.00	
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	c) Collateral	6,457.70	
B.	Payables		
	d) Collateral (-)		-412,244.53
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	365,837.73	107,913.24
C.	Collateral received cash		57,673.06
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-46,816.42	-79,279.64
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	11,858,097.91	20,038,341.71
<b>A.</b>	<b>Capital</b>	10,065,144.05	30,978,188.95
<b>B.</b>	<b>Income equalization</b>	-397,660.54	-165,474.43
<b>D.</b>	<b>Result of the bookyear</b>	2,190,614.40	-10,774,372.81
<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.b.	Cash at bank and in hand/deposits	6,457.70	412,244.53
III.	Notional amounts of futures and forward contracts (+)		
III.B.	Written futures and forward contracts	-274,440.00	
IX.	Financial instruments lent		408,268.95

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	1,403,500.67	-11,124,499.24
B.	Money market instruments	-14,685.06	-10,178.51
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts	55,081.93	
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	1,452,283.72	247,720.31
	Unrealised gains on investments	857,928.40	-75,064.17
	Realised losses on investments	-1,611,117.45	-11,143,685.19
	Unrealised losses on investments	744,802.87	-163,648.70
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	a) Securities and money market instruments	655,875.62	373,851.12
	b) Cash at bank and in hand and deposits	9,684.68	267.78
C.	Interest on borrowings (-)		-2,193.25
<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	199,495.14	268,777.05
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-351.42	
B.	Financial expenses (-)	-53.81	-63.99
C.	Custodian's fee (-)	-5,211.25	-9,361.08
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-18,971.03	-49,204.77
	Institutional Shares	-6,718.39	-4,030.22
	Institutional B Shares	-54,411.11	-85,915.72
	b) Administration and accounting management	-28,260.60	-49,668.51
	c) Commercial fee	-593.27	-625.00
F.	Formation and organisation expenses (-)	-843.88	-127.21
G.	Remuneration, social security charges and pension	-1.54	-2.15
H.	Services and sundry goods (-)	-2,019.33	-2,596.46
J.	Taxes		
	Classic Shares	-3,872.23	-2,417.87
	Institutional Shares	-1,010.17	-253.66
	Institutional B Shares	-3,854.15	-5,212.20
L.	Other expenses (-)	7,833.60	-70,918.92
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	746,716.87	360,304.94
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	2,190,614.40	-10,774,372.81
<b>VII.</b>	<b>Result of the bookyear</b>	2,190,614.40	-10,774,372.81

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	1,792,953.86	-10,939,847.24
	Profit for the period available for appropriation	2,190,614.40	-10,774,372.81
	Income on the creation of shares (income on the cancellation of shares)	-397,660.54	-165,474.43
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-1,792,953.86	10,939,847.24



## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Euro Bonds Defensive Responsible Investing

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Bonds</b>							
Government bonds							
<u>Austria</u>							
AUSTRIA 6/37 4.15% 15/03	150,000.00	EUR	114.770	177,071.00		1.54	1.49
AUSTRIA 17/117 2.1% 20-9	50,000.00	EUR	78.764	39,668.89		0.34	0.34
REPUBLIC OF AUSTRIA 23/29 +2.90%	300,000.00	EUR	103.070	315,105.08		2.73	2.66
REPUBLIC OF AUSTRIA 23/33 +2.90%	200,000.00	EUR	102.495	210,694.66		1.83	1.78
<u>Belgium</u>							
BELGIUM 4/35 5% 28/03	100,000.00	EUR	121.743	125,513.21		1.09	1.06
BELGIUM 15/38 +1.90% 16/09 22/06	100,000.00	EUR	88.222	89,208.18		0.77	0.75
BELGIUM 22/39 +2.75%	300,000.00	EUR	97.735	298,861.59		2.59	2.52
BELGIUM 23/33 +3.00%	150,000.00	EUR	103.266	157,235.07		1.36	1.33
BELGIUM 23/54 +3.30%	50,000.00	EUR	102.108	51,910.34		0.45	0.44
BELGIUM 97/28 5.5% 28/3 OLO31	100,000.00	EUR	113.100	117,247.54		1.02	0.99
<u>Finland</u>							
FINLAND 9/25 4.00% 04/07	50,000.00	EUR	101.973	51,959.18		0.45	0.44
FINLAND 22/32 +1.50%	100,000.00	EUR	92.263	92,693.33		0.80	0.78
<u>France</u>							
CAISSE DAMORTISSEMENT DE LA D 22/32 +0.45%	200,000.00	EUR	84.465	169,778.22		1.47	1.43
CAISSE DAMORTISSEMENT DE LA D 23/30 +3.125%	100,000.00	EUR	103.433	106,019.72		0.92	0.89
FRENCH REPUBLIC 5/38 4% 25/10	100,000.00	EUR	114.397	115,107.52		1.00	0.97
FRENCH REPUBLIC 9/41 4.50% 25/04	250,000.00	EUR	121.936	312,462.30		2.71	2.64
FRENCH REPUBLIC 16/39 +1.75%	150,000.00	EUR	86.946	131,759.95		1.14	1.11
FRENCH REPUBLIC 21/32 +2.00%	600,000.00	EUR	96.344	579,177.25		5.02	4.88
FRENCH REPUBLIC 21/38 +1.25%	950,000.00	EUR	81.380	780,184.71		6.77	6.58
FRENCH REPUBLIC 22/25 0.00%	300,000.00	EUR	96.755	290,265.00		2.52	2.45
FRENCH REPUBLIC 22/33 +3.00%	250,000.00	EUR	104.035	264,555.14		2.29	2.23
FRENCH REPUBLIC 22/43 +2.50%	170,000.00	EUR	93.057	160,728.17		1.39	1.36
FRENCH REPUBLIC 22/54 +3.00%	200,000.00	EUR	98.228	200,030.75		1.73	1.69
FRENCH REPUBLIC 97/29 5.5% 25/04	450,000.00	EUR	115.910	538,365.49		4.67	4.54
ILE DE FRANCE 22/32 +2.23%	200,000.00	EUR	95.039	192,064.28		1.67	1.62
<u>Germany</u>							
FEDERAL REPUBLIC OF GERMANY 5/37 4% 04/01	350,000.00	EUR	120.372	435,071.97		3.77	3.67
FEDERAL REPUBLIC OF GERMANY 7/39 4.25% 04/07	50,000.00	EUR	125.906	63,986.41		0.56	0.54
FEDERAL REPUBLIC OF GERMANY 20/30 0.00%	400,000.00	EUR	88.500	353,999.04		3.07	2.99
FEDERAL REPUBLIC OF GERMANY 21/31 0.00%	900,000.00	EUR	86.614	779,521.95		6.76	6.57
FEDERAL REPUBLIC OF GERMANY 22/27 +1.30%	250,000.00	EUR	97.890	245,390.98		2.13	2.07
FEDERAL REPUBLIC OF GERMANY 22/38 +1.00%	150,000.00	EUR	85.051	128,510.26		1.11	1.08
FEDERAL REPUBLIC OF GERMANY 23/33 +2.30%	100,000.00	EUR	102.592	104,104.38		0.90	0.88
FEDERAL REPUBLIC OF GERMANY 23/53 +1.80%	100,000.00	EUR	90.499	91,168.14		0.79	0.77
<u>Netherlands</u>							
NETHERLANDS 5/37 4% 15/01	150,000.00	EUR	116.772	180,878.30		1.57	1.53
NETHERLANDS 19/40 +0.50% 23/05 15/01	300,000.00	EUR	74.164	223,923.10		1.94	1.89
NETHERLANDS 21/31 0.00%	150,000.00	EUR	84.883	127,325.19		1.10	1.07
NETHERLANDS 23/30 +2.50%	300,000.00	EUR	101.912	311,222.30		2.70	2.63
Bonds issued by international institutions							
<u>EU institutions outside BLEU terr.</u>							
EUROPEAN UNION 23/26 +2.75%	200,000.00	EUR	100.785	202,846.32		1.76	1.71
EUROPEAN UNION 23/28 +3.125%	100,000.00	EUR	103.067	103,390.95		0.90	0.87
EUROPEAN UNION 23/30 +3.125%	30,000.00	EUR	103.762	31,192.64		0.27	0.26
EUROPEAN UNION 23/38 +3.375%	100,000.00	EUR	105.113	107,326.15		0.93	0.91
EUROPEAN UNION 23/44 +4.00%	150,000.00	EUR	113.445	171,364.65		1.49	1.45
Bonds issued by credit institutions							
<u>Germany</u>							
KFW 20/25 0.00%	450,000.00	EUR	96.684	435,079.76		3.77	3.67
KFW 21/31 0.00%	200,000.00	EUR	84.187	168,373.50		1.46	1.42
KFW 23/30 +2.75%	200,000.00	EUR	101.925	207,140.98		1.80	1.75
<b>Total bonds</b>				10,039,483.54		87.05	84.66

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
<b>Money market instruments</b>							
Government money market instruments							
<u>Belgium</u>							
BELGIUM 14/24 2.60% 21/01 22/06	150,000.00	EUR	99.515	151,297.09		1.31	1.28
<u>France</u>							
FRENCH REPUBLIC 13/24 1.75% 25/11 25/11	350,000.00	EUR	98.748	346,186.99		3.00	2.92
FRENCH REPUBLIC 13/24 2.25% 25/05 25/05	650,000.00	EUR	99.467	655,246.57		5.68	5.53
<u>Germany</u>							
FEDERAL REPUBLIC OF GERMANY 14/24 +1.00% 15/08 15/08	250,000.00	EUR	98.562	247,332.71		2.15	2.09
<u>Netherlands</u>							
NETHERLANDS 17/24 0.00%	100,000.00	EUR	99.872	99,872.00		0.87	0.84
Total money market instruments				1,499,935.36		13.01	12.65
<b>Options and futures</b>							
Exchange-listed futures							
<u>Germany</u>							
EUROBUND MAR 24	-2.00	EUR	137.220	-274,440.00		-2.38	-2.31
Suspense accounts (futures)							
<u>Germany</u>							
EUROBUND MAR 24	267,640.00	EUR	1.000	267,640.00		2.32	2.26
Total options and futures				-6,800.00		-0.06	-0.06
TOTAL SECURITIES PORTFOLIO				11,532,618.90		100.00	97.26
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	356,806.43	EUR	1.000	356,806.43		0.00	3.01
Total demand accounts				356,806.43		0.00	3.01
<b>Managed futures accounts</b>							
<u>U.S.A.</u>							
JPMORGAN CHASE & CO EURO FUT REK	9,031.30	EUR	1.000	9,031.30		0.00	0.08
Total managed futures accounts				9,031.30		0.00	0.08
TOTAL CASH AT BANK AND IN HAND				365,837.73		0.00	3.09
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>U.S.A.</u>							
JPMORGAN CHASE & CO DEKKING EUR	6,457.70	EUR	1.000	6,457.70		0.00	0.05
Total receivables				6,457.70		0.00	0.05
TOTAL RECEIVABLES AND PAYABLES				6,457.70		0.00	0.05
OTHER							
Expenses payable		EUR		-46,816.42		0.00	-0.39
TOTAL OTHER				-46,816.42		0.00	-0.40
TOTAL NET ASSETS				11,858,097.91		0.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Austria	6.66	6.51	6.70	6.24
Belgium	7.50	9.08	7.67	11.33
Germany	31.48	29.98	33.33	27.31
Europe	0.52	0.00	0.00	0.00
Finland	2.37	1.79	2.38	1.22
France	39.34	41.80	39.94	40.67
Netherlands	9.46	9.49	8.15	7.92
U.S.A.	0.00	0.00	0.03	0.13
Outside BLEU territory-(belgo-Lux ec	0.53	0.90	1.80	0.00
EU institutions outside BLEU terr.	2.14	0.45	0.00	5.18
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	0.83	0.00	0.00	
Financials	4.66	2.08	5.53	
Governm.	93.74	97.92	94.47	
Various	0.77	0.00	0.00	
TOTAL	100.00	100.00	100.00	

	31/12/2023
National	81.04
Supranationals	11.98
Financial Services	5.37
Regional & Local	1.61
TOTAL	100.00

The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
EURO	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Euro Bonds Defensive Responsible Investing (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	50,982,599.40	67,249,655.22	118,232,254.62
<b>Sales</b>	60,577,315.19	67,739,570.93	128,316,886.11
<b>Total 1</b>	111,559,914.58	134,989,226.15	246,549,140.73
<b>Subscriptions</b>	41,540,633.38	65,644,962.21	107,185,595.59
<b>Redemptions</b>	51,292,868.08	65,696,928.90	116,989,796.98
<b>Total 2</b>	92,833,501.46	131,341,891.11	224,175,392.57
<b>Monthly average of total assets</b>	33,857,835.85	22,445,200.67	28,128,601.33
<b>Turnover rate</b>	55.31%	16.25%	79.54%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%), reason: High turnover is due to big in-and outflows. Apart from that, duration management causes some turnover, but not that much.

The detailed list of transactions can be consulted free of charge at the company designated as financial service: 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 Euro	Lot-size	Transaction date
EURBU MAR 24	EUR	-274,440.00	-274,440.00	1,000.00	04.12.2023
JPMORGAN DEKKING EUR	EUR	6,457.70	6,457.70	N/A	29.12.2023

## 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
2021 - 12	879.00	0.00	2,947.76	0.00	2,872.24	0.00	2,872.24
2022 - 12	83.34	0.00	2,024.00	0.00	931.58	0.00	931.58
2023 - 12	1.00	0.00	0.00	0.00	932.58	0.00	932.58

Period	Amounts received and paid by the UCITS (in Euro)				
	Subscriptions		Redemptions		
	Capitalization	Distribution	Capitalization	Distribution	
2021 - 12	8,312,472.29	0.00	28,102,864.73		0.00
2022 - 12	772,583.06	0.00	17,008,775.45		0.00
2023 - 12	8,035.24	0.00	0.00		0.00

Period	Net asset value End of period (in Euro)			
	Of the class	Of one share		
		Capitalization	Distribution	
2021 - 12	27,219,590.64	9,476.77		0.00
2022 - 12	7,377,145.18	7,918.98		0.00
2023 - 12	7,908,902.08	8,480.69		0.00

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	962.00		165.00		1,055.00		1,055.00
2022 - 12	330,749.00		310,000.00		21,804.00		21,804.00
2023 - 12	212,557.00		233,756.00		605.00		605.00

Period	Amounts received and paid by the UCITS (in Euro)				
	Subscriptions		Redemptions		
	Capitalization	Distribution	Capitalization	Distribution	
2021 - 12	586,042.86		97,554.60		
2022 - 12	184,840,542.97		167,880,028.33		
2023 - 12	104,921,488.70		116,818,819.50		

Period	Net asset value End of period (in Euro)			
	Of the class	Of one share		
		Capitalization	Distribution	
2021 - 12	623,805.78	591.29		
2022 - 12	10,713,169.11	491.34		
2023 - 12	317,831.89	525.34		

## Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	8,653.00		0.00		8,653.00		8,653.00
2022 - 12	1,672.00		7,953.00		2,372.00		2,372.00
2023 - 12	4,283.00		2,525.00		4,130.00		4,130.00

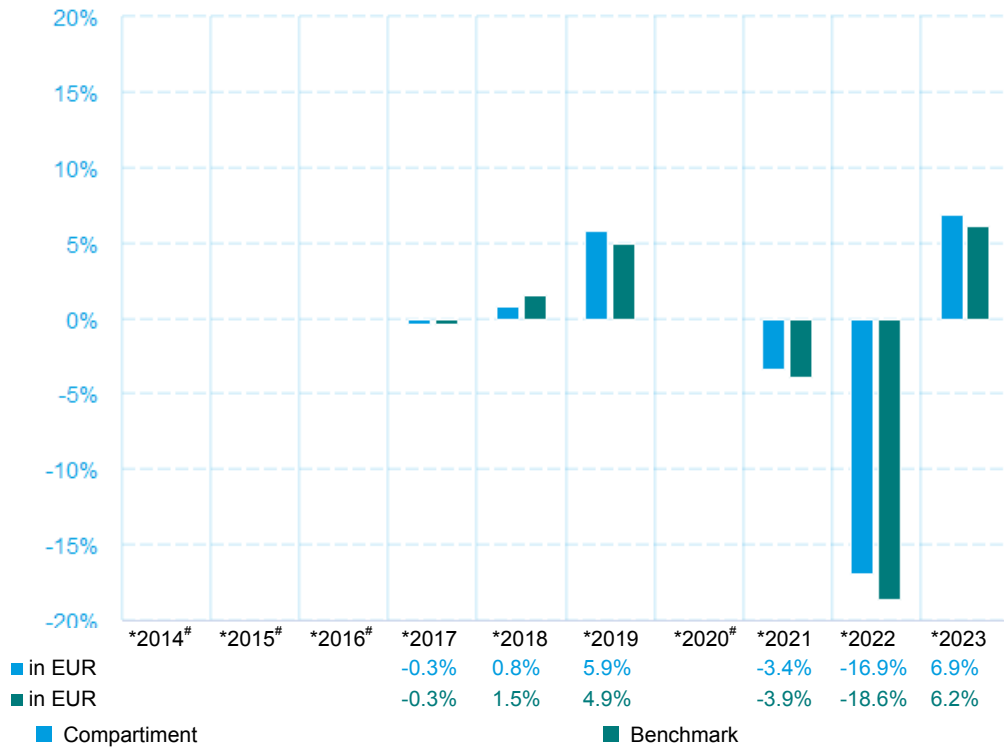
Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	8,577,937.27		0.00	
2022 - 12	1,536,956.03		7,802,688.30	
2023 - 12	3,588,373.21		2,069,481.00	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	8,511,113.56	983.60	
2022 - 12	1,948,027.42	821.26	
2023 - 12	3,631,363.94	879.26	

## 2.4.5. Performance figures

### Institutional B Shares

BE6274078219  
KBC Institutional Fund Euro Bonds Defensive Responsible Investing Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

\* 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
CAP	BE6274078219	EUR	6.92%	6.19%	-4.97%	-6.00%					27/11/2014	

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

\* Return on annual basis.

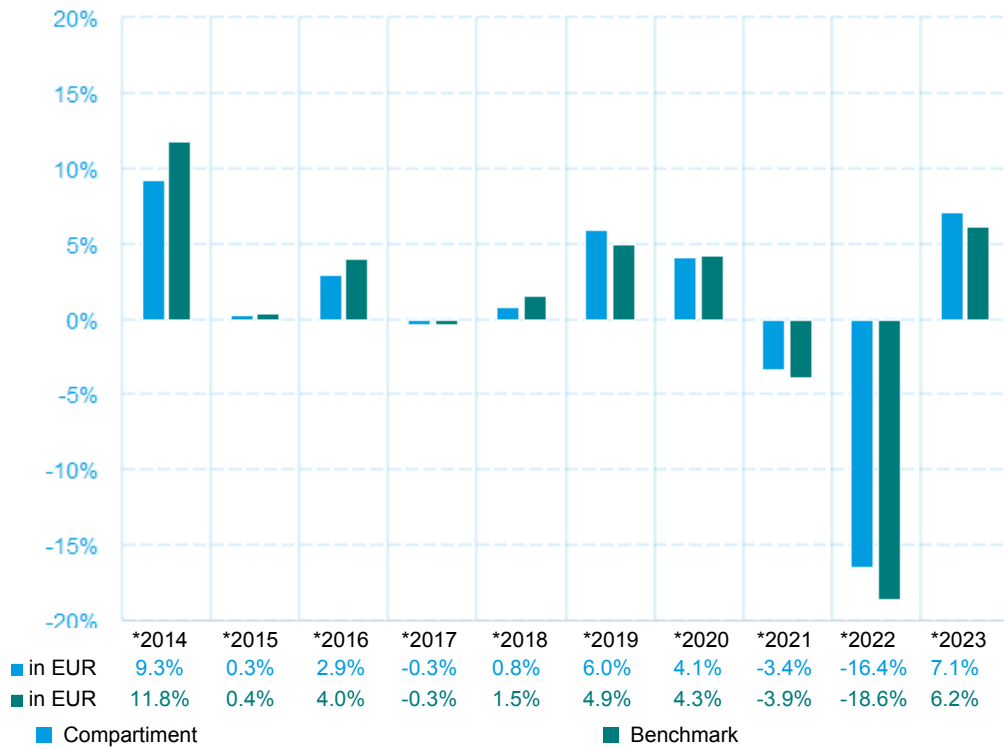
### Institutional B Shares

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

**Classic Shares**

BE0177543338

KBC Institutional Fund Euro Bonds Defensive Responsible Investing Classic Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)

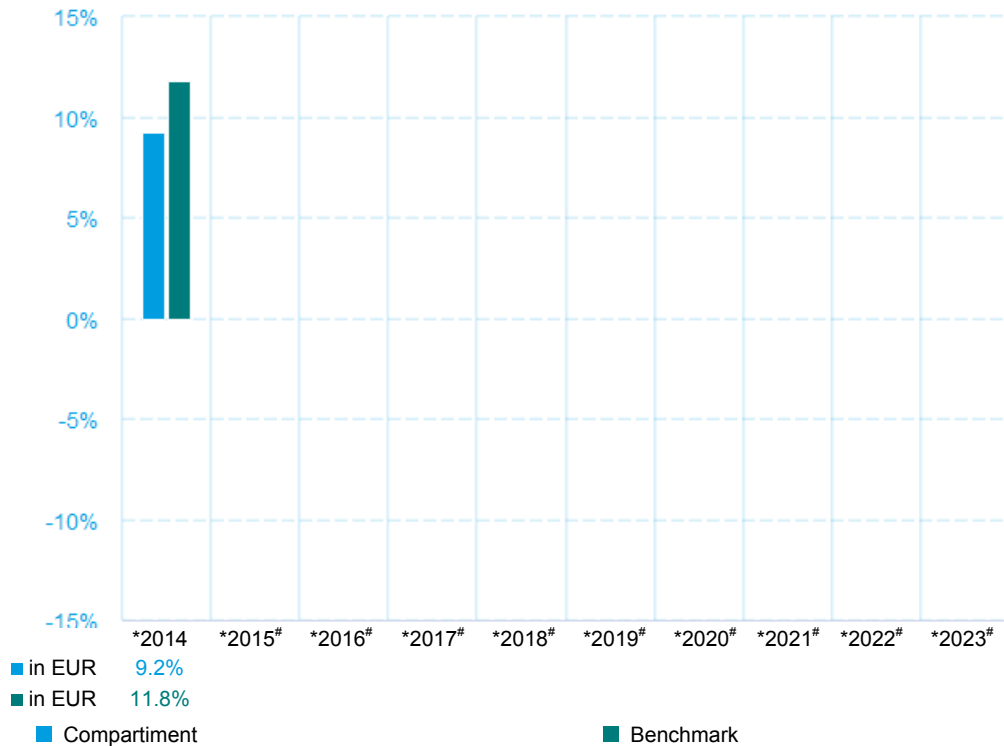


\* These performances were achieved under circumstances that no longer apply

**Classic Shares**

BE0177541316

KBC Institutional Fund Euro Bonds Defensive Responsible Investing Classic Shares DIS  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

\* 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
CAP	BE0177543338	EUR	7.09%	6.19%	-4.73%	-6.00%	-0.93%	-1.90%	0.78%	0.71%	03/08/2001	2.39%

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

#### Capitalisation units (CAP)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

#### Distribution units (DIV)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

where C is a factor that is determined for all N dividends between the calculation

date D and the reference date.

For dividend i on date Di with value Wi:

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

i = 1 ... N

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

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

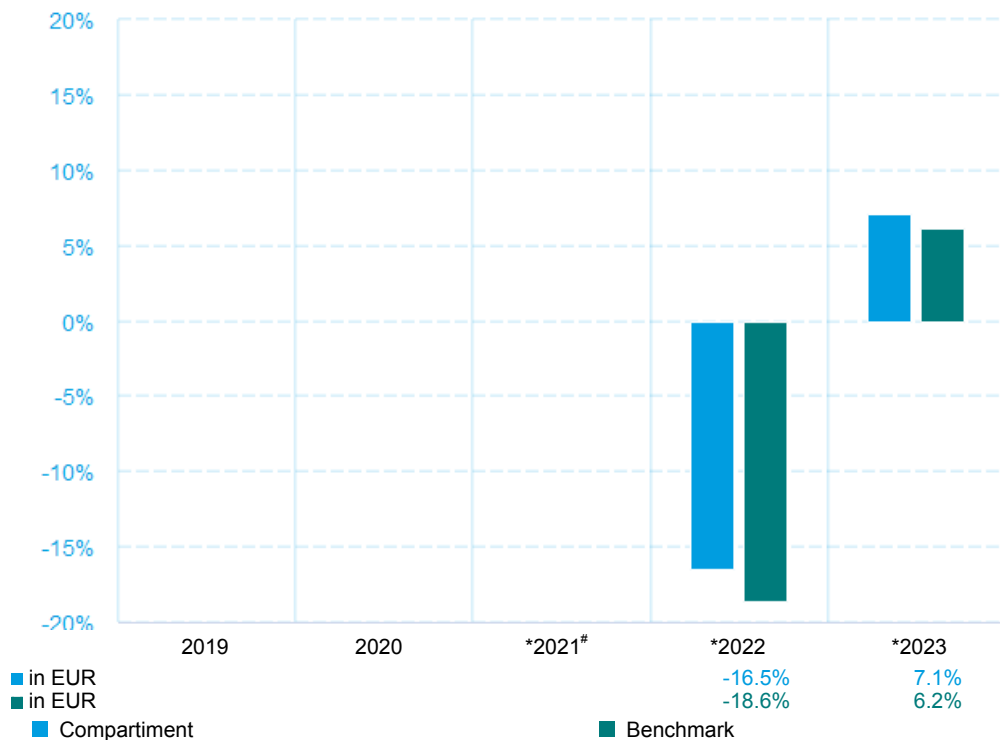
Dividend on ex-dividend date 28/03/2024: no dividend was paid.



## Institutional Shares

BE6329809741

KBC Institutional Fund Euro Bonds Defensive Responsible Investing Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

\* 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
CAP	BE6329809741	EUR	7.06%	6.19%							24/08/2021	-5.04%

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.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\left[ \frac{NIW(D)}{NIW(Y)} \right]^{1/X} - 1$$
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:

#### Institutional B Shares Capitalisation :

Ongoing charges : 0,504%  
Transaction costs: 0,000%

#### Classic Shares Capitalisation :

Ongoing charges : 0,372%  
Transaction costs: 0,000%

#### Classic Shares Distribution :

Ongoing charges : 0,000%  
Transaction costs: 0,000%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,407%  
Transaction costs: 0,000%

Percentage calculated at reporting date: 31 December 2023 .

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

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 52,68% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Institutional B Shares

Fee for managing the investment portfolio	Max 0.40%  Max 0.01%	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.  per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.040%	of the net assets of the sub-fund per year.
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### Classic Shares

Fee for managing the investment portfolio	Max 0.25%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	Max 0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.040%	of the net assets of the sub-fund per year.

### Institutional Shares

Fee for managing the investment portfolio	Max 0.25%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.040%	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.

### **Securities lending**

Pursuant to the Royal Decree of 7 March 2006 on securities lending, the undertaking for collective investment in transferable securities(UCITS) has entered into securities lending transactions, whereby the title to the securities that have been lent has been transferred, without recognition of that transfer of ownership in the accounts. For the period from 01/01/2023 to 31/12/2023, the realised net income for the UCITS amounts to 636,14 EUR and for the Management Company 195,74 EUR. Direct and indirect costs and charges are deducted from the gross income. These are set at a flat rate of 35% of the fee received and consist 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 the sub-fund uses an agent, the fee paid to the agent. The undertaking for collective investment in transferable securities will thus receive 65% of the fee received for securities lent. The number of securities lent varied between 0 and 5, with a market value fluctuating between 0 and 2413245.54 EUR. The detailed list of securities lending transactions carried out may be obtained from the registered office of the undertaking for collective investment in transferable securities at Havenlaan 2, 1080 Brussels. During the reporting period, securities lending transactions were effected in relation to the following securities lending systems:

Manager of the securities lending system: Société Générale

Type of securities lending transactions effected: the lending transactions are effected through the agency of a Lending Agent.

Nature of the lent securities: the securities lending transaction applies only to the bond portion of the portfolio.

Nature of the financial collateral: only cash is accepted.

Reinvestment of the financial collateral received: financial collateral may be reinvested in monetary funds.

- Section II, entitled 'Income and expenditure relative to the investments', contains the net results of transactions in respect of the lending of securities including the result generated by reinvesting financial guarantees tendered in the context of lending bon.

### **Transparency of securities financing transactions and of reuse**

Global data:

1) The amount of securities and commodities on loan as a proportion of total lendable assets defined as excluding cash and cash equivalents;	Nil	%
2) The amount of assets engaged in each type of SFT's and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency) and as a proportion of the collective investment undertaking's assets under management (AUM).		
The amount of assets engaged in each type of SFTs and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency)	0,00	EUR
proportion of the collective investment undertaking's assets under management (AUM)	Nil	%

Concentration data:

1) Ten largest collateral issuers across all SFTs and total return swaps (break down of volumes of the collateral securities and commodities received per issuer's name)

name collateral issuer	Market value on a settled basis	currency
Nil	Nil	Nil

2) Top 10 counterparties of each type of SFTs and total return swaps separately (Name of counterparty and gross volume of outstanding transactions).

type SFT (lending program)	name counterparty	Country of counterparty	Market value on a settled basis	currency
Nil	Nil	Nil	Nil	Nil

Aggregate transaction data for each type of SFTs and total return swaps separately to be broken down according to the below categories:

1) Type and quality of collateral;	equity (Goldman Sachs)	equity(KBC Bank)	bonds (Société Générale)
type	Nil.	Nil.	Nil.
quality – Bloomberg composite rating: see table below			
2) Maturity tenor of the collateral broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open maturity: see table below;			
3) Currency of the collateral: see table below			
4) Maturity tenor of the SFTs and total return swaps broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open transactions;	Nil.	Nil.	Nil.
5) Country in which the counterparties are established: see table above			
6) Settlement and clearing (e.g., tri-party, Central Counterparty, bilateral).	Nil.	Nil.	Nil.

collateral	quality	currency	Maturity tenor
Nil	Nil	Nil	Nil

Data on reuse of collateral:

1) Share of collateral received that is reused, compared to the maximum amount specified in the prospectus or in the disclosure to investors;	Nil
2) Cash collateral reinvestment returns to the collective investment undertaking. (EUR)	13.418,24

Safekeeping of collateral received by the collective investment undertaking as part of SFTs and total return swaps:

1) Number and names of custodians and the amount of collateral assets safe-kept by each of the custodians.

<u>number</u>	<u>Name collateral custodian</u>	<u>Market value on a settled basis</u>	<u>currency</u>
Nil	Nil	Nil	Nil

Safekeeping of collateral granted by the collective investment undertaking as part of SFTs and total return swaps:

1) The proportion of collateral held in segregated accounts or in pooled accounts, or in any other accounts.	Nil
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Data on return and cost for each type of SFTs and total return swaps:

1) Data on return and cost for each type of SFTs and total return swaps broken down between the collective investment undertaking, the manager of the collective investment undertaking and third parties (e.g. agent lender) in absolute terms and as a percentage of overall returns generated by that type of SFTs and total return swaps.
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Lending program: equity (Société Générale)	collective investment undertaking	manager of the collective investment undertaking	agent lender
return EUR	978,68	195,74	146,80
percentage of overall returns	100,00 %	20,00%	15,00%
cost EUR	342,54		
percentage of overall returns	35,00 %		

**Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**  
KBC Institutional Fund Euro Bonds Defensive Responsible Investing

**Legal entity identifier:**  
549300CLS4NL1S4REN70

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Did this financial product have a sustainable investment objective?**

Yes    No

It made **sustainable investments with an environmental objective**: %

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective**: %

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 96.94% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

This sub-fund:

- has promoted the integration of sustainability into the policy decisions of governments, supranational debtors and/or agencies linked to governments by preferring governments, supranational debtors and/or agencies linked to governments with a better ESG score;
- has promoted climate change mitigation by preferring governments, supranational debtors and/or agencies linked to governments with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;
- has supported sustainable development by including governments, supranational debtors and/or agencies linked to governments that contribute towards achieving the UN Sustainable Development Goals;
- has supported sustainable development by encouraging the transition to a more sustainable world via bonds financing green and/or social projects.



The specific objectives of the sub-fund can be found in the table under title 'How did the sustainability indicators perform?' of this annex.

The sub-fund invested 96.94% of the assets in "sustainable investments" as defined by art. 2.17 SFDR and 0.00% in other investments aligned with environmental or social characteristics.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments in instruments issued by governments, supranational debtors and/or government-linked agencies, the described reference portfolio of global government bonds is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

### How did the sustainability indicators perform?

**Sustainability indicators**  
measure how the environmental or social characteristics promoted by the financial product are attained.

	Target	Target applied	Actuals	Objective attained
<b>Instruments issued by governments, supranational debtors and/or agencies linked to governments</b>				
ESG Score	10% better than the reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).	0.77	0.84	Yes
Carbon Intensity	25% better than the reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).	428.33	334.38	Yes
Bonds financing green and/or social projects	A minimum of 10% of the investments in bonds issued by governments, supranational debtors and/or agencies linked to governments should qualify as bonds financing green and/or social projects.	10	27.90	Yes
<b>Minimum % Sustainable Investments</b>	A minimum of 45% of sustainable investments.	45	96.94	Yes
<b>Other specific objectives</b>	If investments were to be made in instruments issued by companies, the companies must meet the negative screening requirements as described in this annex and the prospectus under title 'Information concerning the sub-fund Euro Bonds Defensive Responsible Investing'.			

As indicated in the table above, the sub-fund has reached all targets during the reference period.

The sub-fund pursued these objectives (directly or indirectly) based on a dualistic approach: the negative screening and the positive selection methodology. As of April 28, 2023, instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals were classified as "sustainable investments," which triggered a change in these objectives. The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the objectives and results achieved described in this chapter only reflect the situation at the end of sub-fund's financial year and, for this reason, are not a reliable indicator for future results.

All targets are also monitored by KBC Asset Management at month-end. Given the difference in the periodicity of the calculations, it cannot be excluded that the monitoring at month-end leads to different results than the situation at the end of the financial year as shown in the table above and section 2.1.7 of the general annual report.

No breaches at month-end have been identified for this sub-fund.

### ... and compared to previous periods?

Sustainability indicators	Achieved result	Achieved result
	31/12/2022	31/12/2023
<b>Instruments issued by governments, supranational debtors and/or agencies linked to governments</b>		
ESG Score		0.84
Carbon Intensity		334.38
Bonds financing green and/or social projects		27.90
<b>Sustainable Investments</b>	7.04	96.94

For both reporting periods, the results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year. Therefore, they are not a reliable indicator of future results.

For the reporting period 01/01/2022 - 31/12/2022, the results achieved were not reported for each sustainability indicator separately (except for the percentage of sustainable investments).

For the year 2022, it was only described in a general way whether or not the targets were achieved.

***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The sub-fund promoted a combination of environmental and social characteristics and, even though it didn't have sustainable investments as an objective, the sub-fund invested 96.94% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this chapter only reflect the situation at the end of the financial year of the sub-fund and, for that reason, are not a reliable indicator for future results.

**(1) UN Sustainable Development Goals**

To support sustainable development, the sub-fund invested a part of its portfolio in governments, supranational debtors and/or government-linked agencies that contribute to the UN Sustainable Development Goals, including both social and environmental objectives.

As of 28 April 2023, instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN Sustainable Development Goals, were also classified as "sustainable investments".

Governments were assessed on five pillars which contain indicators that can be linked to the 17 UN Sustainable Development Goals. If a government scored sufficiently well on one of these pillars and not significantly poor on the other pillars, the bonds of this government and its sub-governments and agencies were considered to be instruments that contribute to UN Sustainable Development Goals.

- The country is aligned with the ESG criteria: it has a score of at least 80 for one of the five pillars and does not score lower than 50 for any of the other pillars;
- The country is not excluded: it does not rank among the 50% most controversial regimes AND it does meet the criteria on respecting the sustainable principles AND it does not rank among the 10% worst scoring countries of the universe.

Supranational government bonds were considered to contribute to the UN Sustainable Development Goals if either of the following criteria is met:

- at least half of its members contribute to the UN Sustainable Development Goals (weighted by voting power/full paid-in capital/percentage of population (in order of availability)).
- the mission statement of the supranational institution has a sustainable objective and less than half of its members fall in the worst-scoring half of the screening for controversial regimes.

**(2) Bonds financing green and/or social projects**

To encourage the transition to a more sustainable world, the sub-fund invested a part of its portfolio in bonds financing green and/or social projects (that are aligned with the International Capital Market Association (ICMA) Green Bond Principles and Social Bond Principles on the Use of Proceeds). Instruments that meet these requirements were labelled 'sustainable investments'. The percentage of the portfolio invested in bonds financing green and/or social projects can be found in the table under the "How did the sustainability indicators perform" section of this annex.

**How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The sustainable investments that the sub-fund partially made did not cause significant harm to the sustainable investment objective through the negative screening. The sub-fund took into account the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 through the negative screening.

The negative screening amounts to the sub-fund's a priori exclusion of issuers from the Responsible Investment universe which fall foul the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, and companies active in the palm oil industry are subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These principles of negative screening are not exhaustive and may be modified on the advice of the Responsible Investing Advisory Board.

**How were the indicators for adverse impacts on sustainability factors taken into account?**

Through the exclusion policy for Responsible Investing funds and, in particular, the normative screening and ESG risk assessment, all indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account for instruments issued by companies. The sub-fund did not invest in companies that seriously violate the principles of the United Nations Global Compact and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, and any companies involved in serious controversies related to environmental, social or good governance issues are also excluded. Also excluded were companies that deviate significantly (score of -10) from any of the UN's first 15 Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk score of more than 40 according to data provider Sustainalytics.

For investments in instruments issued by countries, the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account by excluding countries in the worst 10% according to the ESG score model, and by excluding countries that do not comply with sustainability principles and are exposed to controversial regimes.

In addition to the normative screening and ESG risk assessment, through the positive selection methodology on carbon intensity and the exclusions in the exclusion policy for Responsible Investment funds, the following indicators of principle adverse impacts on sustainability factors were also considered for all investments of this sub-fund:

- **Indicator 15:** GHG intensity of investee countries was taken into account through the carbon intensity reduction target for sovereign related investments.
- **Indicator 16:** Investee countries subject to social violations was taken into account as the sub-fund did not invest in (i) Countries that do not comply with sustainability principles and (ii) countries exposed to controversial regimes. More information can be found in the exclusion policy for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercised the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators of principal adverse impacts on sustainability factors that the sub-fund can take into account can be found in Annex I of Delegated Regulation (EU) 2022/1288.

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Yes.

The assets are invested primarily in bonds with a responsible character, denominated in euros. However, the sub-fund may invest in instruments issued by companies. If investments were to be made in instruments issued by companies, the companies must meet the negative screening requirements.

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, were excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assessed the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures were taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

The principal adverse impacts on sustainability factors were explicitly taken into account for all investments of this sub-fund by the exclusion policies applied. In addition, the principle adverse impacts on sustainability factors were implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting. More information on the principal adverse impacts on sustainability factors can be found under the heading 'How were the indicators for adverse impacts on sustainability factors taken into account' of this Annex.



## What were the top investments of this financial product?

This list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is:  
01/01/2023-31/12/2023

Largest investments	Sector	% assets	Country
FRANCE O.A.T. FRTR 2 11/25/32	National	6.74%	France
DEUTSCHLAND REP DBR 4 01/04/37	National	6.20%	Germany
FRANCE O.A.T. FRTR 4 3/4 04/25/35	-	4.97%	France
FRANCE O.A.T. FRTR 2 1/4 05/25/24	National	4.43%	France
FRANCE O.A.T. FRTR 4 10/25/38	National	4.42%	France
DEUTSCHLAND REP DBR 5 1/2 01/04/31	-	4.00%	Germany
FRANCE O.A.T. FRTR 0 3/4 05/25/28	National	3.47%	France
NETHERLANDS GOVT NETHER 4 01/15/37	National	3.02%	Netherlands
DEUTSCHLAND REP DBR 0 08/15/31	National	2.70%	Germany
FRANCE O.A.T. FRTR 5 1/2 04/25/29	National	2.34%	France
REP OF AUSTRIA RAGB 4.15 03/15/37	National	2.30%	Austria
BELGIAN GOVT BGB 5 03/28/35	National	2.25%	Belgium
FRANCE O.A.T. FRTR 4 1/2 04/25/41	National	2.20%	France
FRANCE O.A.T. FRTR 1 1/4 05/25/36	National	1.99%	France



## What was the proportion of sustainability-related investments?

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results. At the end of the year, the proportion of sustainable investments was 96.94%.

### What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

The sub-fund could invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described in the prospectus under title "Information concerning the sub-fund Euro Bonds Defensive Responsible Investing".

Within these categories of eligible assets, the sub-fund invested 96.94% in assets that promote environmental or social characteristics and 3.06% in other investments. The category "other investments" contained technical items, such as cash and derivatives, and assets in which the sub-fund invests temporarily following a planned update of the eligible universe, which determines the assets that promote environmental and/or social characteristics, for which there are no environmental or social safeguards. The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.

Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Euro Bonds Defensive Responsible Investing' of the prospectus.

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the financial product and will not affect them.

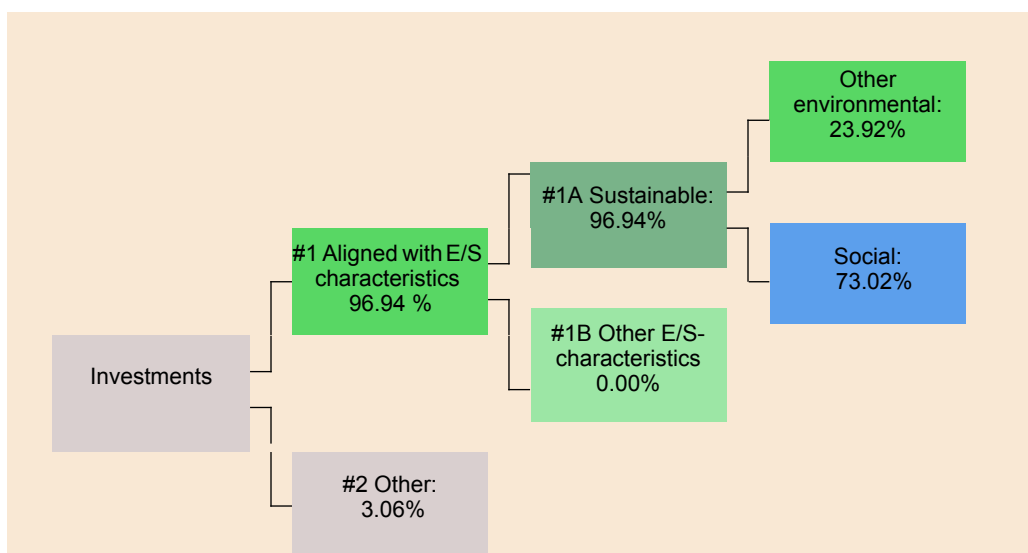
23.92% of the sustainable investments are environmentally sustainable investments and 73.02% are socially sustainable investments.

The sustainable investments are equal to the percentage of investments in bonds that can be considered as bonds to finance green and/or social projects.

More information can be found at the section 'What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?' of this Annex.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked

agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



#### ***In which economic sectors were the investments made?***

On 31/12/2023 the investments were made in the following sectors:

<b>Sector</b>	<b>%Assets</b>
National	81.04%
Supranationals	11.98%
Financial Services	5.37%
Regional & Local	1.61%

Sectors and sub-sectors of the economy that derive income from exploration, mining, extraction, production, processing, storage, refining or distribution - including transportation, storage and trading - in fossil fuels are excluded by the exclusion policy. Consequently, the sub-fund has not invested in these sectors and sub-sectors.

However, an exception is provided in the exclusion policy for investments in green bonds of these companies, which promote the energy transition. Consequently, for the portion invested in green bonds, there may be exposure to these sectors.



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework ("investments aligned with the EU Taxonomy"). Although the sub-fund does not aim to invest in investments aligned with the EU Taxonomy, it cannot be ruled out that the sub-fund does contain investments aligned with the EU Taxonomy. The percentage invested in EU Taxonomy-aligned investments was set at 31 December 2023. KBC Asset Management NV determined that insufficient reliable, timely and verifiable data from issuers or investee companies were available at that time for consistent reporting, and this based on its own research and services from data suppliers. The percentage invested in investments aligned with the EU Taxonomy was therefore set at 0%.

#### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>(1)</sup>?

Yes:

In fossil gas       In nuclear energy

No

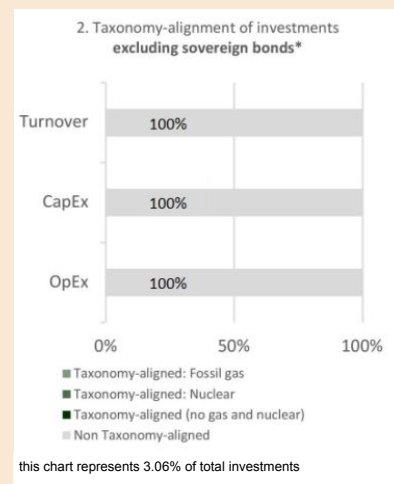
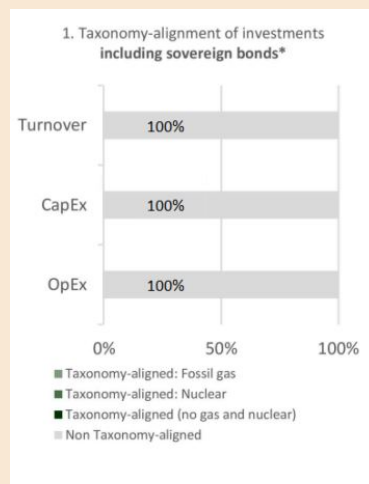
(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of: -turnover reflecting the share of revenue from green activities of investee companies.

-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-operational expenditure (OpEx) reflecting green operational activities of investee companies.

**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy--alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\*For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

**What was the share of investments made in transitional and enabling activities?**

Not applicable.

**How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The previous reference period (which ran from 1 January 2022 tot 31 December 2022) also reported 0% on EU taxonomy-aligned investments.

KBC Asset Management NV determined, based on its own research and services from data suppliers, that insufficient reliable, timely and verifiable data of issuers in which investments were made were available for the previous and current financial year. The percentage of investments aligned with the EU taxonomy was therefore set at 0% for both reference periods.

**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

The sub-fund invested 96.94% in sustainable investments as defined by art. 2.17 SFDR. At the end of the financial year of the sub-fund, the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 23.92%.

Asset managers depend on available sustainability data relating to their investee companies. Currently, there is a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

**What was the share of socially sustainable investments?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

At the end of the financial year of the sub-fund, the share of socially sustainable investments was 73.02%.

**What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

At the end of the financial year, the "not sustainable" category may include the following investments:

Assets	Purpose of investments and presence of minimum environmental or social safeguards
Investments in cash	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in assets that no longer met screening criteria	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in derivatives	Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Euro Bonds Defensive Responsible Investing' of the prospectus. Investments in derivatives were not used to attain the environmental or social characteristics promoted by the sub-fund and did not affect them.

For investments included under "#2 not sustainable", there were no environmental or social



safeguards.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The sub-fund

- promoted the integration of sustainability into the policy decisions of governments, supranational debtors and/or agencies linked to governments by preferring governments, supranational debtors and/or agencies linked to governments with a better ESG score;
- promoted climate change mitigation, by preferring governments, supranational debtors and/or agencies linked to governments with lower Carbon Intensity, with the objective of meeting a predetermined carbon intensity target;
- supported sustainable development , by including governments, supranational debtors and/or agencies linked to governments that contribute to the UN Sustainable Development Goals;
- supported sustainable development by encouraging the transition to a more sustainable world via bonds financing green and/or social projects.

The sub-fund excluded issuers involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices were also excluded, and companies active in the palm oil industry were subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather were excluded. The negative screening also ensured that issuers based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) were excluded from the sub-fund's investment universe.

KBC Asset Management NV executed the voting rights of shares managed in the sub-fund according to the Proxy Voting and Engagement Policy. As such, KBC Asset Management monitored the companies in which the sub-fund is invested in, intervened with investee companies (avoiding insider information), took part in appropriate collective engagement initiatives and exercised voting rights in a considered way. These responsibilities were executed in the exclusive concern of defending the interests of the investors of the funds.



### How did this financial product perform compared to the reference benchmark?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments in instruments issued by governments, supranational debtors and/or government-linked agencies, the described reference portfolio of global government bonds was used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

More information can be found in the table under the "How did the sustainability indicators perform" section of this annex.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.

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## 2. Information on KBC Institutional Fund Euro Bonds Responsible Investing

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

Launch date: 8 February 2002

Initial subscription price: 5 000 EUR

Currency: EUR

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

Launch date: 8 February 2002

Initial subscription price: 5 000 EUR

Currency: EUR

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

Launch date: 6 September 2011

Initial subscription price: 797.11 EUR

Currency: EUR

##### **Institutional Shares Distribution**

Launch date: 6 September 2011

Initial subscription price: 797.11 EUR

Currency: EUR

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

Launch date: 24 November 2011

Initial subscription price: 784.95 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 bonds.

##### 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 primarily in bonds with a responsible character, denominated in euros.

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

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

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

The Governments, supranational debtors and/or government-linked agencies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 11 (1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Institutional Fund Euro Bonds Responsible Investing’ of this annual report. This annex specifically covers the periodic reports for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

### Negative screening

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

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

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

### Positive selection methodology

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

- (1) promote the integration of sustainability into the policy decisions of governments, supranational debtors and/or agencies linked to governments by preferring governments, supranational debtors and/or agencies linked to governments with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and
- (2) promote climate change mitigation, by preferring governments, supranational debtors and/or agencies linked to governments with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;
- (3) support sustainable development, by including governments, supranational debtors and/or agencies linked to governments that contribute to the **UN Sustainable Development Goals** and
- (4) support sustainable development by encouraging the transition to a more sustainable world via **bonds financing green and/or social projects**.

The sub-fund's targets are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

If investments were to be made in instruments issued by companies, the companies must meet the negative screening requirements listed above.

### **(1) ESG-score**

The contribution to the integration of sustainability into policy decisions of the governments, supranational debtors and/or agencies linked to governments is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are the following five pillars:

- overall economic performance and stability (e.g., quality of institutions and government);
- socio-economic development and health of the population (e.g., education and employment);
- equality, freedom and the rights of all citizens;
- environmental policy (e.g., climate change); and
- security, peace and international relations.

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

The ESG score for countries of the portfolio is compared to a reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).

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

The targets can be revised upwards or downwards.

### **(2) Carbon Intensity**

The objective to promote climate change mitigation, by favoring lower carbon intensity governments, supranational debtors and/or government-linked agencies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to entities for which data is not available.

The contribution of governments, supranational debtors and/or government-linked agencies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as the greenhouse gas emissions (in tonnes CO<sub>2</sub> equivalent), divided by the Gross Domestic Product (in current prices, in mln USD).

The carbon intensity is compared to a reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).

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

The targets may be revised upwards or downwards.

### **(3) UN Sustainable Development Goals**

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

Governments are assessed on the five pillars as described in the ESG score, which contain indicators that can be linked to the 17 UN Sustainable Development Goals. If a government scores sufficiently well on one of these pillars and not significantly poor on the other pillars, the bonds of this government and its sub-governments and agencies are considered to be instruments that contribute to sustainable development. Bonds of supranational governments contribute to the UN's Sustainable development goals if one of the two criteria is met:

- at least half of its members contribute to the UN Sustainable Development Goals (weighted by voting power/full paid-in capital/percentage of population (in order of availability)).
- the mission statement of the supranational institution has a sustainable objective and less than half of its members fall in the worst half of the screening for controversial regimes.

In addition, the Responsible Investing Advisory Board can award the "sustainable development" label to instruments. More information about this and the concrete goals of the sub-fund can be found at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds .

#### **(4) Bonds financing green and/or social projects**

To encourage the transition to a more sustainable world, the sub-fund commits to invest a minimum proportion of the portfolio in bonds financing green and/or social projects. Bonds whose proceeds will be used exclusively to finance (a combination of) green and social projects that are aligned with the International Capital Market Association (ICMA) Green Bond Principles and Social Bond Principles on the Use of Proceeds are considered bonds financing green and/or social projects. Instruments that meet these requirements are labelled 'sustainable investments', in line with article 2(17) SFDR.

More information on bonds financing green and/or social projects and the concrete goals of the sub-fund can be found at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

#### **Potential Exceptions**

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

- Developments as a result of which an issuer can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible issuer based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

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

The fund manager may not use derivatives whose underlying is not of a responsible nature. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: JP Morgan EMU Government Bonds Investment Grade ALL Maturities - Total 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 responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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

The longterm expected tracking error for this fund is 1.25%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

#### **Taxonomy related information**

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

#### **Transparency of adverse sustainability impacts:**

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



The principal adverse impacts on sustainability factors were explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. The principal adverse impacts on sustainability factors that were taken into account through the exclusion policies can be found in the 'Annex for KBC Institutional Fund Euro Bonds Responsible Investing'.

The principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy. The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy can be found in the 'Annex for KBC Institutional Fund Euro Bonds Responsible Investing'.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Institutional Fund Euro Bonds Responsible Investing'.

#### Required disclaimers for benchmark providers:

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 201(7), J.P. Morgan Chase & Co. All rights reserved.

### **Characteristics of the bonds and debt instruments**

The sub-fund invests in bonds and debt instruments issued by both companies and public authorities.

The sub-fund invests directly and/or indirectly at least 90% of its assets in bonds and debt instruments

- in bonds and debt instruments rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies: Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or
- in government bonds issued in local currency or non-subordinated corporate bonds\* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has an investment grade rating by at least one of the rating agencies mentioned above, and/or

This means that the sub-fund may invest up to 10% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or which do not comply with the above-mentioned credit requirements.

All maturities are taken into consideration in the selection of bonds and debt instruments.

\*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

### **Derogation for investments in public issuers**

**The sub-fund has been granted a derogation to invest more than 35% of its assets in various issues of securities and money market instruments that are issued or guaranteed by a Member State of the European Economic Area, by its local authorities, by a state that is not a Member State of the European Economic Area, or by public international institutions in which one or more Member States of the European Economic Area participate, insofar as the investments are made in at least six such issues and the investment in a single issue does not exceed 30% of the assets. The sub-fund may invest more than 35% of its assets in securities or money market instruments issued by:**

- Germany
- France

**The sub-fund will use this option when managing issuer-specific credit risks, like when an issuer's credit rating is downgraded and the manager wants to invest the sub-fund's assets in higher rated issues. The sub-fund will only be able to use this derogation for the issuers named above if – at the time of derogation – they have a long-term rating of at least AA/Aa2 from Moody's (Moody's Investor Service), S&P (Standard & Poor's, a Division of the McGraw-Hill Companies) or Fitch (Fitch Ratings), and if the investments are made primarily in liquid issues (of at least 500 million euros). The sub-fund will invest no more than 50% of its assets in issues by the same issuer and, when making use of this derogation, will always invest in issues by at least five different issuers.**

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

The sub-fund may not lend any financial instruments.

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

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

## Social, ethical and environmental aspects

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

### 2.1.4. Financial portfolio management

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

### 2.1.5. Distributors

KBC Asset Management NV, Havenlaan 2, 1080 Brussels.

### 2.1.6. Index and benchmark

See 'Sub-fund's investment policy'.

### 2.1.7. Policy pursued during the financial year

At the start of the reporting period sentiment on the financial markets remained very nervous. Europe was still threatened by a shortage of gas during winter as the fallout from the Russian invasion in Ukraine continued. Both in Europe and the United States, inflation figures remained far above the comfort level of the central banks. The Federal Reserve in the US and the European Central Bank continued to hike their policy rates. Central Bank policy pushed up 2 year German Government yields by 45 bps in 23H1. As 10 year German yields dropped by 20 bps, the yield curve flattened quite substantially. At the end of June, short end yields reached a cycle high at 3.20%, while 10 yr yields stood at 2.40%. This is what professionals refer to as an 'inverse yield curve', which indicates that monetary policy is restrictive.

During summer constructive sentiment on bond markets ended, with a shift in Central Bank communication. Although both ECB and Fed indicated that policy rates were close to, or even at the peak of the cycle, they pushed back against market pricing of rate cuts in 2024. As money market curves moved higher, that pushed bond curves into a bear steepening move. A 45 bp rally in 10y German Rates, took them to a level of 2.85% at end of September.

However, bear market in bonds hit a wall when inflation data started to surprise to the downside. In 23Q4 it became clear that inflation was moving towards central bank targets much more quickly than initially expected. ECB and Fed welcomed the disinflationary trend. Fed President Jerome Powell acknowledged that Fed Funds rates had reached a level that is high enough to restore price stability, and he added that the next step of the central bank was likely going to be a cut, and not a hike. Bond markets were delighted with this 'policy pivot'. In final quarter of the year, German Bund yields from 2 to 10 yrs of maturity dropped 80 bps.

The average duration of the portfolio was always between 6 and 8 years. Relative to the benchmark the portfolio had been holding a neutral duration stance, around 7 years. In 1Q23 we sold all our out-of-bench Inflation Linked Bond positions. In December we initiated an underweight position in Italian and Spanish debt, while overweighting German, Dutch and Austrian bonds.

### 2.1.8. Future policy

After having reached a 3% top in 23Q3, our economists expect yields to keep trading in a range between 2.00% and 2.50% in the foreseeable future. We'll be trading the interest rate sensitivity of the portfolio in a very dynamic way, trying to surf the waves of rising and falling interest rates within the range as indicated by our economists. There will be also further focus on relative value opportunities in country allocation and yield curves.

### 2.1.9. Summary risk indicator (SRI)

Classic Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation. There is no capital protection.

Institutional Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.

There is no capital protection.

Institutional B Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.  
There is no capital protection.

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

The summary 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).

### **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 45 850 515.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

### **2.1.11. Value-at-Risk**

Not applicable

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
	<b>TOTAL NET ASSETS</b>	839,360,055.12	554,655,265.15
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds	765,555,617.11	521,705,340.48
B.	Money market instruments	64,948,568.07	28,762,885.32
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts (+/-)	-700,349.98	
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	8,657.82	676,801.87
	c) Collateral	747,871.40	
B.	Payables		
	c) Borrowings (-)		-0.05
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	9,472,410.80	3,961,914.48
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income		162,827.66
C.	Accrued expense (-)	-672,720.10	-614,504.61
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	839,360,055.12	554,655,265.15
<b>A.</b>	<b>Capital</b>	784,398,068.73	641,409,891.44
<b>B.</b>	<b>Income equalization</b>	-25,086.23	1,296,277.46
<b>D.</b>	<b>Result of the bookyear</b>	54,987,072.62	-88,050,903.75
<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.b.	Cash at bank and in hand/deposits	747,871.40	
III.	Notional amounts of futures and forward contracts (+)		
III.B.	Written futures and forward contracts	-45,850,515.00	

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	40,362,450.12	-92,132,952.54
B.	Money market instruments	84,938.79	-175,134.15
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts	21,008.11	
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	-0.30	-0.08
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	6,048,611.27	1,557,031.01
	Unrealised gains on investments	77,716,208.44	191,743.96
	Realised losses on investments	-34,096,910.24	-56,636,419.84
	Unrealised losses on investments	-9,199,512.75	-37,420,441.90
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	a) Securities and money market instruments	15,960,373.46	4,992,161.13
	b) Cash at bank and in hand and deposits	287,964.83	10,653.46
C.	Interest on borrowings (-)	-41.38	-14,294.12
<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	1,693,188.51	1,449,053.25
B.	Other	1.44	
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-12,107.02	
B.	Financial expenses (-)	-344.24	-232.15
C.	Custodian's fee (-)	-152,457.92	-90,516.81
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-67,584.16	-45,425.37
	Institutional Shares	-989,574.36	-600,574.51
	Institutional B Shares	-1,114,745.67	-650,193.79
	b) Administration and accounting management	-789,999.93	-472,529.02
	c) Commercial fee	-625.00	-625.00
E.	Administrative expenses (-)	2.54	0.12
F.	Formation and organisation expenses (-)	-2,660.33	-1,897.40
G.	Remuneration, social security charges and pension	-139.58	-71.28
H.	Services and sundry goods (-)	-3,009.14	-4,369.95
J.	Taxes		
	Classic Shares	-29,652.68	-18,202.50
	Institutional Shares	-55,590.04	-37,103.54
	Institutional B Shares	-21,138.42	-26,070.10
L.	Other expenses (-)	-183,185.01	-232,579.40
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	14,518,675.90	4,257,183.02
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	54,987,072.62	-88,050,903.75
<b>VII.</b>	<b>Result of the bookyear</b>	54,987,072.62	-88,050,903.75

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	54,961,986.39	-86,754,626.29
	Profit for the period available for appropriation	54,987,072.62	-88,050,903.75
	Income on the creation of shares (income on the cancellation of shares)	-25,086.23	1,296,277.46
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-54,614,263.45	86,806,207.83
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-347,722.94	-51,581.54

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Euro Bonds Responsible Investing

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Bonds</b>							
Government bonds							
<u>Austria</u>							
AUSTRIA 6/37 4.15% 15/03	3,000,000.00	EUR	114.770	3,541,419.98		0.43	0.42
AUSTRIA 9/26 4.85% 15/03	3,100,000.00	EUR	105.123	3,377,531.99		0.41	0.40
AUSTRIA 17/117 2.1% 20-9	1,300,000.00	EUR	78.764	1,031,391.02		0.12	0.12
REPUBLIC OF AUSTRIA 21/36 +0.25%	4,000,000.00	EUR	73.352	2,936,004.57		0.35	0.35
REPUBLIC OF AUSTRIA 22/32 +0.90%	2,000,000.00	EUR	87.935	1,774,086.30		0.21	0.21
REPUBLIC OF AUSTRIA 23/29 +2.90%	3,200,000.00	EUR	103.070	3,361,120.87		0.41	0.40
REPUBLIC OF AUSTRIA 23/30 +3.45%	5,200,000.00	EUR	106.215	5,554,060.32		0.67	0.66
REPUBLIC OF AUSTRIA 23/33 +2.90%	9,500,000.00	EUR	102.495	10,007,996.23		1.21	1.19
<u>Belgium</u>							
BELGIUM 4/35 5% 28/03	4,000,000.00	EUR	121.743	5,020,528.47		0.61	0.60
BELGIUM 12/32 4% 28/3	6,000,000.00	EUR	111.216	6,853,913.60		0.83	0.82
BELGIUM 15/25 +0.80% 14/01 22/06	4,000,000.00	EUR	97.328	3,909,732.02		0.47	0.47
BELGIUM 15/38 +1.90% 16/09 22/06	8,000,000.00	EUR	88.222	7,136,654.30		0.86	0.85
BELGIUM 19/29 +0.90% 15/01 22/06	1,000,000.00	EUR	92.986	934,532.13		0.11	0.11
BELGIUM 20/30 +0.10%	3,000,000.00	EUR	86.711	2,602,887.38		0.31	0.31
BELGIUM 22/39 +2.75%	4,000,000.00	EUR	97.735	3,984,821.16		0.48	0.48
BELGIUM 23/33 +3.00%	8,000,000.00	EUR	103.266	8,385,870.16		1.01	1.00
BELGIUM 23/54 +3.30%	1,000,000.00	EUR	102.108	1,038,206.65		0.13	0.12
FLEMISH COMMUNITY 18/33 +1.375% 21/11 21/11	500,000.00	EUR	86.926	435,343.80		0.05	0.05
FLEMISH COMMUNITY 23/33 +3.25%	1,700,000.00	EUR	102.688	1,786,149.65		0.22	0.21
REGION WALLONNE BELGIUM 21/31 +0.375%	1,000,000.00	EUR	82.925	829,945.82		0.10	0.10
REGION WALLONNE BELGIUM 22/32 +1.375%	3,000,000.00	EUR	88.772	2,693,266.61		0.33	0.32
<u>Bulgaria</u>							
REP OF BULGARIA 23/31 +4.375%	1,680,000.00	EUR	105.155	1,775,839.94		0.21	0.21
REP OF BULGARIA 23/36 +4.875%	2,160,000.00	EUR	107.507	2,335,391.14		0.28	0.28
<u>Finland</u>							
FINLAND 12/28 2.75% 04/07	1,000,000.00	EUR	101.914	1,032,514.32		0.12	0.12
FINLAND 12/42 2.625% 04/07 04/07	100,000.00	EUR	97.431	98,707.80		0.01	0.01
FINLAND 15/25 +0.875% 15/09 15/09	300,000.00	EUR	97.287	292,614.07		0.04	0.04
FINLAND 15/31 +0.75% 15/04 15/04	550,000.00	EUR	89.134	493,144.79		0.06	0.06
FINLAND 16/26 +0.50% 08/03 15/04	1,000,000.00	EUR	95.797	961,495.59		0.12	0.12
FINLAND 20/30 0.00%	550,000.00	EUR	85.357	469,464.00		0.06	0.06
FINLAND 22/32 +1.50%	3,000,000.00	EUR	92.263	2,780,799.83		0.34	0.33
FINLAND 23/38 +2.75%	1,000,000.00	EUR	99.861	1,017,998.15		0.12	0.12
<u>France</u>							
CAISSE DAMORTISSEMENT DE LA D 22/27 +2.875%	2,300,000.00	EUR	101.079	2,364,199.14		0.28	0.28
CAISSE DAMORTISSEMENT DE LA D 23/28 +3.00%	800,000.00	EUR	102.026	830,502.80		0.10	0.10
CAISSE DAMORTISSEMENT DE LA D 23/30 +3.125%	1,100,000.00	EUR	103.433	1,166,216.87		0.14	0.14
FRENCH REPUBLIC /32 5.75 % 25/10	5,000,000.00	EUR	125.764	6,339,237.74		0.76	0.76
FRENCH REPUBLIC 3/35 4.75% 25/04	28,000,000.00	EUR	120.376	34,606,459.78		4.17	4.12
FRENCH REPUBLIC 5/38 4% 25/10	13,500,000.00	EUR	114.397	15,539,515.54		1.87	1.85
FRENCH REPUBLIC 12/45 3.25%	4,000,000.00	EUR	104.354	4,251,587.69		0.51	0.51
FRENCH REPUBLIC 13/30 2.50% 25/05 25/05	9,000,000.00	EUR	101.265	9,247,866.39		1.11	1.10
FRENCH REPUBLIC 16/39 +1.75%	16,000,000.00	EUR	86.946	14,054,394.50		1.69	1.67
FRENCH REPUBLIC 18/29 +0.50% 25/05 25/05	3,500,000.00	EUR	91.307	3,206,165.35		0.39	0.38
FRENCH REPUBLIC 19/30 0.00%	17,500,000.00	EUR	85.520	14,965,961.50		1.80	1.78
FRENCH REPUBLIC 21/38 +1.25%	18,000,000.00	EUR	81.380	14,782,446.99		1.78	1.76
FRENCH REPUBLIC 22/26 +2.50%	7,500,000.00	EUR	100.417	7,580,455.33		0.91	0.90
FRENCH REPUBLIC 22/28 +0.75%	2,000,000.00	EUR	94.233	1,897,276.44		0.23	0.23
FRENCH REPUBLIC 22/33 +3.00%	10,000,000.00	EUR	104.035	10,582,205.52		1.27	1.26
FRENCH REPUBLIC 23/29 +2.75%	7,000,000.00	EUR	102.416	7,331,009.25		0.88	0.87
FRENCH REPUBLIC 97/29 5.5% 25/04	10,000,000.00	EUR	115.910	11,963,677.59		1.44	1.43
ILE DE FRANCE 22/32 +2.23%	1,800,000.00	EUR	95.039	1,728,578.56		0.21	0.21
UNEDIC 17/27 +1.25% 28/03 28/03	300,000.00	EUR	96.037	290,937.58		0.04	0.04
<u>Germany</u>							
FEDERAL REPUBLIC OF GERMANY 5/37 4% 04/01	11,000,000.00	EUR	120.372	13,673,690.42		1.65	1.63
FEDERAL REPUBLIC OF GERMANY 19/29 +0.25% 11/01 15/02	1,500,000.00	EUR	92.154	1,385,566.85		0.17	0.17

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
FEDERAL REPUBLIC OF GERMANY 20/25 0.00%	5,000,000.00	EUR	96.613	4,830,650.00		0.58	0.58
FEDERAL REPUBLIC OF GERMANY 20/30 0.00%	17,000,000.00	EUR	88.500	15,044,959.20		1.81	1.79
FEDERAL REPUBLIC OF GERMANY 21/31 0.00%	42,000,000.00	EUR	86.614	36,377,691.00		4.39	4.33
FEDERAL REPUBLIC OF GERMANY 22/27 +1.30%	17,500,000.00	EUR	97.890	17,177,368.85		2.07	2.05
FEDERAL REPUBLIC OF GERMANY 22/38 +1.00%	15,000,000.00	EUR	85.051	12,851,025.12		1.55	1.53
FEDERAL REPUBLIC OF GERMANY 23/28 +2.40%	2,500,000.00	EUR	102.085	2,584,414.83		0.31	0.31
FEDERAL REPUBLIC OF GERMANY 23/33 +2.30%	5,750,000.00	EUR	102.592	5,986,001.78		0.72	0.71
LAND BERLIN 22-32 1.625%	1,800,000.00	EUR	92.869	1,683,549.79		0.20	0.20
LAND NIEDER SACHSEN 20/27 +0.01%	300,000.00	EUR	91.065	273,199.13		0.03	0.03
LAND NORDRHEIN-WESTFALEN 19/34 +1.10% 13/03 13/03	200,000.00	EUR	86.493	174,735.91		0.02	0.02
<u>Hungary</u>							
REPUBLIC OF HUNGARY 23/33 +5.375%	3,000,000.00	EUR	106.832	3,252,541.97		0.39	0.39
<u>Ireland</u>							
IRELAND 9/25 5.40% 13/03 13/03	200,000.00	EUR	102.786	214,158.80		0.03	0.03
IRELAND 14/30 +2.40% 11/11 15/05	3,000,000.00	EUR	100.943	3,073,154.16		0.37	0.37
IRELAND 15/45 +2.00% 10/02 18/02	650,000.00	EUR	86.453	573,128.06		0.07	0.07
IRELAND 17/37 +1.70% 15/05 15/05	2,000,000.00	EUR	89.146	1,804,092.33		0.22	0.22
IRELAND 18/28 +0.90% 15/05 15/05	1,500,000.00	EUR	94.851	1,431,179.64		0.17	0.17
IRELAND 18/33 +1.30% 17/04 15/05	300,000.00	EUR	90.921	275,192.33		0.03	0.03
IRELAND 19/29 +1.10%	1,000,000.00	EUR	94.487	951,719.66		0.12	0.11
IRELAND 19/50 +1.50% 16/05 15/05	300,000.00	EUR	75.423	229,072.22		0.03	0.03
IRELAND 20/27 +0.20%	1,000,000.00	EUR	93.656	937,806.00		0.11	0.11
IRELAND 21/31 0.00%	3,000,000.00	EUR	83.849	2,515,467.30		0.30	0.30
IRELAND 23/43 +3.00%	800,000.00	EUR	103.828	835,345.31		0.10	0.10
<u>Italy</u>							
REPUBLIC OF ITALY 2/33 5.75% 01/02-08	15,000,000.00	EUR	116.787	17,872,572.54		2.15	2.13
REPUBLIC OF ITALY 9/40 5.00 01/03-09	1,500,000.00	EUR	110.517	1,682,144.75		0.20	0.20
REPUBLIC OF ITALY 15/25 +1.50% 01/12 01/06	3,000,000.00	EUR	97.888	2,940,088.32		0.35	0.35
REPUBLIC OF ITALY 15/25 +2.00% 01/12 01/12	4,500,000.00	EUR	98.432	4,436,321.64		0.54	0.53
REPUBLIC OF ITALY 16/26 +1.25%	7,000,000.00	EUR	95.814	6,713,648.09		0.81	0.80
REPUBLIC OF ITALY 18/28 +2.80% 01/12 01/12	2,000,000.00	EUR	99.294	1,990,154.55		0.24	0.24
REPUBLIC OF ITALY 19/26 +2.10%	5,000,000.00	EUR	98.365	4,966,294.60		0.60	0.59
REPUBLIC OF ITALY 19/30 +1.35%	3,000,000.00	EUR	89.661	2,699,670.86		0.33	0.32
REPUBLIC OF ITALY 19/40 +3.10%	6,000,000.00	EUR	88.582	5,375,405.00		0.65	0.64
REPUBLIC OF ITALY 20/27 +0.95%	6,000,000.00	EUR	93.463	5,624,152.85		0.68	0.67
REPUBLIC OF ITALY 22/25 +1.20%	12,500,000.00	EUR	97.239	12,210,719.78		1.47	1.46
REPUBLIC OF ITALY 22/29 +2.80%	19,000,000.00	EUR	98.562	18,747,146.82		2.26	2.23
REPUBLIC OF ITALY 22/32 +2.50%	7,000,000.00	EUR	92.352	6,478,034.28		0.78	0.77
REPUBLIC OF ITALY 22/35 +4.00%	27,500,000.00	EUR	102.133	28,266,765.37		3.41	3.37
REPUBLIC OF ITALY 22/38 +3.25%	7,500,000.00	EUR	91.842	6,967,364.54		0.84	0.83
REPUBLIC OF ITALY 23/26 +3.80%	2,000,000.00	EUR	102.189	2,059,363.17		0.25	0.25
REPUBLIC OF ITALY 23/28 +3.80%	10,000,000.00	EUR	103.429	10,499,021.38		1.26	1.25
REPUBLIC OF ITALY 23/31 +4.00%	8,500,000.00	EUR	104.212	8,913,764.50		1.07	1.06
REPUBLIC OF ITALY 23/43 +4.45%	2,000,000.00	EUR	103.157	2,092,077.16		0.25	0.25
<u>Latvia</u>							
REPUBLIC OF LATVIA 22-27 3.875%	5,000,000.00	EUR	103.097	5,302,519.67		0.64	0.63
REPUBLIC OF LATVIA 23/29 +3.875%	2,000,000.00	EUR	103.369	2,075,214.70		0.25	0.25
REPUBLIC OF LATVIA 23/33 +3.875%	1,700,000.00	EUR	104.925	1,814,322.68		0.22	0.22
<u>Lithuania</u>							
LITHUANIA 22/25 +1.30%	1,145,000.00	EUR	96.982	1,116,422.30		0.14	0.13
LITHUANIA 22/27 +2.30%	2,000,000.00	EUR	96.014	1,941,520.44		0.23	0.23
LITHUANIA 22/32 +2.125%	2,700,000.00	EUR	92.022	2,517,657.34		0.30	0.30
LITHUANIA 23/33 +3.875%	1,750,000.00	EUR	105.015	1,875,737.47		0.23	0.22
<u>Netherlands</u>							
NETHERLANDS 5/37 4% 15/01	8,000,000.00	EUR	116.772	9,646,842.29		1.16	1.15
NETHERLANDS 12/33 2.50% 15/01	2,000,000.00	EUR	101.786	2,083,391.23		0.25	0.25
NETHERLANDS 19/40 +0.50% 23/05 15/01	5,000,000.00	EUR	74.164	3,732,051.62		0.45	0.45
NETHERLANDS 21/29 0.00%	2,000,000.00	EUR	89.923	1,798,458.00		0.22	0.21
NETHERLANDS 22/26 0.00%	5,000,000.00	EUR	95.273	4,763,650.00		0.57	0.57
NETHERLANDS 22/32 +0.50%	2,000,000.00	EUR	86.347	1,731,511.24		0.21	0.21
NETHERLANDS 23/30 +2.50%	12,500,000.00	EUR	101.912	12,967,595.89		1.56	1.55
<u>Portugal</u>							
PORTUGAL 14/30 +3.875% 15/02 15/02	2,500,000.00	EUR	108.386	2,793,777.77		0.34	0.33
PORTUGAL 15/25 +2.875% 20/01 15/10	1,000,000.00	EUR	100.806	1,013,956.14		0.12	0.12
PORTUGAL 18/28 +2.125% 17/10 17/10	200,000.00	EUR	99.564	199,975.56		0.02	0.02
PORTUGUESE REPUBLIC 20/27 +0.70%	3,000,000.00	EUR	94.565	2,841,258.98		0.34	0.34
PORTUGUESE REPUBLIC 20/30 +0.475%	250,000.00	EUR	87.908	220,002.44		0.03	0.03
PORTUGUESE REPUBLIC 23/38 +3.50%	4,200,000.00	EUR	104.382	4,461,959.09		0.54	0.53
<u>Slovakia</u>							
SLOVAKIA GOVERNEMENT 18/68 +2.25%	1,000,000.00	EUR	71.211	724,405.08		0.09	0.09
SLOVAKIA GOVERNEMENT 20/25 +0.25%	1,200,000.00	EUR	96.235	1,156,697.05		0.14	0.14
SLOVAKIA GOVERNEMENT 20/27 +0.125%	1,200,000.00	EUR	91.525	1,099,099.18		0.13	0.13
SLOVAKIA GOVERNEMENT 21/36 +0.375%	2,500,000.00	EUR	69.075	1,733,329.92		0.21	0.21
SLOVAKIA GOVERNEMENT 21/51 +1.00%	1,000,000.00	EUR	52.125	523,348.83		0.06	0.06



Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
SLOVAKIA GOVERNEMENT 22/32 +4.00%	1,750,000.00	EUR	107.344	1,892,090.48		0.23	0.23
SLOVAKIA GOVERNEMENT 23/33 +3.625%	1,300,000.00	EUR	103.662	1,373,875.64		0.17	0.16
SLOVAKIA GOVERNEMENT 23/43 +4.00%	2,500,000.00	EUR	104.067	2,686,324.16		0.32	0.32
<u>Spain</u>							
COMUNIDAD DE MADRID 22/32 +1.723%	3,000,000.00	EUR	90.038	2,735,468.67		0.33	0.33
SPAIN 5/37 4.2% 31/01	7,500,000.00	EUR	110.663	8,586,244.11		1.03	1.02
SPAIN 7/40 +4.90% 30/07 30/07	5,000,000.00	EUR	118.532	6,028,367.13		0.73	0.72
SPAIN 15/30 +1.95% 04/03 30/07	6,000,000.00	EUR	95.679	5,789,349.96		0.70	0.69
SPAIN 17/27 +1.45% 31/10 31/10	3,000,000.00	EUR	96.176	2,892,295.59		0.35	0.35
SPAIN 20/30 +1.25%	6,500,000.00	EUR	91.024	5,929,658.33		0.72	0.71
SPAIN 21/27 0.00%	11,000,000.00	EUR	92.569	10,182,640.60		1.23	1.21
SPAIN 21/28 0.00%	5,000,000.00	EUR	90.365	4,518,249.50		0.54	0.54
SPAIN 21/31 +0.10%	8,000,000.00	EUR	82.691	6,620,613.87		0.80	0.79
SPAIN 21/42 +1.00%	10,000,000.00	EUR	66.903	6,731,835.05		0.81	0.80
SPAIN 22/25 0.00%	2,000,000.00	EUR	95.993	1,919,854.60		0.23	0.23
SPAIN 22/29 +0.80%	15,000,000.00	EUR	90.705	13,655,616.06		1.65	1.63
SPAIN 23/29 +3.50%	6,000,000.00	EUR	104.453	6,313,101.44		0.76	0.75
SPAIN 23/33 +3.15%	1,500,000.00	EUR	101.678	1,556,541.35		0.19	0.19
SPAIN 23/33 +3.55%	3,200,000.00	EUR	104.722	3,369,406.01		0.41	0.40
SPAIN 23/39 +3.90%	7,500,000.00	EUR	105.951	8,067,798.91		0.97	0.96
Bonds issued by international institutions							
<u>EU institutions outside BLEU terr.</u>							
EUR. INV. BANK 16/32 +1.00%	200,000.00	EUR	88.738	178,890.92		0.02	0.02
EUROPEAN UNION 23/26 +2.75%	5,000,000.00	EUR	100.785	5,071,158.06		0.61	0.60
EUROPEAN UNION 23/28 +3.125%	2,000,000.00	EUR	103.067	2,067,819.07		0.25	0.25
EUROPEAN UNION 23/30 +3.125%	1,400,000.00	EUR	103.762	1,455,656.39		0.18	0.17
EUROPEAN UNION 23/38 +3.375%	30,000,000.00	EUR	105.113	32,197,844.91		3.88	3.84
EUROPEAN UNION 23/44 +4.00%	2,150,000.00	EUR	113.445	2,456,226.64		0.30	0.29
Bonds issued by credit institutions							
<u>France</u>							
CAISSE FRANCAISE DE DEVELOP. 20/25 0.00%	3,000,000.00	EUR	96.199	2,885,973.15		0.35	0.34
<u>Germany</u>							
KFW 21/31 0.00%	12,500,000.00	EUR	84.187	10,523,343.75		1.27	1.25
KFW 23/31 +3.25%	3,000,000.00	EUR	105.219	3,179,489.59		0.38	0.38
<u>Netherlands</u>							
BANK NED. GEMEENTEN 22/32 +0.25%	1,875,000.00	EUR	82.841	1,557,783.86		0.19	0.19
BANK NED. GEMEENTEN 22/37 +1.25%	1,000,000.00	EUR	81.759	826,951.52		0.10	0.10
Corporate bonds							
<u>France</u>							
SOCIETE DU GRAND PARIS EPIC 22/42 +1.625%	3,000,000.00	EUR	76.954	2,343,905.73		0.28	0.28
Total bonds				765,581,628.04		92.26	91.21
<b>Money market instruments</b>							
Government money market instruments							
<u>Belgium</u>							
BELGIUM 14/24 2.60% 21/01 22/06	2,500,000.00	EUR	99.515	2,521,618.17		0.30	0.30
<u>France</u>							
FRENCH REPUBLIC 13/24 1.75% 25/11 25/11	16,000,000.00	EUR	98.748	15,825,690.93		1.91	1.89
<u>Germany</u>							
FEDERAL REPUBLIC OF GERMANY 14/24 +1.00% 15/08 15/08	5,000,000.00	EUR	98.562	4,946,654.23		0.60	0.59
FEDERAL REPUBLIC OF GERMANY 19/24 0.00%	6,000,000.00	EUR	97.517	5,851,044.00		0.71	0.70
STATE OF RHINELAND-PALATINATE 21/24 +0.01%	3,000,000.00	EUR	98.541	2,956,405.41		0.36	0.35
<u>Ireland</u>							
IRELAND 14/24 3.40% 14/01 18/03	200,000.00	EUR	99.990	205,293.66		0.03	0.02
<u>Italy</u>							
REPUBLIC OF ITALY 13/24 4.5% 01/03 01/09	10,000,000.00	EUR	100.106	10,156,911.47		1.22	1.21
REPUBLIC OF ITALY 21/24 0.00%	6,000,000.00	EUR	96.980	5,818,806.60		0.70	0.69
<u>Spain</u>							
SPAIN 20/25 0.00%	12,000,000.00	EUR	96.772	11,612,634.60		1.40	1.38
SPAIN 21/24 0.00%	5,000,000.00	EUR	98.531	4,926,550.00		0.59	0.59
Money market instruments issued by intern. instit							
<u>EU institutions outside BLEU terr.</u>							
EUROPEAN UNION 14/24 +1.875%	100,000.00	EUR	99.570	100,948.07		0.01	0.01
Total money market instruments				64,922,557.14		7.82	7.74
<b>Options and futures</b>							
Exchange-listed futures							

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
<u>Germany</u>							
EURO SCHATZ MAR24	-147.00	EUR	106.545	-15,662,115.00		-1.89	-1.87
EUROBUND MAR 24	-220.00	EUR	137.220	-30,188,400.00		-3.64	-3.60
Suspense accounts (futures)							
<u>Germany</u>							
EURO SCHATZ MAR24	15,595,965.00	EUR	1.000	15,595,965.00		1.88	1.86
EUROBUND DEC 23	0.02	EUR	1.000	0.02		0.00	0.00
EUROBUND JUN 23	111,600.00	EUR	1.000	111,600.00		0.01	0.01
EUROBUND MAR 24	29,442,600.00	EUR	1.000	29,442,600.00		3.55	3.51
Total options and futures				-700,349.98		-0.08	-0.08
TOTAL SECURITIES PORTFOLIO				829,803,835.20		100.00	98.86
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	8,517,063.02	EUR	1.000	8,517,063.02		0.00	1.01
Total demand accounts				8,517,063.02		0.00	1.01
<b>Managed futures accounts</b>							
<u>U.S.A.</u>							
JPMORGAN CHASE & CO EURO FUT REK	955,347.78	EUR	1.000	955,347.78		0.00	0.11
Total managed futures accounts				955,347.78		0.00	0.11
TOTAL CASH AT BANK AND IN HAND				9,472,410.80		0.00	1.13
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	8,657.82	EUR	1.000	8,657.82		0.00	0.00
<u>U.S.A.</u>							
JPMORGAN CHASE & CO DEKKING EUR	747,871.40	EUR	1.000	747,871.40		0.00	0.09
Total receivables				756,529.22		0.00	0.09
TOTAL RECEIVABLES AND PAYABLES				756,529.22		0.00	0.09
OTHER							
Expenses payable		EUR		-672,720.10		0.00	-0.08
TOTAL OTHER				-672,720.10		0.00	-0.08
TOTAL NET ASSETS				839,360,055.12		0.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Austria	5.33	4.53	5.18	3.76
Belgium	5.02	5.93	6.06	6.74
Bulgaria	0.00	0.00	0.00	0.49
Germany	21.93	20.25	17.33	16.51
Spain	10.01	12.34	13.10	13.27
Finland	1.35	1.24	0.65	0.85
France	25.42	25.39	25.24	21.87
Hungary	0.00	0.00	0.00	0.39
Ireland	1.97	1.16	0.93	1.55
Italy	16.36	16.65	16.52	19.85
Latvia	0.00	0.37	0.95	1.10
Lithuania	0.00	0.00	0.58	0.89
Netherlands	6.58	6.07	7.74	4.65
Portugal	1.44	1.11	1.44	1.37
Slovenia	0.25	0.11	0.00	0.00
Slovakia	0.75	0.75	1.42	1.33
Sweden	0.40	0.20	0.15	0.00
U.S.A.	0.00	0.00	0.09	0.20
EU institutions outside BLEU terr.	3.19	3.90	2.62	5.18
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	0.00	1.81	1.35	
Financials	2.73	2.80	4.16	
Governm.	96.45	94.48	93.81	
Various	0.82	0.91	0.68	
TOTAL	100.00	100.00	100.00	

	31/12/2023
National	84.13
Supranationals	7.44
Financial Services	6.61
Regional & Local	1.82
TOTAL	100.00

The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
EURO	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Euro Bonds Responsible Investing (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	751,021,916.73	470,601,250.74	1,221,623,167.46
<b>Sales</b>	562,271,652.27	423,956,240.03	986,227,892.29
<b>Total 1</b>	1,313,293,568.99	894,557,490.77	2,207,851,059.76
<b>Subscriptions</b>	667,091,930.86	489,781,787.42	1,156,873,718.28
<b>Redemptions</b>	479,796,166.47	445,859,469.63	925,655,636.10
<b>Total 2</b>	1,146,888,097.33	935,641,257.05	2,082,529,354.38
<b>Monthly average of total assets</b>	751,583,610.52	829,055,257.66	790.474.999.64
<b>Turnover rate</b>	22.14%	-4.96%	15.85%

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: 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 Euro	Lot-size	Transaction date
EURBU MAR 24	EUR	-30,188,400.00	-30,188,400.00	1,000.00	04.12.2023
EURSCHAT MAR24	EUR	-15,662,115.00	-15,662,115.00	1,000.00	04.12.2023
JPMORGAN DEKKING EUR	EUR	747,871.40	747,871.40	N/A	29.12.2023

## 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
2021 - 12	5,622.07	2,206.69	1,256.00	582.43	15,725.86	3,712.71	19,438.57
2022 - 12	4,454.17	8,029.43	2,646.00	1,649.14	17,534.03	10,093.00	27,627.03
2023 - 12	1,478.09	25,091.81	2,693.35	3,112.99	16,318.76	32,071.82	48,390.58

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	5,543,963.60	1,348,493.19	1,238,954.42	352,712.08
2022 - 12	3,959,162.25	4,359,900.11	2,329,711.03	914,885.74
2023 - 12	1,248,425.99	12,671,352.64	2,259,590.36	1,576,193.12

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	17,610,723.97	978.13	600.32
2022 - 12	19,518,243.16	825.68	499.43
2023 - 12	31,431,564.53	885.04	529.71

## Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	149,046.36	0.00	9,433.85	0.00	184,038.04	0.00	184,038.04
2022 - 12	240,906.98	639.00	11,103.36	0.00	413,841.65	639.00	414,480.65
2023 - 12	456,969.67	437.00	207,517.36	141.00	663,293.96	935.00	664,228.96

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	146,842,766.18	0.00	9,279,783.53	0.00
2022 - 12	212,739,759.73	639,000.00	10,004,114.26	0.00
2023 - 12	383,381,109.36	427,640.42	177,248,115.08	137,432.64

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	180,381,075.22	980.13	0.00
2022 - 12	343,184,420.51	827.78	961.90
2023 - 12	589,766,644.76	887.70	1,030.47

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	634,775.00		545,802.00		167,077.00		167,077.00
2022 - 12	1,025,778.00		962,678.00		230,177.00		230,177.00
2023 - 12	902,872.00		888,918.00		244,131.00		244,131.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	639,319,506.21		545,893,754.74	
2022 - 12	943,140,332.31		872,186,782.53	
2023 - 12	767,613,194.42		754,291,894.38	

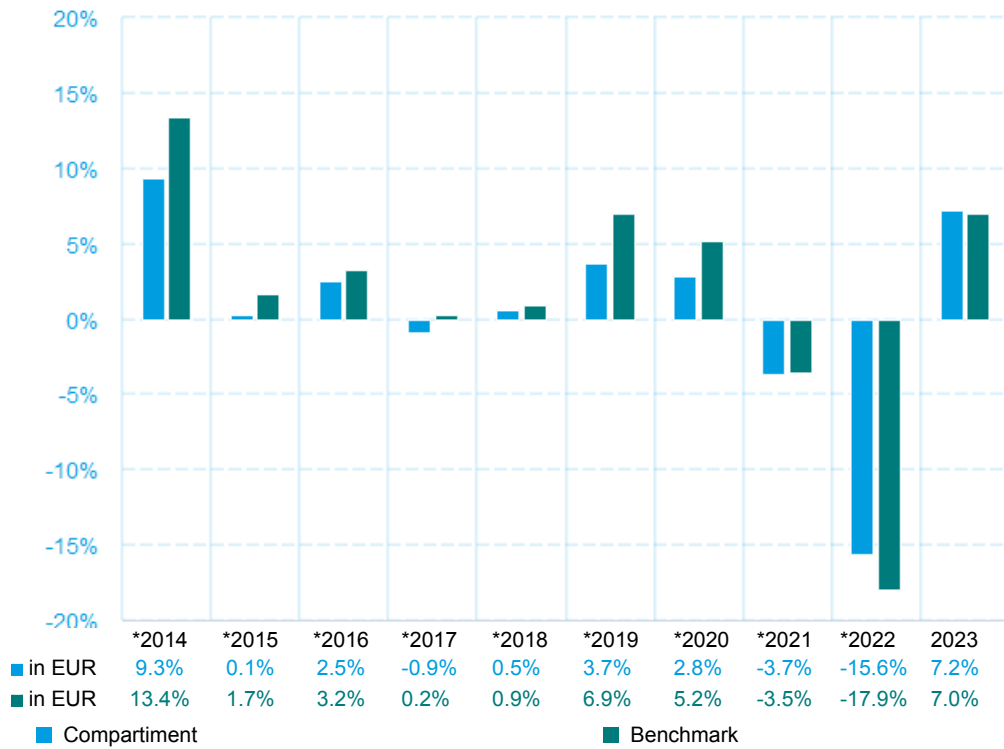
Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	165,345,313.85	989.64	
2022 - 12	191,952,601.50	833.93	
2023 - 12	218,161,845.83	893.63	

## 2.4.5. Performance figures

**Classic Shares**

BE0058979031

KBC Institutional Fund Euro Bonds Responsible Investing Classic Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)

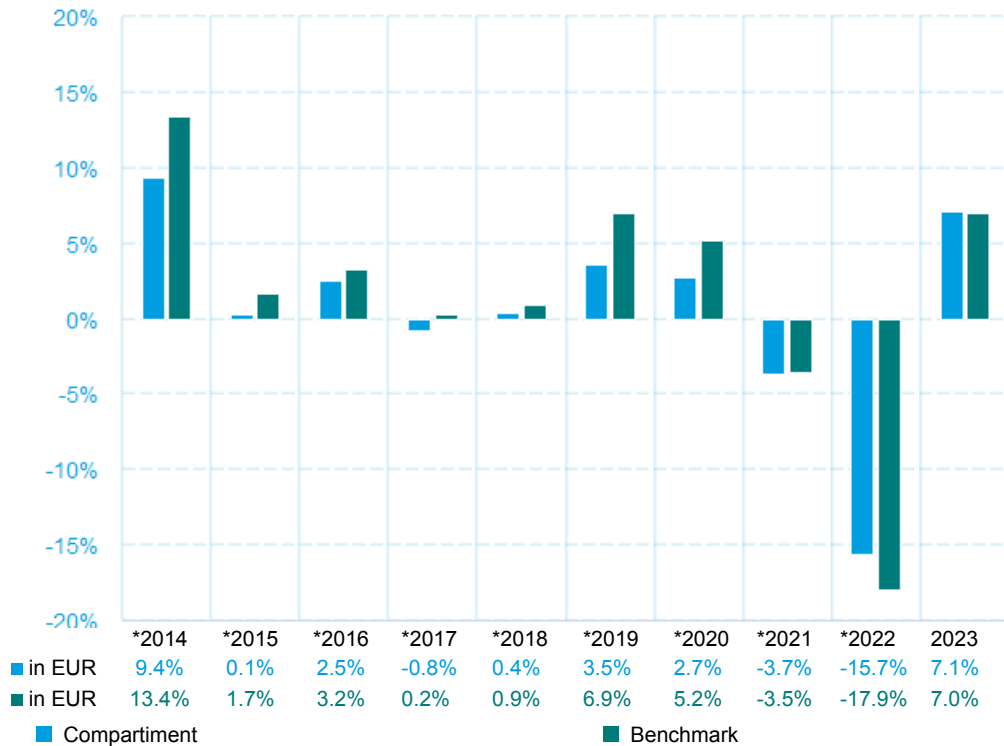


\* These performances were achieved under circumstances that no longer apply

**Classic Shares**

BE0058977019

KBC Institutional Fund Euro Bonds Responsible Investing Classic Shares DIS  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



\* 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
CAP	BE0058979031	EUR	7.19%	7.01%	-4.47%	-5.38%	-1.44%	-0.97%	0.39%	1.37%	08/02/2002	2.64%
DIS	BE0058977019	EUR	7.12%	7.01%	-4.54%	-5.38%	-1.55%	-0.97%	0.32%	1.37%	08/02/2002	2.60%

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.
- 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

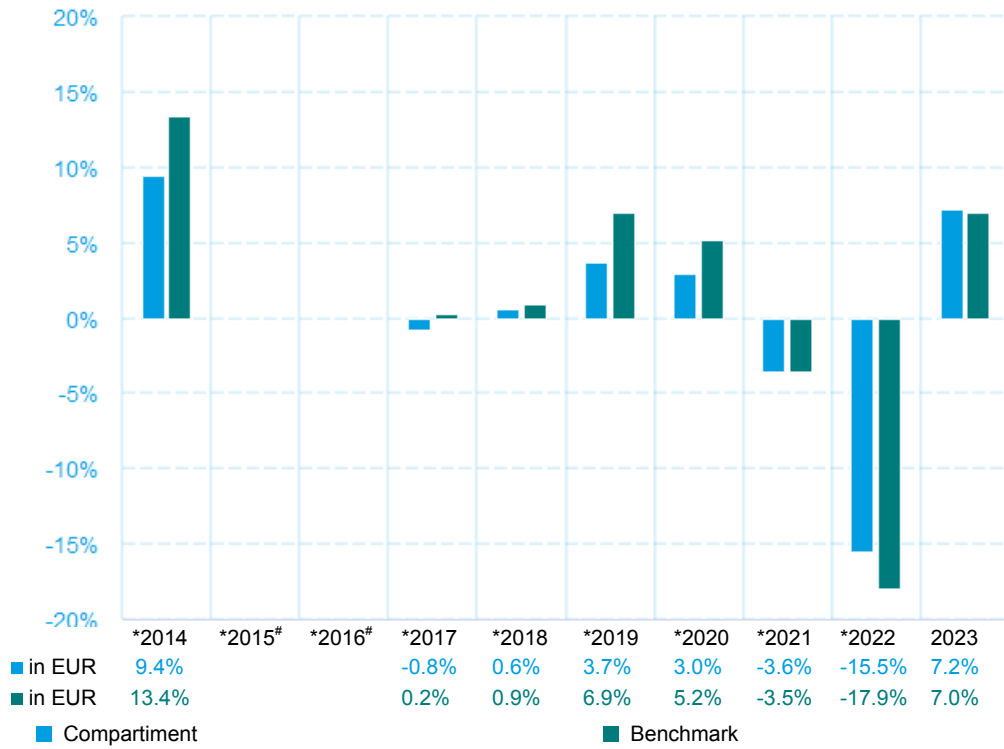
Dividend on ex-dividend date 28/03/2024: 7,1828 net (10,2612 gross).



**Institutional Shares**

BE6225968237

KBC Institutional Fund Euro Bonds Responsible Investing Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



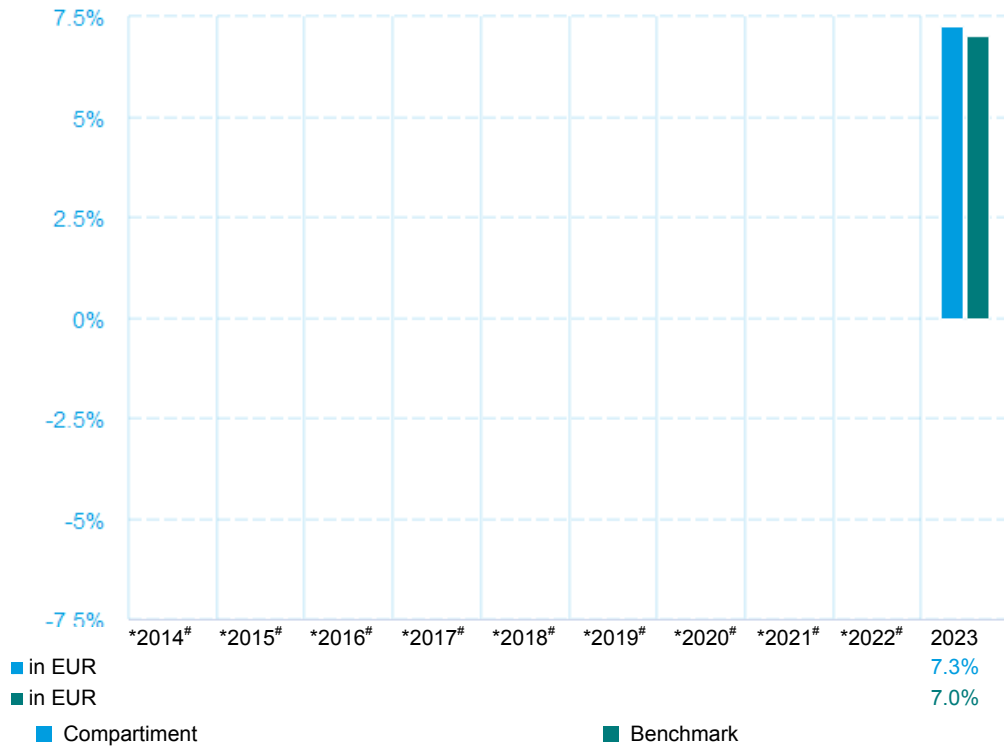
# There is insufficient data for this year to give investors a useful indication of past performance.

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

**Institutional Shares**

BE6225967221

KBC Institutional Fund Euro Bonds Responsible Investing Institutional Shares DIS  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



# There is insufficient data for this year to give investors a useful indication of past performance.  
\* 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
CAP	BE6225968237	EUR	7.24%	7.01%	-4.42%	-5.38%	-1.39%	-0.97%			06/09/2011	-1.20%
DIS	BE6225967221	EUR	7.25%	7.01%							06/09/2011	2.86%

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.
- 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.

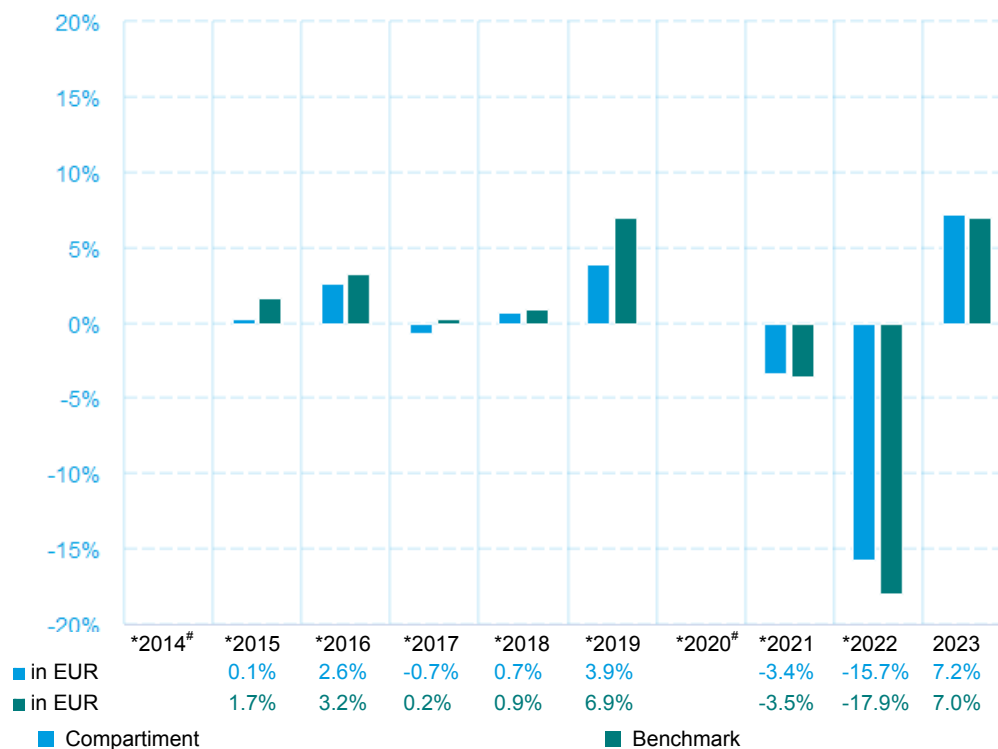
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the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

Dividend on ex-dividend date 28/03/2024: 13,9458 net (19,9226 gross).

## Institutional B Shares

BE6228918635

KBC Institutional Fund Euro Bonds Responsible Investing Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

\* 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
CAP	BE6228918635	EUR	7.16%	7.01%	-4.45%	-5.38%					24/11/2011	

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

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Classic Shares Capitalisation :

Ongoing charges : 0,444%  
Transaction costs: 0,000%

#### Classic Shares Distribution :

Ongoing charges : 0,527%  
Transaction costs: 0,000%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,397%  
Transaction costs: 0,000%

#### Institutional Shares Distribution :

Ongoing charges : 0,386%  
Transaction costs: 0,000%

#### Institutional B Shares Capitalisation :

Ongoing charges : 0,484%  
Transaction costs: 0,000%

Percentage calculated at reporting date: 31 December 2023 .

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

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 52,63% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.55%  Max 0.01%	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.  per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.030%	of the net assets of the sub-fund per year.

### **Institutional Shares**

Fee for managing the investment portfolio	Max 0.55%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.030%	of the net assets of the sub-fund per year.

### **Institutional B Shares**

Fee for managing the investment portfolio	Max 0.55%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.030%	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.

**Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**  
KBC Institutional Fund Euro Bonds Responsible Investing

**Legal entity identifier:**  
549300BTSAZNVM6K6757

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Did this financial product have a sustainable investment objective?**

Yes    No

<input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : %	<input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 98.87% of sustainable investments
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It made <b>sustainable investments with a social objective</b> : %	<input checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It promoted <b>E/S characteristics</b> , but <b>did not make any sustainable investments</b>	



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

This sub-fund:

- has promoted the integration of sustainability into the policy decisions of governments, supranational debtors and/or agencies linked to governments by preferring governments, supranational debtors and/or agencies linked to governments with a better ESG score;
- has promoted climate change mitigation by preferring governments, supranational debtors and/or agencies linked to governments with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;
- has supported sustainable development by including governments, supranational debtors and/or agencies linked to governments that contribute towards achieving the UN Sustainable Development Goals;
- has supported sustainable development by encouraging the transition to a more sustainable world via bonds financing green and/or social projects.



The specific objectives of the sub-fund can be found in the table under title 'How did the sustainability indicators perform?' of this annex.

The sub-fund invested 98.87% of the assets in "sustainable investments" as defined by art. 2.17 SFDR and 0.00% in other investments aligned with environmental or social characteristics.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments in instruments issued by governments, supranational debtors and/or government-linked agencies, the described reference portfolio of global government bonds is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

### How did the sustainability indicators perform?

**Sustainability indicators**  
measure how the environmental or social characteristics promoted by the financial product are attained.

	Target	Target applied	Actuals	Objective attained
<b>Instruments issued by governments, supranational debtors and/or agencies linked to governments</b>				
ESG Score	10% better than the reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).	0.77	0.81	Yes
Carbon Intensity	25% better than the reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).	422.53	352.48	Yes
Bonds financing green and/or social projects	A minimum of 10% of the investments in bonds issued by governments, supranational debtors and/or agencies linked to governments should qualify as bonds financing green and/or social projects.	10	19.83	Yes
<b>Minimum % Sustainable Investments</b>	A minimum of 45% of sustainable investments.	45	98.87	Yes
<b>Other specific objectives</b>	If investments were to be made in instruments issued by companies, the companies must meet the negative screening requirements as described in this annex and the prospectus under title 'Information concerning the sub-fund Euro Bonds Responsible Investing'.			

As indicated in the table above, the sub-fund has reached all targets during the reference period.

The sub-fund pursued these objectives (directly or indirectly) based on a dualistic approach: the negative screening and the positive selection methodology. As of April 28, 2023, instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals were classified as "sustainable investments," which triggered a change in these objectives. The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the objectives and results achieved described in this chapter only reflect the situation at the end of sub-fund's financial year and, for this reason, are not a reliable indicator for future results.

All targets are also monitored by KBC Asset Management at month-end. Given the difference in the periodicity of the calculations, it cannot be excluded that the monitoring at month-end leads to different results than the situation at the end of the financial year as shown in the table above and section 2.1.7 of the general annual report.

No breaches at month-end have been identified for this sub-fund.

### ... and compared to previous periods?

Sustainability indicators	Achieved result	Achieved result
	31/12/2022	31/12/2023
<b>Instruments issued by governments, supranational debtors and/or agencies linked to governments</b>		
ESG Score		0.81
Carbon Intensity		352.48
Bonds financing green and/or social projects		19.83
<b>Sustainable Investments</b>	19.26	98.87

For both reporting periods, the results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year. Therefore, they are not a reliable indicator of future results.

For the reporting period 01/01/2022 - 31/12/2022, the results achieved were not reported for each sustainability indicator separately (except for the percentage of sustainable investments).

For the year 2022, it was only described in a general way whether or not the targets were achieved.

***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The sub-fund promoted a combination of environmental and social characteristics and, even though it didn't have sustainable investments as an objective, the sub-fund invested 98.87% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this chapter only reflect the situation at the end of the financial year of the sub-fund and, for that reason, are not a reliable indicator for future results.

**(1) UN Sustainable Development Goals**

To support sustainable development, the sub-fund invested a part of its portfolio in governments, supranational debtors and/or government-linked agencies that contribute to the UN Sustainable Development Goals, including both social and environmental objectives.

As of 28 April 2023, instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN Sustainable Development Goals, were also classified as "sustainable investments".

Governments were assessed on five pillars which contain indicators that can be linked to the 17 UN Sustainable Development Goals. If a government scored sufficiently well on one of these pillars and not significantly poor on the other pillars, the bonds of this government and its sub-governments and agencies were considered to be instruments that contribute to UN Sustainable Development Goals.

- The country is aligned with the ESG criteria: it has a score of at least 80 for one of the five pillars and does not score lower than 50 for any of the other pillars;
- The country is not excluded: it does not rank among the 50% most controversial regimes AND it does meet the criteria on respecting the sustainable principles AND it does not rank among the 10% worst scoring countries of the universe.

Supranational government bonds were considered to contribute to the UN Sustainable Development Goals if either of the following criteria is met:

- at least half of its members contribute to the UN Sustainable Development Goals (weighted by voting power/full paid-in capital/percentage of population (in order of availability)).
- the mission statement of the supranational institution has a sustainable objective and less than half of its members fall in the worst-scoring half of the screening for controversial regimes.

**(2) Bonds financing green and/or social projects**

To encourage the transition to a more sustainable world, the sub-fund invested a part of its portfolio in bonds financing green and/or social projects (that are aligned with the International Capital Market Association (ICMA) Green Bond Principles and Social Bond Principles on the Use of Proceeds). Instruments that meet these requirements were labelled 'sustainable investments'. The percentage of the portfolio invested in bonds financing green and/or social projects can be found in the table under the "How did the sustainability indicators perform" section of this annex.

**How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The sustainable investments that the sub-fund partially made did not cause significant harm to the sustainable investment objective through the negative screening. The sub-fund took into account the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 through the negative screening.

The negative screening amounts to the sub-fund's a priori exclusion of issuers from the Responsible Investment universe which fall foul the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, and companies active in the palm oil industry are subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These principles of negative screening are not exhaustive and may be modified on the advice of the Responsible Investing Advisory Board.

**How were the indicators for adverse impacts on sustainability factors taken into account?**

Through the exclusion policy for Responsible Investing funds and, in particular, the normative screening and ESG risk assessment, all indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account for instruments issued by companies. The sub-fund did not invest in companies that seriously violate the principles of the United Nations Global Compact and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, and any companies involved in serious controversies related to environmental, social or good governance issues are also excluded. Also excluded were companies that deviate significantly (score of -10) from any of the UN's first 15 Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk score of more than 40 according to data provider Sustainalytics.

For investments in instruments issued by countries, the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account by excluding countries in the worst 10% according to the ESG score model, and by excluding countries that do not comply with sustainability principles and are exposed to controversial regimes.

In addition to the normative screening and ESG risk assessment, through the positive selection methodology on carbon intensity and the exclusions in the exclusion policy for Responsible Investment funds, the following indicators of principle adverse impacts on sustainability factors were also considered for all investments of this sub-fund:

- **Indicator 15:** GHG intensity of investee countries was taken into account through the carbon intensity reduction target for sovereign related investments.
- **Indicator 16:** Investee countries subject to social violations was taken into account as the sub-fund did not invest in (i) Countries that do not comply with sustainability principles and (ii) countries exposed to controversial regimes. More information can be found in the exclusion policy for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercised the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators of principal adverse impacts on sustainability factors that the sub-fund can take into account can be found in Annex I of Delegated Regulation (EU) 2022/1288.

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Yes.

The assets are invested primarily in bonds with a responsible character, denominated in euros. However, the sub-fund may invest in instruments issued by companies. If investments were to be made in instruments issued by companies, the companies must meet the negative screening requirements.

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, were excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assessed the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures were taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

The principal adverse impacts on sustainability factors were explicitly taken into account for all investments of this sub-fund by the exclusion policies applied. In addition, the principle adverse impacts on sustainability factors were implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting. More information on the principal adverse impacts on sustainability factors can be found under the heading 'How were the indicators for adverse impacts on sustainability factors taken into account' of this Annex.



## What were the top investments of this financial product?

This list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is:  
01/01/2023-31/12/2023

Largest investments	Sector	% assets	Country
DEUTSCHLAND REP DBR 0 08/15/31	National	4.95%	Germany
BTPS BTPS 4 04/30/35	National	4.22%	Italy
FRANCE O.A.T. FRTR 4 3/4 04/25/35	National	4.21%	France
FRANCE O.A.T. FRTR 4 10/25/38	National	3.06%	France
BTPS BTPS 5 3/4 02/01/33	National	2.20%	Italy
FRANCE O.A.T. FRTR 0 11/25/30	National	2.20%	France
BTPS BTPS 2.8 06/15/29	National	2.08%	Italy
DEUTSCHLAND REP DBR 0 08/15/30	National	1.86%	Germany
SPANISH GOV'T SPGB 4.2 01/31/37	National	1.67%	Spain
BUNDES OBL-120 OBL 1.3 10/15/27	National	1.66%	Germany
NETHERLANDS GOVT NETHER 4 01/15/37	National	1.61%	Netherlands
BTPS BTPS 1.2 08/15/25	National	1.53%	Italy
SPANISH GOV'T SPGB 0 01/31/25	National	1.46%	Spain
SPANISH GOV'T SPGB 0.8 07/30/29	National	1.46%	Spain
FRANCE O.A.T. FRTR 1 3/4 06/25/39	National	1.42%	France



## What was the proportion of sustainability-related investments?

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results. At the end of the year, the proportion of sustainable investments was 98.87%.

### What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

The sub-fund could invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described in the prospectus under title "Information concerning the sub-fund Euro Bonds Responsible Investing".

Within these categories of eligible assets, the sub-fund invested 98.87% in assets that promote environmental or social characteristics and 1.13% in other investments. The category "other investments" contained technical items, such as cash and derivatives, and assets in which the sub-fund invests temporarily following a planned update of the eligible universe, which determines the assets that promote environmental and/or social characteristics, for which there are no environmental or social safeguards. The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.

Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Euro Bonds Responsible Investing' of the prospectus.

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the financial product and will not affect them.

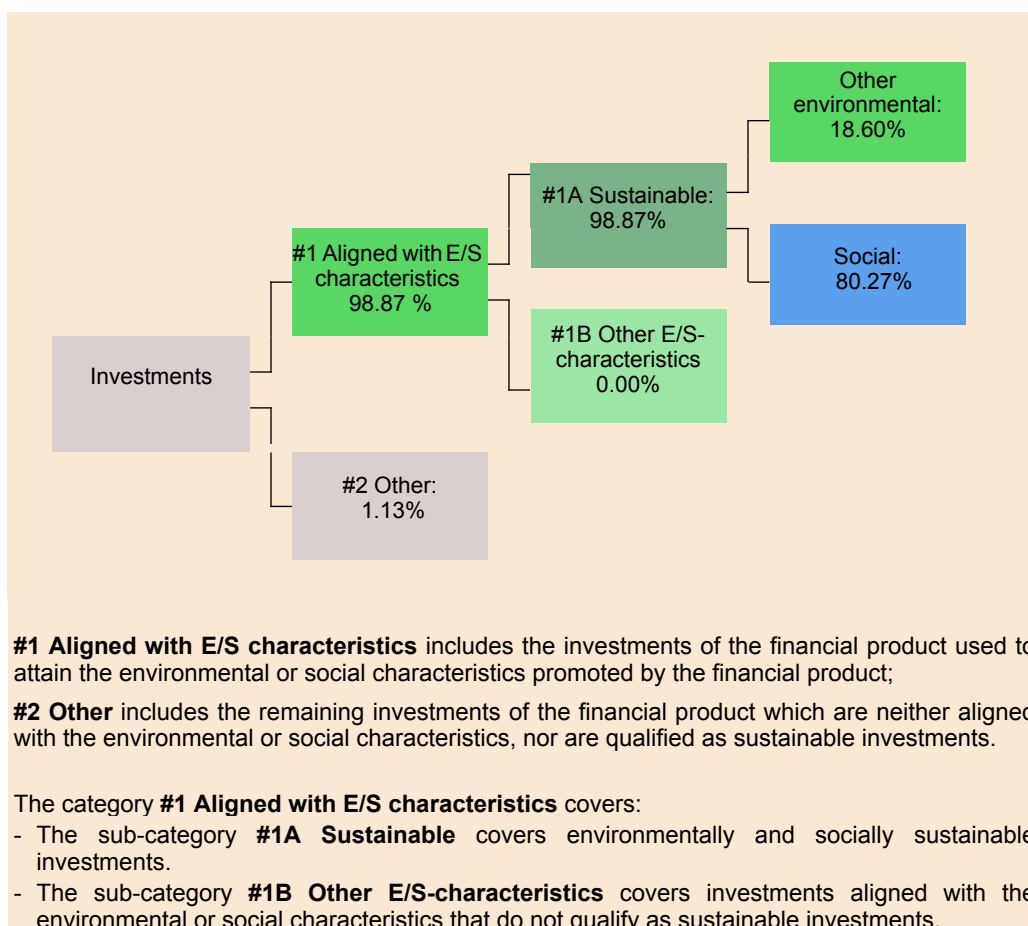
18.60% of the sustainable investments are environmentally sustainable investments and 80.27% are socially sustainable investments.

The sustainable investments are equal to the percentage of investments in bonds that can be considered as bonds to finance green and/or social projects.

More information can be found at the section 'What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?' of this Annex.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given

the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.



***In which economic sectors were the investments made?***

On 31/12/2023 the investments were made in the following sectors:

Sector	%Assets
National	84.13%
Supranationals	7.44%
Financial Services	6.61%
Regional & Local	1.82%

Sectors and sub-sectors of the economy that derive income from exploration, mining, extraction, production, processing, storage, refining or distribution - including transportation, storage and trading - in fossil fuels are excluded by the exclusion policy. Consequently, the sub-fund has not invested in these sectors and sub-sectors.

However, an exception is provided in the exclusion policy for investments in green bonds of these companies, which promote the energy transition. Consequently, for the portion invested in green bonds, there may be exposure to these sectors.



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework ("investments aligned with the EU Taxonomy"). Although the sub-fund does not aim to invest in investments aligned with the EU Taxonomy, it cannot be ruled out that the sub-fund does contain investments aligned with the EU Taxonomy. The percentage invested in EU Taxonomy-aligned investments was set at 31 December 2023. KBC Asset Management NV determined that insufficient reliable, timely and verifiable data from issuers or investee companies were available at that time for consistent reporting, and this based on its own research and services from data suppliers. The percentage invested in investments aligned with the EU Taxonomy was therefore set at 0%.

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>(1)</sup>?**

Yes:

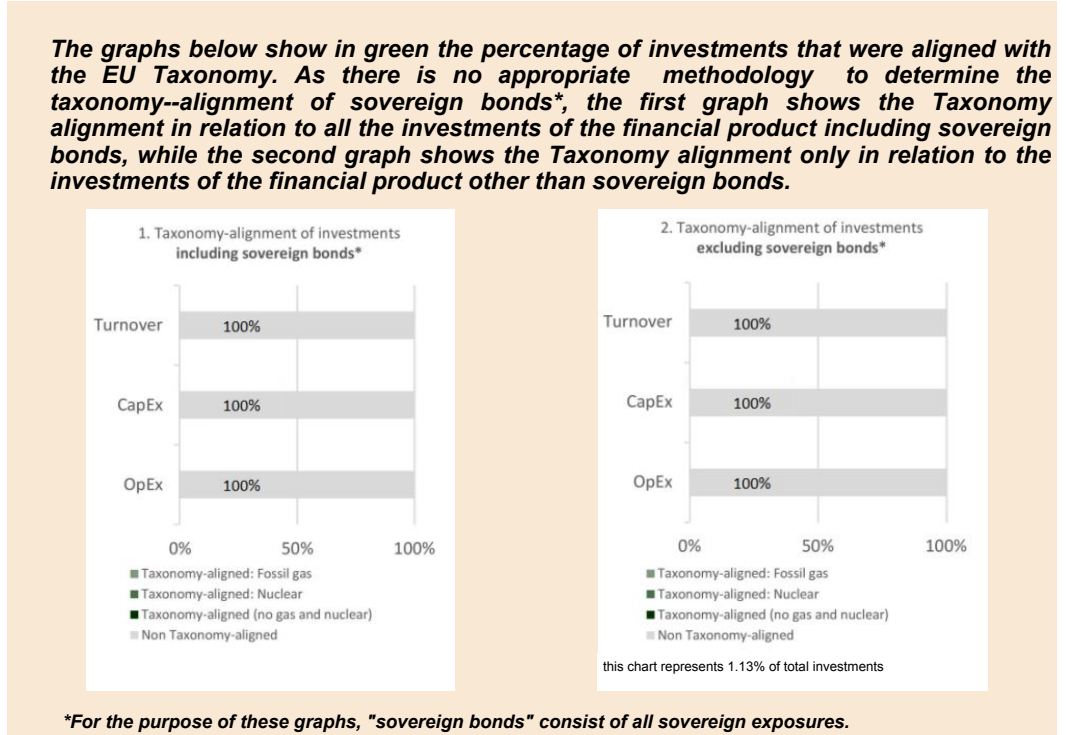
In fossil gas                       In nuclear energy

No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.



**What was the share of investments made in transitional and enabling activities?**

Not applicable.

**How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The previous reference period (which ran from 1 January 2022 tot 31 December 2022) also reported 0% on EU taxonomy-aligned investments.

KBC Asset Management NV determined, based on its own research and services from data suppliers, that insufficient reliable, timely and verifiable data of issuers in which investments were made were available for the previous and current financial year. The percentage of investments aligned with the EU taxonomy was therefore set at 0% for both reference periods.

**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

The sub-fund invested 98.87% in sustainable investments as defined by art. 2.17 SFDR. At the end of the financial year of the sub-fund, the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 18.60%.

Asset managers depend on available sustainability data relating to their investee companies. Currently, there is a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

**What was the share of socially sustainable investments?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

At the end of the financial year of the sub-fund, the share of socially sustainable investments was 80.27%.

**What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

At the end of the financial year, the "not sustainable" category may include the following investments:

Assets	Purpose of investments and presence of minimum environmental or social safeguards
Investments in cash	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in assets that no longer met screening criteria	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in derivatives	Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Euro Bonds Responsible Investing' of the prospectus. Investments in derivatives were not used to attain the environmental or social characteristics promoted by the sub-fund and did not affect them.

For investments included under "#2 not sustainable", there were no environmental or social



safeguards.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The sub-fund

- promoted the integration of sustainability into the policy decisions of governments, supranational debtors and/or agencies linked to governments by preferring governments, supranational debtors and/or agencies linked to governments with a better ESG score;
- promoted climate change mitigation, by preferring governments, supranational debtors and/or agencies linked to governments with lower Carbon Intensity, with the objective of meeting a predetermined carbon intensity target;
- supported sustainable development, by including governments, supranational debtors and/or agencies linked to governments that contribute to the UN Sustainable Development Goals;
- supported sustainable development by encouraging the transition to a more sustainable world via bonds financing green and/or social projects.

The sub-fund excluded issuers involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices were also excluded, and companies active in the palm oil industry were subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather were excluded. The negative screening also ensured that issuers based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) were excluded from the sub-fund's investment universe.

KBC Asset Management NV executed the voting rights of shares managed in the sub-fund according to the Proxy Voting and Engagement Policy. As such, KBC Asset Management monitored the companies in which the sub-fund is invested in, intervened with investee companies (avoiding insider information), took part in appropriate collective engagement initiatives and exercised voting rights in a considered way. These responsibilities were executed in the exclusive concern of defending the interests of the investors of the funds.



### How did this financial product perform compared to the reference benchmark?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments in instruments issued by governments, supranational debtors and/or government-linked agencies, the described reference portfolio of global government bonds was used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

More information can be found in the table under the "How did the sustainability indicators perform" section of this annex.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.

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# 2. Information on KBC Institutional Fund Euro Bonds Short Responsible Investing

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### **Classic Shares Capitalisation**

Launch date: 10 November 1995  
Initial subscription price: 1 000 000 BEF  
Currency: EUR

#### **Classic Shares Distribution**

Launch date: 10 November 1995  
Initial subscription price: 1 000 000 BEF  
Currency: EUR

#### **Institutional Shares Capitalisation**

Launch date: 6 September 2011  
Initial subscription price: 4 612.77 EUR  
Currency: EUR

#### **Institutional Shares Distribution**

Launch date: 6 September 2011  
Initial subscription price: 4 612.77 EUR  
Currency: EUR

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

Launch date: 30 May 2017  
Initial subscription price: 5 179.22 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 bonds.

#### 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 primarily in government bonds denominated in euro, with an average residual term to maturity of no more than five years.

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

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

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

The Governments, supranational debtors and/or government-linked agencies in which it invests must follow good governance practices.

The sub-fund is compliant with the transparency obligations of article 11 (1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Institutional Fund Euro Bonds Short Responsible Investing’ of this annual report. This annex specifically covers the periodic reports for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

### Negative screening

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

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

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

### Positive selection methodology

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

- (1) promote the integration of sustainability into the policy decisions of governments, supranational debtors and/or agencies linked to governments by preferring governments, supranational debtors and/or agencies linked to governments with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and
- (2) promote climate change mitigation, by preferring governments, supranational debtors and/or agencies linked to governments with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;
- (3) support sustainable development, by including governments, supranational debtors and/or agencies linked to governments that contribute to the **UN Sustainable Development Goals** and
- (4) support sustainable development by encouraging the transition to a more sustainable world via **bonds financing green and/or social projects**.

The sub-fund's targets are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

If investments were to be made in instruments issued by companies, no positive selection methodology is applied to these companies, but the companies must only comply with the negative screening requirements listed above.

### (1) ESG-score

The contribution to the integration of sustainability into policy decisions of the governments, supranational debtors and/or agencies linked to governments is measured based on an ESG score. This score represents the aggregated performance assessment of a given entity against a series of ESG criteria which are grounded to the extent possible against objective measures. The main factors underpinning the ESG criteria are the following five pillars:

- overall economic performance and stability (e.g., quality of institutions and government);
- socio-economic development and health of the population (e.g., education and employment);
- equality, freedom and the rights of all citizens;
- environmental policy (e.g., climate change); and
- security, peace and international relations.

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

The ESG score for countries of the portfolio is compared to a reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).

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

The targets can be revised upwards or downwards.

### (2) Carbon Intensity

The objective to promote climate change mitigation, by favoring lower carbon intensity governments, supranational debtors and/or government-linked agencies, with the goal of meeting a predetermined carbon intensity target covers at least 90% of the portfolio. The objective does not apply to entities for which data is not available.

The contribution of governments, supranational debtors and/or government-linked agencies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as the greenhouse gas emissions (in tonnes CO<sub>2</sub> equivalent), divided by the Gross Domestic Product (in current prices, in mln USD).

The carbon intensity is compared to a reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).

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

The targets may be revised upwards or downwards.

### (3) UN Sustainable Development Goals

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

Governments are assessed on the five pillars as described in the ESG score, which contain indicators that can be linked to the 17 UN Sustainable Development Goals. If a government scores sufficiently well on one of these pillars and not significantly poor on the other pillars, the bonds of this government and its sub-governments and agencies are considered to be instruments that contribute to sustainable development. Bonds of supranational governments contribute to the UN's Sustainable development goals if one of the two criteria is met:

- at least half of its members contribute to the UN Sustainable Development Goals (weighted by voting power/full paid-in capital/percentage of population (in order of availability)).

- the mission statement of the supranational institution has a sustainable objective and less than half of its members fall in the worst half of the screening for controversial regimes.

In addition, the Responsible Investing Advisory Board can award the "sustainable development" label to instruments. More information about this and the concrete goals of the sub-fund can be found at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds .

#### **(4) Bonds financing green and/or social projects**

To encourage the transition to a more sustainable world, the sub-fund commits to invest a minimum proportion of the portfolio in bonds financing green and/or social projects. Bonds whose proceeds will be used exclusively to finance (a combination of) green and social projects that are aligned with the International Capital Market Association (ICMA) Green Bond Principles and Social Bond Principles on the Use of Proceeds are considered bonds financing green and/or social projects. Instruments that meet these requirements are labelled 'sustainable investments', in line with article 2(17) SFDR.

More information on bonds financing green and/or social projects and the concrete goals of the sub-fund can be found at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

#### **Potential Exceptions**

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

- Developments as a result of which an issuer can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible issuer based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

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

The fund manager may not use derivatives whose underlying is not of a responsible nature. In addition, the counterparties with which the derivative transactions are entered into may not necessarily be issuers having a responsible nature.

The fund is actively managed with reference to the following benchmark: J.P. Morgan EMU Government Bonds Investment grade 1-5 year Total 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 responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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

The longterm expected tracking error for this fund is 0.50%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

#### **Taxonomy related information**

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

#### **Transparency of adverse sustainability impacts:**

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors by taking into account the principal adverse impact indicators ('PAI'), as described in the Regulation (EU) 2019/2088 of the



European Parliament and of the Council of 27 November 2019 on sustainability disclosure in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors were explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. The principal adverse impacts on sustainability factors that were taken into account through the exclusion policies can be found in the 'Annex for KBC Institutional Fund Euro Bonds Short Responsible Investing'.

The principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy. The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy can be found in the 'Annex for KBC Institutional Fund Euro Bonds Short Responsible Investing'.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Institutional Fund Euro Bonds Short Responsible Investing'.

#### Required disclaimers for benchmark providers:

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 201(7), J.P. Morgan Chase & Co. All rights reserved.

### **Characteristics of the bonds and debt instruments**

The sub-fund invests in bonds and debt instruments, issued by both companies and public authorities.

The sub-fund invests 100% of the in bonds and debt instruments invested assets:

- in securities rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies: Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or
- in government bonds issued in local currency or non-subordinated corporate bonds\* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has an investment grade rating by at least one of the rating agencies mentioned above.

At all times there will be invested in at least 8 different issues, each of which will contain not more than 30% of the invested assets. At least 75% of the assets is invested in securities issued or guaranteed by governments (e.g.: Germany, the Netherlands, Belgium, etc.) or governmental bodies (e.g.: KfW, Rentenbank, etc.) or in securities issued by supranational institutions (e.g.: IBRD, EBRD, EIB, IFC, etc.). Not more than 25% of the assets can be invested in securities issued by other issuers (e.g.: covered bonds).

The average residual term to maturity of the bonds and debt instruments is no more than five years.

\*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

### **Derogation for investments in public issuers**

The sub-fund has been granted a derogation to invest up to 100% of its assets in various issues of securities and money market instruments that are issued or guaranteed by a Member State of the European Economic Area, by its local authorities, by a state that is not a Member State of the European Economic Area or by public international institutions in which one or more Member States of the European Economic Area participate. The sub-fund can invest more than 35% of its assets in securities or money market instruments issued by:

- the Member States of the Economic and Monetary Union.

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

A more detailed explanation can be found in this report's General information on the Beveik 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 Beveik 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 Beveik 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 NV, Havenlaan 2, 1080 Brussels.

## 2.1.6. Index and benchmark

See 'Sub-fund's investment policy'.

## 2.1.7. Policy pursued during the financial year

2023 saw a lot of volatility in the European rates market. The year started well for bonds, with interest rates sharply lower during the first half on January on hopes central banks would be able to pivot soon. Those hopes faded as it appeared that inflation was stickier than expected, which brought 10 year Bund yields to a then-new cycle high of 2.75% at the beginning of March. Markets were turned upside down with the collapse of several large regional banks in the US, with as a consequence yields falling dramatically in a typical flight-to-quality fashion, where investors sell risky assets in order to purchase safe havens such as German government bonds. That left 10 year Bund yields close to the 2.1% level. From there, yields kept grinding higher for the major part of the remaining of the year, as it appeared that the collapse of those US banks were isolated incidents, and that the central banks would have to keep interest rates higher for longer.

Against that backdrop, 10 year Bund yields reached a fresh cycle-high of 3% in October, before falling significantly during the last 2 months of the year, thanks to inflation figures that were finally surprising to the downside, and to the apparent dovish shift from the Fed.

We tried to take advantage of the interest rates volatility and took multiple overweight and underweight duration positions throughout the year. Most of those trades worked well and helped us outperform the benchmark over 2023. We ended the year with a slight underweight in duration, as it seemed to us that the recent repricing in rates had gone too far.

## 2.1.8. Future policy

Most major central banks are widely expected to cut rates during 2024. Against this backdrop, interest rates fell dramatically in November and December of 2023. We positioned ourselves for a rebound in yields to start 2024, via a small underweight stance in duration compared to the benchmark.

There's no doubt that central banks will effectively be able to cut next year, but the key in such a market will be to assess what's priced in the market versus what will realistically happen in reality. We think that volatility will remain elevated next year, because even though it's clear that the central banks will cut their rates, the timing of those cuts is highly uncertain and the market is reacting very strongly to any hint this could happen sooner or later.

We will try to take advantage of that volatility by adapting our duration stance when the market seems to over- or underestimate the magnitude and timing of interest rate cuts.

## 2.1.9. Summary risk indicator (SRI)

Classic Shares: 2 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- a moderate level of concentration risk: there is a concentration of the investments in short-term bonds denominated in euro.

There is no capital protection.

Institutional Shares: 2 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- a moderate level of concentration risk: there is a concentration of the investments in short-term bonds denominated in euro.

There is no capital protection.

Institutional B Shares: 2 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.

- a moderate level of concentration risk: there is a concentration of the investments in short-term bonds denominated in euro.  
There is no capital protection.

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

The summary 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).

### **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 0.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

### **2.1.11. Value-at-Risk**

Not applicable

## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	70,103,260.28	105,913,176.02
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds	57,969,963.40	80,246,466.28
	Of which bonds lent		5,185,295.58
B.	Money market instruments	11,664,767.44	25,319,478.96
E.	Open-end undertakings for collective investment		
	a) Reinvested collateral in money market funds		5,221,223.14
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	97.27	
	c) Collateral	0.01	0.01
B.	Payables		
	d) Collateral (-)		-5,235,313.10
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	513,641.17	415,200.32
C.	Collateral received cash		17,991.14
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-45,209.01	-71,870.73
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	70,103,260.28	105,913,176.02
<b>A.</b>	<b>Capital</b>	66,611,961.82	110,902,068.69
<b>B.</b>	<b>Income equalization</b>	-404,158.05	312,381.87
<b>D.</b>	<b>Result of the bookyear</b>	3,895,456.51	-5,301,274.54
<hr/>			
	<b>Off-balance-sheet headings</b>		
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.b.	Cash at bank and in hand/deposits	0.01	5,235,313.11
IX.	Financial instruments lent		5,185,295.58

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	2,881,199.57	-5,884,574.08
B.	Money market instruments	-2,801.80	-71,246.89
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts	151,280.00	59,195.00
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	1,387,941.19	299,755.42
	Unrealised gains on investments	1,368,443.13	-29,212.26
	Realised losses on investments	-1,731,039.39	-5,393,035.18
	Unrealised losses on investments	2,004,332.84	-774,133.95
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	a) Securities and money market instruments	1,251,273.36	960,941.16
	b) Cash at bank and in hand and deposits	16,043.79	1,572.99
C.	Interest on borrowings (-)		-1,355.29
<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	21,790.21	4,432.94
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-1,614.00	-909.21
B.	Financial expenses (-)	-92.94	-79.84
C.	Custodian's fee (-)	-20,206.77	-16,085.70
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-63,250.02	-70,740.46
	Institutional Shares	-166,353.94	-133,924.32
	Institutional B Shares	-31,203.91	-7,707.09
	b) Administration and accounting management	-101,634.99	-83,935.50
	c) Commercial fee	-625.00	-625.00
E.	Administrative expenses (-)	0.26	-0.20
F.	Formation and organisation expenses (-)	-6,847.17	-251.13
G.	Remuneration, social security charges and pension	-13.64	-14.12
H.	Services and sundry goods (-)	-2,567.49	-3,693.14
J.	Taxes		
	Classic Shares	-21,275.29	-24,590.29
	Institutional Shares	-10,041.99	-7,755.40
	Institutional B Shares	-1,337.00	-167.81
L.	Other expenses (-)	3,735.27	-19,761.16
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	865,778.74	595,351.43
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	3,895,456.51	-5,301,274.54
<b>VII.</b>	<b>Result of the bookyear</b>	3,895,456.51	-5,301,274.54

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	3,491,298.46	-4,988,892.67
	Profit for the period available for appropriation	3,895,456.51	-5,301,274.54
	Income on the creation of shares (income on the cancellation of shares)	-404,158.05	312,381.87
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-3,439,801.82	5,060,763.04
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-51,496.64	-71,870.37

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Euro Bonds Short Responsible Investing

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Bonds</b>							
Government bonds							
<u>Austria</u>							
REPUBLIC OF AUSTRIA 17/27 +0.50%	1,400,000.00	EUR	94.406	1,326,522.80		1.91	1.89
REPUBLIC OF AUSTRIA 21/25 0.00%	800,000.00	EUR	96.589	772,712.00		1.11	1.10
REPUBLIC OF AUSTRIA 22/28 0.00%	500,000.00	EUR	89.675	448,375.00		0.64	0.64
<u>Belgium</u>							
BELGIUM 11/26 4.5% 28/3	800,000.00	EUR	104.528	863,371.54		1.24	1.23
BELGIUM 17/27 +0.80% 24/01 22/06	650,000.00	EUR	95.254	621,850.45		0.89	0.89
BELGIUM 20/27 0.00%	1,000,000.00	EUR	91.996	919,960.00		1.32	1.31
<u>Finland</u>							
FINLAND 18/28 +0.50%	500,000.00	EUR	91.998	460,707.21		0.66	0.66
FINLAND 22/27 +1.375%	700,000.00	EUR	96.991	685,718.34		0.99	0.98
<u>France</u>							
BPIFRANCE FINANCEMENT SA 18/26 +0.625%	1,200,000.00	EUR	95.317	1,148,275.65		1.65	1.64
CAISSE DAMORTISSEMENT DE LA D 20/28 0.00%	1,100,000.00	EUR	90.223	992,454.49		1.43	1.42
CAISSE DAMORTISSEMENT DE LA D 22/27 +1.75%	1,500,000.00	EUR	97.250	1,461,188.52		2.10	2.08
CAISSE DAMORTISSEMENT DE LA D 22/27 +2.875%	1,900,000.00	EUR	101.079	1,953,034.07		2.81	2.79
FRENCH REPUBLIC 22/25 0.00%	1,900,000.00	EUR	96.755	1,838,345.00		2.64	2.62
FRENCH REPUBLIC 22/26 +2.50%	4,350,000.00	EUR	100.417	4,396,664.09		6.31	6.27
FRENCH REPUBLIC 22/28 +0.75%	2,400,000.00	EUR	94.233	2,276,731.73		3.27	3.25
<u>Germany</u>							
FEDERAL REPUBLIC OF GERMANY 20/25 0.00%	1,050,000.00	EUR	96.182	1,009,915.25		1.45	1.44
FEDERAL REPUBLIC OF GERMANY 22/27 0.00%	900,000.00	EUR	97.638	881,139.54		1.26	1.26
FEDERAL REPUBLIC OF GERMANY 23/25 +2.50%	1,900,000.00	EUR	99.613	1,935,474.87		2.78	2.76
FEDERAL REPUBLIC OF GERMANY 23/25 +2.80%	400,000.00	EUR	100.190	408,286.43		0.59	0.58
FEDERAL REPUBLIC OF GERMANY 23/28 +2.40%	1,200,000.00	EUR	102.085	1,240,519.12		1.78	1.77
<u>Ireland</u>							
IRELAND 16/26 +1.00% 14/01 15/05	150,000.00	EUR	97.026	146,473.93		0.21	0.21
IRELAND 20/27 +0.20%	300,000.00	EUR	93.656	281,341.80		0.40	0.40
<u>Italy</u>							
REPUBLIC OF ITALY 9/25 5.00% 01/03-09	1,700,000.00	EUR	102.040	1,762,317.97		2.53	2.51
REPUBLIC OF ITALY 20/27 +0.95%	200,000.00	EUR	93.463	187,471.76		0.27	0.27
REPUBLIC OF ITALY 21/26 0.00%	900,000.00	EUR	93.917	845,256.33		1.21	1.21
REPUBLIC OF ITALY 22/26 +3.50%	400,000.00	EUR	101.299	411,601.72		0.59	0.59
REPUBLIC OF ITALY 22/27 +2.65%	500,000.00	EUR	99.233	497,178.04		0.71	0.71
REPUBLIC OF ITALY 22/28 +3.40%	1,650,000.00	EUR	101.873	1,694,552.41		2.43	2.42
REPUBLIC OF ITALY 23/25 +3.40%	1,600,000.00	EUR	100.249	1,617,658.32		2.32	2.31
REPUBLIC OF ITALY 23/28 +3.80%	2,800,000.00	EUR	103.429	2,939,725.99		4.22	4.19
<u>Latvia</u>							
REPUBLIC OF LATVIA 23/29 +3.875%	350,000.00	EUR	103.369	363,162.57		0.52	0.52
<u>Netherlands</u>							
NETHERLANDS 17/27 +0.75% 15/07 15/07	800,000.00	EUR	95.335	765,417.70		1.10	1.09
NETHERLANDS 18/28 +0.75% 15/07 15/07	400,000.00	EUR	94.114	377,824.85		0.54	0.54
NETHERLANDS 22/26 0.00%	200,000.00	EUR	95.273	190,546.00		0.27	0.27
NETHERLANDS 98/28 5.5% 15/1	850,000.00	EUR	112.745	1,002,904.25		1.44	1.43
<u>Portugal</u>							
PORTUGAL 17/27 +4.125% 14/04 14/04	300,000.00	EUR	105.887	326,416.76		0.47	0.47
PORTUGUESE REPUBLIC 20/27 +0.70%	200,000.00	EUR	94.565	189,417.27		0.27	0.27
<u>Spain</u>							
SPAIN 18/28 +1.40% 30/07 30/07	200,000.00	EUR	95.178	191,518.10		0.28	0.27
SPAIN 21/27 0.00%	3,800,000.00	EUR	92.569	3,517,639.48		5.05	5.02
SPAIN 21/28 0.00%	1,650,000.00	EUR	90.365	1,491,022.34		2.14	2.13
SPAIN 22/25 0.00%	1,000,000.00	EUR	95.993	959,927.30		1.38	1.37
SPAIN 23/26 +2.80%	3,200,000.00	EUR	100.431	3,265,695.29		4.69	4.66
Bonds issued by international institutions							

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
<u>Europe</u>							
EUROPEAN STABILITY MECHANISM 21/26 0.00%	1,000,000.00	EUR	93.212	932,124.95		1.34	1.33
<u>EU institutions outside BLEU terr.</u>							
EUROPEAN UNION 18/25 0.5% 04-04	1,000,000.00	EUR	97.175	975,427.81		1.40	1.39
EUROPEAN UNION 23/26 +2.75%	700,000.00	EUR	100.785	709,962.13		1.02	1.01
Bonds issued by credit institutions							
<u>Germany</u>							
KFW 19/27 +0.01%	2,000,000.00	EUR	92.440	1,848,939.95		2.66	2.64
KFW 20/28 0.00%	2,500,000.00	EUR	89.462	2,236,543.75		3.21	3.19
KFW 22/25 +2.50%	400,000.00	EUR	99.855	400,514.82		0.57	0.57
NRW.BANK 16/26 +0.50%	1,000,000.00	EUR	95.177	954,939.40		1.37	1.36
<u>Netherlands</u>							
BANK NED. GEMEENTEN 18/25 +0.50%	1,300,000.00	EUR	96.046	1,249,184.06		1.79	1.78
Total bonds				57,973,953.15		83.25	82.70
<b>Money market instruments</b>							
Government money market instruments							
<u>Belgium</u>							
BELGIUM 14/24 2.60% 21/01 22/06	400,000.00	EUR	99.515	403,458.91		0.58	0.58
<u>Finland</u>							
FINLAND 14/24 +2.00% 15/04 15/04	300,000.00	EUR	99.562	302,915.51		0.44	0.43
<u>France</u>							
CAISSE DAMORTISSEMENT DE LA D 14/24 +1.375% 25/11 25/11	1,000,000.00	EUR	98.173	983,007.32		1.41	1.40
FRENCH REPUBLIC 13/24 1.75% 25/11 25/11	50,000.00	EUR	98.748	49,455.28		0.07	0.07
FRENCH REPUBLIC 20/24 0.00%	1,400,000.00	EUR	99.491	1,392,874.00		2.00	1.99
<u>Germany</u>							
FEDERAL REPUBLIC OF GERMANY 19/24 0.00%	300,000.00	EUR	97.517	292,552.20		0.42	0.42
FEDERAL REPUBLIC OF GERMANY 22/24 +0.40%	1,600,000.00	EUR	98.012	1,570,055.04		2.26	2.24
STATE OF RHINELAND-PALATINATE 21/24 +0.01%	400,000.00	EUR	98.541	394,187.39		0.57	0.56
<u>Italy</u>							
REPUBLIC OF ITALY 17/24 +1.85% 15/05 15/05	4,500,000.00	EUR	99.305	4,478,733.19		6.43	6.39
<u>Spain</u>							
SPAIN 14/24 2.75% 20/06 31/10	900,000.00	EUR	99.531	899,769.11		1.29	1.28
Money market instruments issued by credit instit.							
<u>Germany</u>							
KFW 16/24 +0.05%	400,000.00	EUR	98.609	394,552.39		0.57	0.56
<u>Italy</u>							
INTESA SANPAOLO SPA 19/24 +0.50% 05/03 05/03	500,000.00	EUR	99.435	499,217.35		0.72	0.71
Total money market instruments				11,660,777.69		16.75	16.63
TOTAL SECURITIES PORTFOLIO				69,634,730.84		100.00	99.33
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	513,641.17	EUR	1.000	513,641.17		0.00	0.73
Total demand accounts				513,641.17		0.00	0.73
TOTAL CASH AT BANK AND IN HAND				513,641.17		0.00	0.73
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	97.27	EUR	1.000	97.27		0.00	0.00
<u>U.S.A.</u>							
JPMORGAN CHASE & CO DEKKING EUR	0.01	EUR	1.000	0.01		0.00	0.00
Total receivables				97.28		0.00	0.00
TOTAL RECEIVABLES AND PAYABLES				97.28		0.00	0.00
OTHER							
Expenses payable		EUR		-45,209.01		0.00	-0.06
TOTAL OTHER				-45,209.01		0.00	-0.06
TOTAL NET ASSETS				70,103,260.28		0.00	100.00

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



	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Austria	5.64	5.29	5.37	3.63
Belgium	4.19	3.27	3.77	4.73
Germany	22.31	18.74	19.00	19.34
Spain	11.71	14.18	14.61	14.72
Europe	0.00	1.11	1.18	1.33
Finland	1.37	2.53	1.45	2.07
France	25.88	23.94	25.77	23.51
Ireland	1.66	0.87	0.42	0.61
Italy	19.68	20.87	19.47	21.29
Latvia	0.00	0.00	0.35	0.52
Netherlands	5.78	4.66	4.38	5.11
Portugal	1.78	1.21	0.66	0.74
EU institutions outside BLEU terr.	0.00	3.33	3.57	2.40
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	0.00	0.96	0.00	
Cons.goods	0.00	1.93	2.06	
Financials	6.43	10.67	14.95	
Governm.	93.57	86.08	82.60	
Various	0.00	0.36	0.39	
TOTAL	100.00	100.00	100.00	

	31/12/2023
National	84.17
Supranationals	12.47
Regional & Local	1.92
Financial Services	0.73
Banking	0.71
TOTAL	100.00

The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
EURO	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Euro Bonds Short Responsible Investing (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	157,788,513.45	55,388,168.27	213,176,681.72
<b>Sales</b>	164,929,115.13	87,578,423.24	252,507,538.36
<b>Total 1</b>	322,717,628.58	142,966,591.51	465,684,220.08
<b>Subscriptions</b>	21,197,502.46	6,715,436.26	27,912,938.72
<b>Redemptions</b>	28,303,958.83	38,834,801.60	67,138,760.43
<b>Total 2</b>	49,501,461.29	45,550,237.86	95,051,699.15
<b>Monthly average of total assets</b>	108,874,350.71	95,066,359.66	101.942.628.30
<b>Turnover rate</b>	250.95%	102.47%	363.57%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions.

A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%), reason: Turnover in the portfolio can be driven by multiple factors. The most obvious one is when there are inflows or outflows, then we need to purchase or sell securities. Then the next reason is strategy implementation, whenever there's a view change, be it in terms of duration, country allocation, or shape of the yield curve, it triggers trade in order for the new view to be implemented in the portfolio. Finally, the portfolio is very actively pursuing a bond picking strategy. The manager is continuously monitoring bonds that look cheap and bonds that look expensive in order to take advantage of those mispricings in the market. In 2023, all three factors created a significant turnover in the portfolio.

The detailed list of transactions can be consulted free of charge at the company designated as financial service: 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 Euro	Lot-size	Transaction date
JPMORGAN DEKKING EUR	EUR	0.01	0.01	N/A	19.12.2023

## 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
2021 - 12	107.87	1,428.84	1,830.00	1,538.10	4,006.87	3,945.74	7,952.61
2022 - 12	536.02	796.00	250.00	2,108.71	4,292.89	2,633.03	6,925.92
2023 - 12	556.35	227.00	1,560.87	1,064.00	3,288.36	1,796.03	5,084.39

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	554,849.03	3,510,952.14	9,456,530.60	3,786,651.75
2022 - 12	2,671,753.32	1,854,691.60	1,239,769.00	4,888,065.76
2023 - 12	2,696,143.52	513,513.93	7,628,784.04	2,406,505.90

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	30,139,249.27	5,123.57	2,435.48
2022 - 12	26,577,686.41	4,809.21	2,253.03
2023 - 12	20,653,513.46	5,013.56	2,320.18

## Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	1,802.86	0.00	2,306.37	0.00	6,564.49	0.00	6,564.49
2022 - 12	10,295.24	0.00	818.76	0.00	16,040.97	0.00	16,040.97
2023 - 12	1,795.45	0.00	8,696.76	0.00	9,139.67	0.00	9,139.67

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	9,352,274.93	0.00	11,991,447.12	0.00
2022 - 12	51,168,584.77	0.00	4,100,100.47	0.00
2023 - 12	8,737,054.20	0.00	42,876,731.61	0.00

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	33,836,466.02	5,154.47	0.00
2022 - 12	77,643,749.98	4,840.34	0.00
2023 - 12	46,149,755.98	5,049.39	0.00

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	3,243.00		3,062.00		661.00		661.00
2022 - 12	962.00		1,272.00		351.00		351.00
2023 - 12	3,301.00		2,995.00		657.00		657.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	16,810,061.16		15,825,168.52	
2022 - 12	4,841,412.03		6,339,234.34	
2023 - 12	16,036,096.17		14,715,481.49	

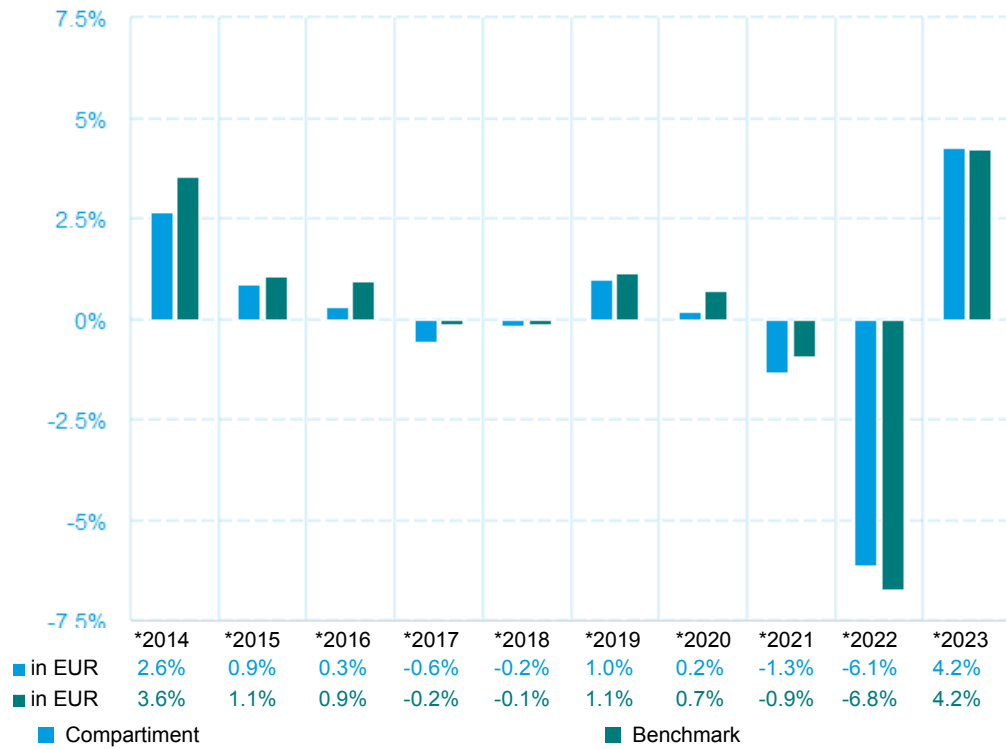
Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	3,394,523.65	5,135.44	
2022 - 12	1,691,739.63	4,819.77	
2023 - 12	3,299,990.84	5,022.82	

## 2.4.5. Performance figures

**Classic Shares**

BE0156939903

KBC Institutional Fund Euro Bonds Short Responsible Investing Classic Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)

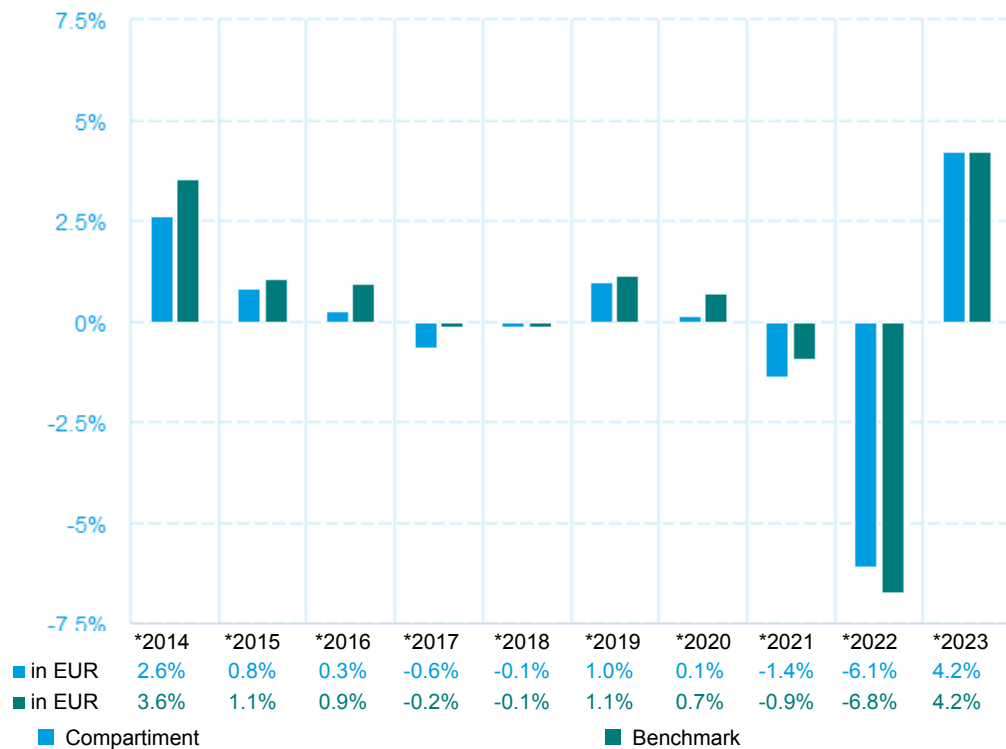


\* These performances were achieved under circumstances that no longer apply

**Classic Shares**

BE0156938897

KBC Institutional Fund Euro Bonds Short Responsible Investing Classic Shares DIS  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



\* 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
CAP	BE0156939903	EUR	4.25%	4.23%	-1.17%	-1.26%	-0.47%	-0.39%	0.06%	0.33%	10/11/1995	2.53%
DIS	BE0156938897	EUR	4.23%	4.23%	-1.18%	-1.26%	-0.49%	-0.39%	0.04%	0.33%	10/11/1995	2.51%

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.
- 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.

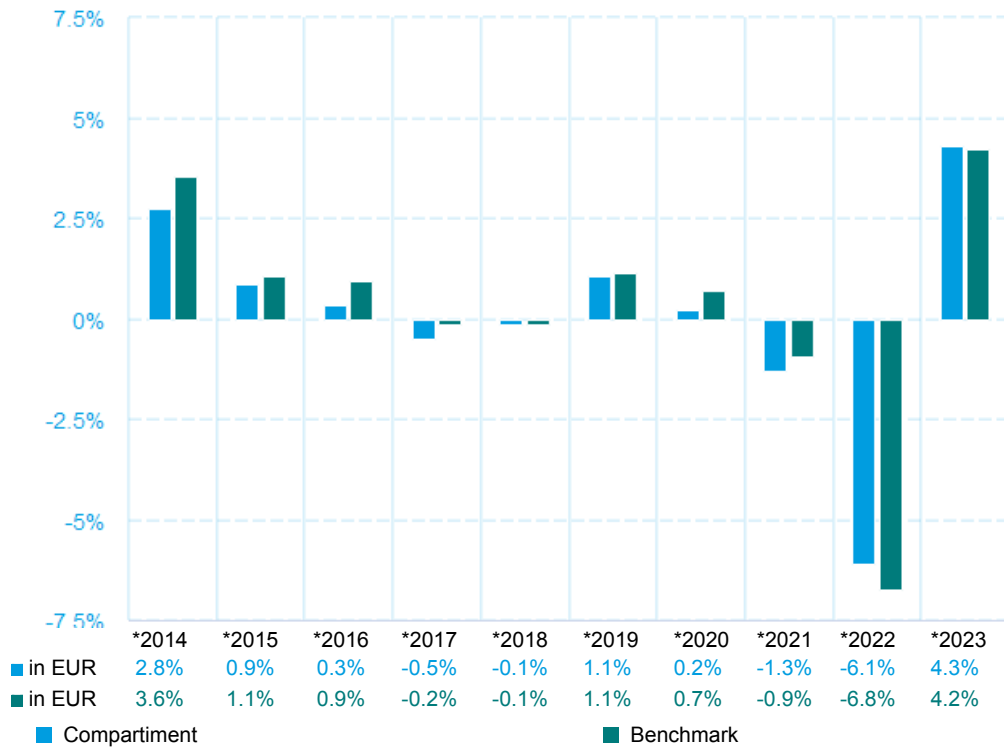
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the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

Dividend on ex-dividend date 28/03/2024: 20,0708 net (28,6725 gross).

**Institutional Shares**

BE6225960150

KBC Institutional Fund Euro Bonds Short Responsible Investing Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

**Institutional Shares**

BE6225959145

KBC Institutional Fund Euro Bonds Short Responsible Investing Institutional Shares DIS  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)

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

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	BE6225960150	EUR	4.32%	4.23%	-1.11%	-1.26%	-0.42%	-0.39%	0.12%	0.33%	06/09/2011	0.74%

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

#### Capitalisation units (CAP)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

#### Distribution units (DIV)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

where C is a factor that is determined for all N dividends between the calculation

date D and the reference date.

For dividend i on date Di with value Wi:

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

i = 1 ... N

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

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

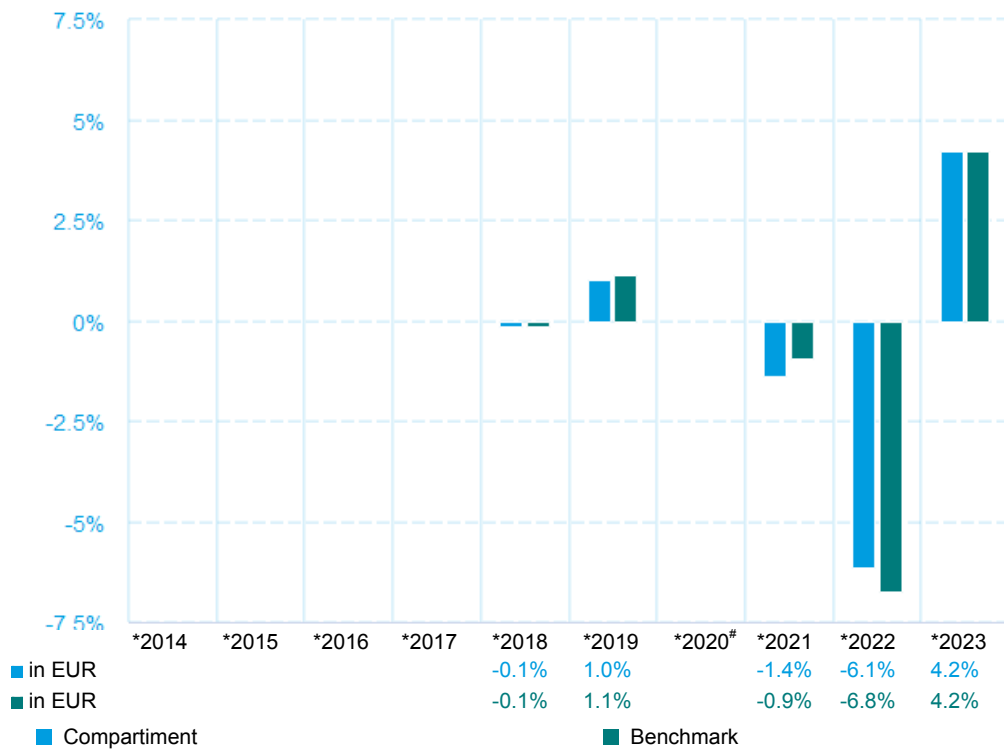
Dividend on ex-dividend date 28/03/2024: no dividend was paid.



## Institutional B Shares

BE6295244410

KBC Institutional Fund Euro Bonds Short Responsible Investing Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

\* 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
CAP	BE6295244410	EUR	4.21%	4.23%	-1.20%	-1.26%					30/05/2017	

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

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Classic Shares Capitalisation :

Ongoing charges : 0,452%  
Transaction costs: 0,000%

#### Classic Shares Distribution :

Ongoing charges : 0,465%  
Transaction costs: 0,000%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,386%  
Transaction costs: 0,000%

#### Institutional Shares Distribution :

Ongoing charges : 0,000%  
Transaction costs: 0,000%

#### Institutional B Shares Capitalisation :

Ongoing charges : 0,537%  
Transaction costs: 0,000%

Percentage calculated at reporting date: 31 December 2023 .

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

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 52,66% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.25%  Max 0.01%	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.  per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.030%	of the net assets of the sub-fund per year.

### **Institutional Shares**

Fee for managing the investment portfolio	Max 0.25%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.030%	of the net assets of the sub-fund per year.

### **Institutional B Shares**

Fee for managing the investment portfolio	Max 0.40%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.030%	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.

### **Securities lending**

Pursuant to the Royal Decree of 7 March 2006 on securities lending, the undertaking for collective investment in transferable securities(UCITS) has entered into securities lending transactions, whereby the title to the securities that have been lent has been transferred, without recognition of that transfer of ownership in the accounts. For the period from 01/01/2023 to 31/12/2023, the realised net income for the UCITS amounts to 3.335,48 EUR and for the Management Company 1.026,30 EUR. Direct and indirect costs and charges are deducted from the gross income. These are set at a flat rate of 35% of the fee received and consist 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 the sub-fund uses an agent, the fee paid to the agent. The undertaking for collective investment in transferable securities will thus receive 65% of the fee received for securities lent. The number of securities lent varied between 0 and 6, with a market value fluctuating between 0 and 6076414.51 EUR. The detailed list of securities lending transactions carried out may be obtained from the registered office of the undertaking for collective investment in transferable securities at Havenlaan 2, 1080 Brussels. During the reporting period, securities lending transactions were effected in relation to the following securities lending systems:

Manager of the securities lending system: Société Générale

Type of securities lending transactions effected: the lending transactions are effected through the agency of a Lending Agent.

Nature of the lent securities: the securities lending transaction applies only to the bond portion of the portfolio.

Nature of the financial collateral: only cash is accepted.

Reinvestment of the financial collateral received: financial collateral may be reinvested in monetary funds.

- Section II, entitled 'Income and expenditure relative to the investments', contains the net results of transactions in respect of the lending of securities including the result generated by reinvesting financial guarantees tendered in the context of lending bon.

### **Transparency of securities financing transactions and of reuse**

Global data:

1) The amount of securities and commodities on loan as a proportion of total lendable assets defined as excluding cash and cash equivalents;	Nil	%
2) The amount of assets engaged in each type of SFT's and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency) and as a proportion of the collective investment undertaking's assets under management (AUM).		
The amount of assets engaged in each type of SFTs and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency)	0,00	EUR
proportion of the collective investment undertaking's assets under management (AUM)	Nil	%

Concentration data:

1) Ten largest collateral issuers across all SFTs and total return swaps (break down of volumes of the collateral securities and commodities received per issuer's name)

name collateral issuer	Market value on a settled basis	currency
Nil	Nil	Nil

2) Top 10 counterparties of each type of SFTs and total return swaps separately (Name of counterparty and gross volume of outstanding transactions).

type SFT (lending program)	name counterparty	Country of counterparty	Market value on a settled basis	currency
Nil	Nil	Nil	Nil	Nil

Aggregate transaction data for each type of SFTs and total return swaps separately to be broken down according to the below categories:

1) Type and quality of collateral;	equity (Goldman Sachs)	equity(KBC Bank)	bonds (Société Générale)
type	Nil.	Nil.	Nil.
quality – Bloomberg composite rating: see table below			
2) Maturity tenor of the collateral broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open maturity: see table below;			
3) Currency of the collateral: see table below			
4) Maturity tenor of the SFTs and total return swaps broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open transactions;	Nil.	Nil.	Nil.
5) Country in which the counterparties are established: see table above			
6) Settlement and clearing (e.g., tri-party, Central Counterparty, bilateral).	Nil.	Nil.	Nil.

collateral	quality	currency	Maturity tenor
Nil	Nil	Nil	Nil

Data on reuse of collateral:

1) Share of collateral received that is reused, compared to the maximum amount specified in the prospectus or in the disclosure to investors;	Nil
2) Cash collateral reinvestment returns to the collective investment undertaking. (EUR)	51.712,37

Safekeeping of collateral received by the collective investment undertaking as part of SFTs and total return swaps:

1) Number and names of custodians and the amount of collateral assets safe-kept by each of the custodians.

<u>number</u>	<u>Name collateral custodian</u>	<u>Market value on a settled basis</u>	<u>currency</u>
Nil	Nil	Nil	Nil

Safekeeping of collateral granted by the collective investment undertaking as part of SFTs and total return swaps:

1) The proportion of collateral held in segregated accounts or in pooled accounts, or in any other accounts.	Nil
--	-----

Data on return and cost for each type of SFTs and total return swaps:

1) Data on return and cost for each type of SFTs and total return swaps broken down between the collective investment undertaking, the manager of the collective investment undertaking and third parties (e.g. agent lender) in absolute terms and as a percentage of overall returns generated by that type of SFTs and total return swaps.
---

Lending program: equity (Société Générale)	collective investment undertaking	manager of the collective investment undertaking	agent lender
return EUR	5.131,50	1.026,30	769,73
percentage of overall returns	100,00 %	20,00%	15,00%
cost EUR	1.796,03		
percentage of overall returns	35,00 %		

**Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**  
KBC Institutional Fund Euro Bonds Short Responsible Investing

**Legal entity identifier:**  
5493006EDZOB5J0BRD30

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Did this financial product have a sustainable investment objective?**

Yes    No

<p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b>: %</p> <p style="margin-left: 20px;"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective</b>: %</p>	<p><input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 99.27% of sustainable investments</p> <p style="margin-left: 20px;"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>
--	---



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

This sub-fund:

- has promoted the integration of sustainability into the policy decisions of governments, supranational debtors and/or agencies linked to governments by preferring governments, supranational debtors and/or agencies linked to governments with a better ESG score;
- has promoted climate change mitigation by preferring governments, supranational debtors and/or agencies linked to governments with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;
- has supported sustainable development by including governments, supranational debtors and/or agencies linked to governments that contribute towards achieving the UN Sustainable Development Goals;
- has supported sustainable development by encouraging the transition to a more sustainable world via bonds financing green and/or social projects.



The specific objectives of the sub-fund can be found in the table under title 'How did the sustainability indicators perform?' of this annex.

The sub-fund invested 99.27% of the assets in "sustainable investments" as defined by art. 2.17 SFDR and 0.00% in other investments aligned with environmental or social characteristics.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments in instruments issued by governments, supranational debtors and/or government-linked agencies, the described reference portfolio of global government bonds is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

### How did the sustainability indicators perform?

**Sustainability indicators**  
measure how the environmental or social characteristics promoted by the financial product are attained.

	Target	Target applied	Actuals	Objective attained
<b>Instruments issued by governments, supranational debtors and/or agencies linked to governments</b>				
ESG Score	10% better than the reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).	0.77	0.82	Yes
Carbon Intensity	25% better than the reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).	428.33	328.27	Yes
Bonds financing green and/or social projects	A minimum of 10% of the investments in bonds issued by governments, supranational debtors and/or agencies linked to governments should qualify as bonds financing green and/or social projects.	10	16.12	Yes
<b>Minimum % Sustainable Investments</b>	A minimum of 45% of sustainable investments.	45	99.27	Yes
<b>Other specific objectives</b>	If investments were to be made in instruments issued by companies, the companies must meet the negative screening requirements as described in this annex and the prospectus under title 'Information concerning the sub-fund Euro Bonds Short Responsible Investing'.			

As indicated in the table above, the sub-fund has reached all targets during the reference period.

The sub-fund pursued these objectives (directly or indirectly) based on a dualistic approach: the negative screening and the positive selection methodology. As of April 28, 2023, instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals were classified as "sustainable investments," which triggered a change in these objectives. The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the objectives and results achieved described in this chapter only reflect the situation at the end of sub-fund's financial year and, for this reason, are not a reliable indicator for future results.

All targets are also monitored by KBC Asset Management at month-end. Given the difference in the periodicity of the calculations, it cannot be excluded that the monitoring at month-end leads to different results than the situation at the end of the financial year as shown in the table above and section 2.1.7 of the general annual report.

No breaches at month-end have been identified for this sub-fund.

### ... and compared to previous periods?

Sustainability indicators	Achieved result	Achieved result
	31/12/2022	31/12/2023
<b>Instruments issued by governments, supranational debtors and/or agencies linked to governments</b>		
ESG Score		0.82
Carbon Intensity		328.27
Bonds financing green and/or social projects		16.12
<b>Sustainable Investments</b>	2.46	99.27

For both reporting periods, the results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year. Therefore, they are not a reliable indicator of future results.

For the reporting period 01/01/2022 - 31/12/2022, the results achieved were not reported for each sustainability indicator separately (except for the percentage of sustainable investments).

For the year 2022, it was only described in a general way whether or not the targets were achieved.

***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The sub-fund promoted a combination of environmental and social characteristics and, even though it didn't have sustainable investments as an objective, the sub-fund invested 99.27% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this chapter only reflect the situation at the end of the financial year of the sub-fund and, for that reason, are not a reliable indicator for future results.

**(1) UN Sustainable Development Goals**

To support sustainable development, the sub-fund invested a part of its portfolio in governments, supranational debtors and/or government-linked agencies that contribute to the UN Sustainable Development Goals, including both social and environmental objectives.

As of 28 April 2023, instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN Sustainable Development Goals, were also classified as "sustainable investments".

Governments were assessed on five pillars which contain indicators that can be linked to the 17 UN Sustainable Development Goals. If a government scored sufficiently well on one of these pillars and not significantly poor on the other pillars, the bonds of this government and its sub-governments and agencies were considered to be instruments that contribute to UN Sustainable Development Goals.

- The country is aligned with the ESG criteria: it has a score of at least 80 for one of the five pillars and does not score lower than 50 for any of the other pillars;
- The country is not excluded: it does not rank among the 50% most controversial regimes AND it does meet the criteria on respecting the sustainable principles AND it does not rank among the 10% worst scoring countries of the universe.

Supranational government bonds were considered to contribute to the UN Sustainable Development Goals if either of the following criteria is met:

- at least half of its members contribute to the UN Sustainable Development Goals (weighted by voting power/full paid-in capital/percentage of population (in order of availability)).
- the mission statement of the supranational institution has a sustainable objective and less than half of its members fall in the worst-scoring half of the screening for controversial regimes.

**(2) Bonds financing green and/or social projects**

To encourage the transition to a more sustainable world, the sub-fund invested a part of its portfolio in bonds financing green and/or social projects (that are aligned with the International Capital Market Association (ICMA) Green Bond Principles and Social Bond Principles on the Use of Proceeds). Instruments that meet these requirements were labelled 'sustainable investments'. The percentage of the portfolio invested in bonds financing green and/or social projects can be found in the table under the "How did the sustainability indicators perform" section of this annex.

**How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The sustainable investments that the sub-fund partially made did not cause significant harm to the sustainable investment objective through the negative screening. The sub-fund took into account the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 through the negative screening.

The negative screening amounts to the sub-fund's a priori exclusion of issuers from the Responsible Investment universe which fall foul the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, and companies active in the palm oil industry are subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These principles of negative screening are not exhaustive and may be modified on the advice of the Responsible Investing Advisory Board.

**How were the indicators for adverse impacts on sustainability factors taken into account?**

Through the exclusion policy for Responsible Investing funds and, in particular, the normative screening and ESG risk assessment, all indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account for instruments issued by companies. The sub-fund did not invest in companies that seriously violate the principles of the United Nations Global Compact and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, and any companies involved in serious controversies related to environmental, social or good governance issues are also excluded. Also excluded were companies that deviate significantly (score of -10) from any of the UN's first 15 Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk score of more than 40 according to data provider Sustainalytics.

For investments in instruments issued by countries, the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account by excluding countries in the worst 10% according to the ESG score model, and by excluding countries that do not comply with sustainability principles and are exposed to controversial regimes.

In addition to the normative screening and ESG risk assessment, through the positive selection methodology on carbon intensity and the exclusions in the exclusion policy for Responsible Investment funds, the following indicators of principle adverse impacts on sustainability factors were also considered for all investments of this sub-fund:

- **Indicator 15:** GHG intensity of investee countries was taken into account through the carbon intensity reduction target for sovereign related investments.
- **Indicator 16:** Investee countries subject to social violations was taken into account as the sub-fund did not invest in (i) Countries that do not comply with sustainability principles and (ii) countries exposed to controversial regimes. More information can be found in the exclusion policy for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercised the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators of principal adverse impacts on sustainability factors that the sub-fund can take into account can be found in Annex I of Delegated Regulation (EU) 2022/1288.

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Yes.

The assets are invested primarily in bonds with a responsible character, denominated in euros. However, the sub-fund may invest in instruments issued by companies. If investments were to be made in instruments issued by companies, the companies must meet the negative screening requirements.

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, were excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assessed the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures were taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



#### **How did this financial product consider principal adverse impacts on sustainability factors?**

The principal adverse impacts on sustainability factors were explicitly taken into account for all investments of this sub-fund by the exclusion policies applied. In addition, the principle adverse impacts on sustainability factors were implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting. More information on the principal adverse impacts on sustainability factors can be found under the heading 'How were the indicators for adverse impacts on sustainability factors taken into account' of this Annex.



## What were the top investments of this financial product?

This list includes the investments constituting the greatest proportion of the financial product during the reference period which is:  
01/01/2023-31/12/2023

Largest investments	Sector	% assets	Country
BTPS BTPS 1.85 05/15/24	National	6.61%	Italy
FRANCE O.A.T. FRTR 2 1/2 09/24/26	National	5.44%	France
FRANCE O.A.T. FRTR 0 3/4 02/25/28	National	4.07%	France
SPANISH GOV'T SPGB 0 05/31/25	National	3.99%	Spain
BUNDESobl-187 OBL 2.2 04/13/28	National	3.60%	Germany
SPANISH GOV'T SPGB 0 01/31/27	National	3.54%	Spain
BTPS BTPS 3.8 08/01/28	National	3.05%	Italy
SPANISH GOV'T SPGB 2.8 05/31/26	National	2.69%	Spain
BUNDESSCHATZANW BKO 0.4 09/13/24	National	2.44%	Germany
FRANCE O.A.T. FRTR 0 02/25/25	National	2.22%	France
BTPS BTPS 0 04/01/26	National	2.00%	Italy
CAISSE AMORT DET CADES 2 7/8 05/25/27	National	1.97%	France
FRANCE O.A.T. FRTR 0 03/25/24	-	1.86%	France
KFW KFW 0.01 05/05/27	Supnationals	1.86%	Germany
BTPS BTPS 3.4 04/01/28	National	1.82%	Italy



## What was the proportion of sustainability-related investments?

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results. At the end of the year, the proportion of sustainable investments was 99.27%.

### What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

The sub-fund could invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described in the prospectus under title "Information concerning the sub-fund Euro Bonds Short Responsible Investing".

Within these categories of eligible assets, the sub-fund invested 99.27% in assets that promote environmental or social characteristics and 0.73% in other investments. The category "other investments" contained technical items, such as cash and derivatives, and assets in which the sub-fund invests temporarily following a planned update of the eligible universe, which determines the assets that promote environmental and/or social characteristics, for which there are no environmental or social safeguards. The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.

Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Euro Bonds Short Responsible Investing' of the prospectus.

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the financial product and will not affect them.

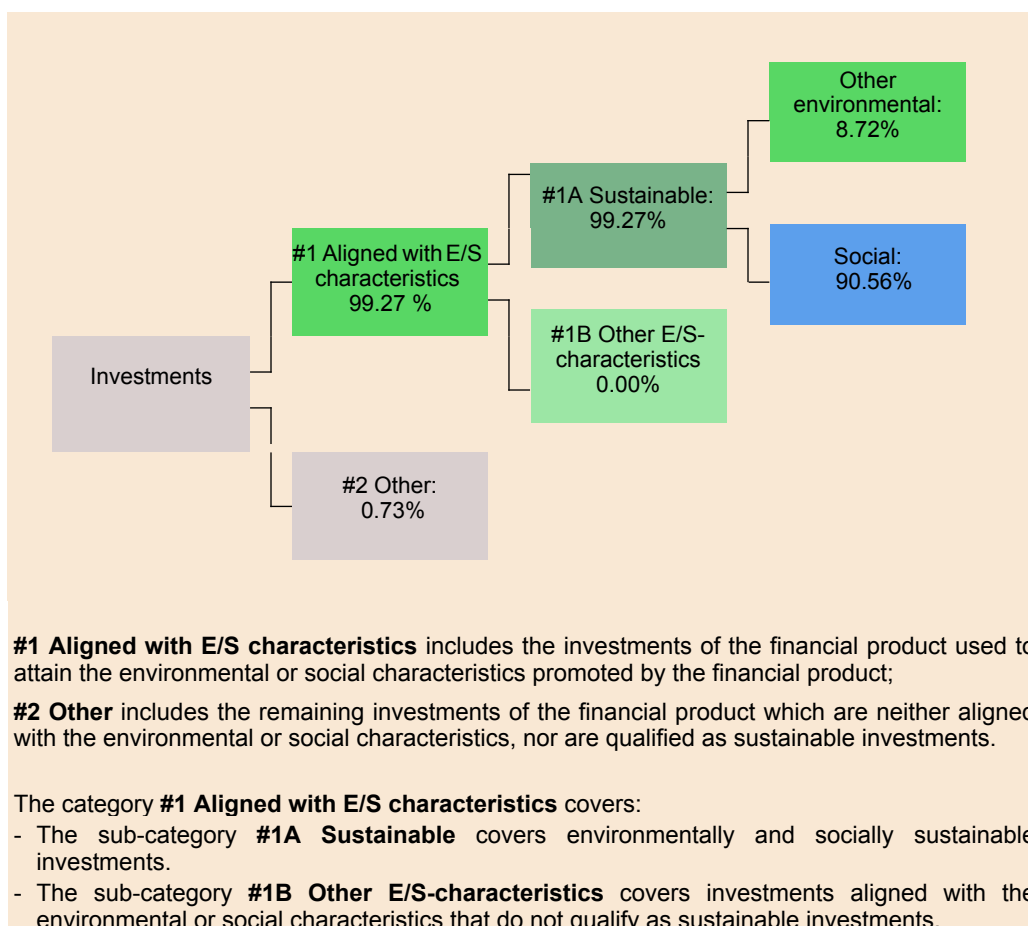
8.72% of the sustainable investments are environmentally sustainable investments and 90.56% are socially sustainable investments.

The sustainable investments are equal to the percentage of investments in bonds that can be considered as bonds to finance green and/or social projects.

More information can be found at the section 'What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?' of this Annex.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given

the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.



***In which economic sectors were the investments made?***

On 31/12/2023 the investments were made in the following sectors:

Sector	%Assets
National	84.17%
Supranationals	12.47%
Regional & Local	1.92%
Financial Services	0.73%
Banking	0.71%

Sectors and sub-sectors of the economy that derive income from exploration, mining, extraction, production, processing, storage, refining or distribution - including transportation, storage and trading - in fossil fuels are excluded by the exclusion policy. Consequently, the sub-fund has not invested in these sectors and sub-sectors.

However, an exception is provided in the exclusion policy for investments in green bonds of these companies, which promote the energy transition. Consequently, for the portion invested in green bonds, there may be exposure to these sectors.



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework ("investments aligned with the EU Taxonomy"). Although the sub-fund does not aim to invest in investments aligned with the EU Taxonomy, it cannot be ruled out that the sub-fund does contain investments aligned with the EU Taxonomy. The percentage invested in EU Taxonomy-aligned investments was set at 31 December 2023. KBC Asset Management NV determined that insufficient reliable, timely and verifiable data from issuers or investee companies were available at that time for consistent reporting, and this based on its own research and services from data suppliers. The percentage invested in investments aligned with the EU Taxonomy was therefore set at 0%.

#### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>(1)</sup>?

Yes:

In fossil gas

In nuclear energy

No

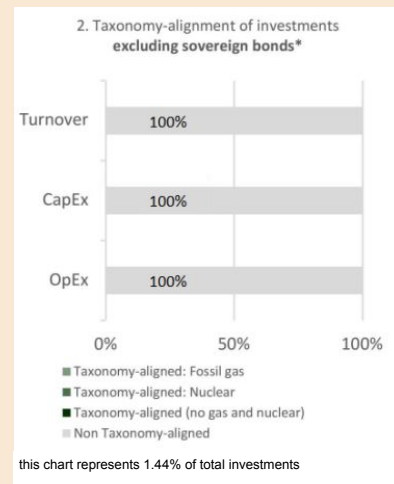
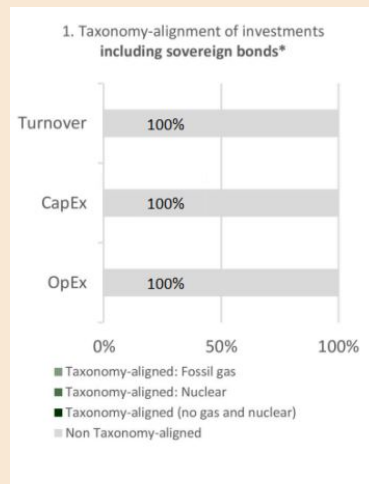
(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:  
-turnover reflecting the share of revenue from green activities of investee companies.

-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-operational expenditure (OpEx) reflecting green operational activities of investee companies.

**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy--alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\*For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

**What was the share of investments made in transitional and enabling activities?**

Not applicable.

**How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The previous reference period (which ran from 1 January 2022 tot 31 December 2022) also reported 0% on EU taxonomy-aligned investments.

KBC Asset Management NV determined, based on its own research and services from data suppliers, that insufficient reliable, timely and verifiable data of issuers in which investments were made were available for the previous and current financial year. The percentage of investments aligned with the EU taxonomy was therefore set at 0% for both reference periods.

**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

The sub-fund invested 99.27% in sustainable investments as defined by art. 2.17 SFDR. At the end of the financial year of the sub-fund, the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 8.72%.

Asset managers depend on available sustainability data relating to their investee companies. Currently, there is a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

**What was the share of socially sustainable investments?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

At the end of the financial year of the sub-fund, the share of socially sustainable investments was 90.56%.

**What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

At the end of the financial year, the "not sustainable" category may include the following investments:

Assets	Purpose of investments and presence of minimum environmental or social safeguards
Investments in cash	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in assets that no longer met screening criteria	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in derivatives	Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Euro Bonds Short Responsible Investing' of the prospectus. Investments in derivatives were not used to attain the environmental or social characteristics promoted by the sub-fund and did not affect them.

For investments included under "#2 not sustainable", there were no environmental or social



safeguards.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The sub-fund

- promoted the integration of sustainability into the policy decisions of governments, supranational debtors and/or agencies linked to governments by preferring governments, supranational debtors and/or agencies linked to governments with a better ESG score;
- promoted climate change mitigation, by preferring governments, supranational debtors and/or agencies linked to governments with lower Carbon Intensity, with the objective of meeting a predetermined carbon intensity target;
- supported sustainable development , by including governments, supranational debtors and/or agencies linked to governments that contribute to the UN Sustainable Development Goals;
- supported sustainable development by encouraging the transition to a more sustainable world via bonds financing green and/or social projects.

The sub-fund excluded issuers involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices were also excluded, and companies active in the palm oil industry were subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather were excluded. The negative screening also ensured that issuers based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) were excluded from the sub-fund's investment universe.

KBC Asset Management NV executed the voting rights of shares managed in the sub-fund according to the Proxy Voting and Engagement Policy. As such, KBC Asset Management monitored the companies in which the sub-fund is invested in, intervened with investee companies (avoiding insider information), took part in appropriate collective engagement initiatives and exercised voting rights in a considered way. These responsibilities were executed in the exclusive concern of defending the interests of the investors of the funds.



### How did this financial product perform compared to the reference benchmark?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments in instruments issued by governments, supranational debtors and/or government-linked agencies, the described reference portfolio of global government bonds was used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

More information can be found in the table under the "How did the sustainability indicators perform" section of this annex.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.

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## 2. Information on KBC Institutional Fund Euro Corporate Bonds

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

Launch date: 27 November 2014

Initial subscription price: 1 000 EUR

Currency: EUR

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

Launch date: 4 September 1998

Initial subscription price: 200 000 BEF

Currency: EUR

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

Launch date: 4 September 1998

Initial subscription price: 200 000 BEF

Currency: EUR

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

Launch date: 6 September 2011

Initial subscription price: 7 946.72 EUR

Currency: EUR

##### **Institutional Shares Distribution**

Launch date: 6 September 2011

Initial subscription price: 7 946.72 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 bonds.

##### 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 primarily in corporates bonds denominated in euros or in currencies with a fixed euro conversion rate.

The sub-fund can conclude Credit Default Swaps on indices (such as ITraxx and CDX) both to carry out the investments objectives and to cover the credit risk.

The total exposure resulting from the protection sold or purchased may not exceed 50% of the assets.

The fund is actively managed with reference to the following benchmark: iBoxx EURO corporate ALL Maturities - Total 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.

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

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

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

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

The longterm expected tracking error for this fund is 0.75%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

### **Transparency of adverse sustainability impacts:**

The sub-fund considered the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'), through the general exclusion policy and the Proxy Voting and Engagement Policy.

The principal adverse impacts on sustainability factors that were taken into account through the general exclusion policy, were exposure to controversial weapons ('indicator 14'), exposure to companies active in the fossil fuel sector ('indicator 4') and Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10').

The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy were greenhouse gas emissions ('indicator 1'), carbon footprint ('indicator 2'), greenhouse gas intensity of investee companies ('indicator 3'), exposure to companies active in the fossil fuel sector ('indicator 4'), gender diversity on the board of directors ('indicator 13').

#### Required disclaimers for benchmark providers:

Neither Markit, its affiliates nor any data provider make any warranty, express or implied, as to the accuracy, completeness or timeliness of the data contained herein or as to the results to be obtained by any recipients of this data. Neither Markit, its affiliates nor any data provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions, regardless of cause, in the data provided by Markit or for any damages (whether direct or indirect) resulting therefrom. Markit is under no obligation to vary, amend, remove or add to the data or to notify a recipient in any manner in the event that a matter mentioned in the present document should subsequently be amended or become incorrect. Without limiting the foregoing, neither Markit, its affiliates nor any data provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgments, or any other conclusions, or any course of action determined, by you or by a third party, whether or not based on the content, the information or the materials contained herein. Copyright © 2016, Markit Indices Limited.

### **Characteristics of the bonds and debt instruments**

The sub-fund invests in bonds and debt instruments issued by companies and governments.

The sub-fund invests directly and/or indirectly at least 90% of its assets in bonds and debt instruments - in securities rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies: Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or - in non-subordinated corporate bonds\* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has an investment grade rating by at least one of the rating agencies mentioned above

This means that the sub-fund may invest up to 10% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or do not fulfil the above-mentioned credit requirements.

All maturities are taken into consideration when selecting the bonds and debt instruments.

\*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

### **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 NV, Havenlaan 2, 1080 Brussels.

## **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. Summary risk indicator (SRI)**

Institutional B Shares: 2 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- a moderate level of credit risk: the assets are primarily - but not exclusively - invested in bonds with an investment grade rating. Consequently the risk that an issuer can no longer meet its obligations is higher than in an investment that consists only of bonds with an investment grade rating. If investors are in doubt about the creditworthiness of the issuers of the bonds, the value of those bonds can fall.
- a moderate level of liquidity risk: since there will be partly invested in less liquid bonds, there is a risk a position cannot be sold in a timely manner at a reasonable price.

There is no capital protection.

Classic Shares: 2 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- a moderate level of credit risk: the assets are primarily - but not exclusively - invested in bonds with an investment grade rating. Consequently the risk that an issuer can no longer meet its obligations is higher than in an investment that consists only of bonds with an investment grade rating. If investors are in doubt about the creditworthiness of the issuers of the bonds, the value of those bonds can fall.
- a moderate level of liquidity risk: since there will be partly invested in less liquid bonds, there is a risk a position cannot be sold in a timely manner at a reasonable price.

There is no capital protection.

Institutional Shares: 2 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- a moderate level of credit risk: the assets are primarily - but not exclusively - invested in bonds with an investment grade rating. Consequently the risk that an issuer can no longer meet its obligations is higher than in an investment that consists only of bonds with an investment grade rating. If investors are in doubt about the creditworthiness of the issuers of the bonds, the value of those bonds can fall.
- a moderate level of liquidity risk: since there will be partly invested in less liquid bonds, there is a risk a position cannot be sold in a timely manner at a reasonable price.

There is no capital protection.

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

The summary 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).

## 2.1.10. Leveraged finance

The total amount of leveraged finance used by the sub-fund is 0.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

## 2.1.11. Value-at-Risk

Not applicable



## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
	<b>TOTAL NET ASSETS</b>	813,468,301.95	683,965,658.91
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds	770,474,935.15	631,692,025.24
	Of which bonds lent		15,362,707.09
B.	Money market instruments	38,141,257.12	50,122,689.82
E.	Open-end undertakings for collective investment		
	a) Reinvested collateral in money market funds		14,870,177.56
F.	Derivative financial instruments		
	l) Credit		
	Swap contracts (+/-)		1,316.67
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	c) Collateral	0.01	0.01
B.	Payables		
	a) Accounts payable (-)		-41,496.02
	d) Collateral (-)		-15,521,795.44
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	5,280,974.28	2,494,515.18
C.	Collateral received cash		648,989.45
D.			23,061.31
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	-0.06	-0.05
C.	Accrued expense (-)	-428,864.55	-323,824.82
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	813,468,301.95	683,965,658.91
<b>A.</b>	<b>Capital</b>	757,575,650.94	827,553,131.28
<b>B.</b>	<b>Income equalization</b>	-1,471,257.95	-2,604,580.56
<b>D.</b>	<b>Result of the bookyear</b>	57,363,908.96	-140,982,891.81
<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.b.	Cash at bank and in hand/deposits	0.01	15,521,795.45
IV.	Notional amounts of swap contracts (+)		1,000,000.00
IX.	Financial instruments lent		15,362,707.09

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	43,255,376.71	-152,349,621.68
B.	Money market instruments	3,067.95	-40,318.37
F.	Derivative financial instruments		
	k) Credit		
	Swap contracts (+/-)	12,965.49	-3,036.54
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	-0.02	0.04
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	2,104,076.40	746,969,492.93
	Unrealised gains on investments	22,605,647.56	-9,714,060.48
	Realised losses on investments	-30,672,978.46	-837,246,084.54
	Unrealised losses on investments	49,234,664.63	-52,402,324.46
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	a) Securities and money market instruments	16,926,774.30	14,543,239.27
	b) Cash at bank and in hand and deposits	299,351.94	16,858.27
C.	Interest on borrowings (-)	-306.25	-22,236.78
D.	Swaps (+/-)	6,888.89	1,138.89
<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	715,140.73	753,633.31
B.	Other	6,501.26	
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-419.00	
B.	Financial expenses (-)	-965.49	-489.60
C.	Custodian's fee (-)	-161,790.86	-177,503.83
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-207,055.10	-273,524.40
	Institutional Shares	-2,061,391.63	-2,108,853.06
	Institutional B Shares	-263,891.86	-262,905.04
	b) Administration and accounting management	-839,862.59	-877,407.75
	c) Commercial fee	-625.00	-625.00
E.	Administrative expenses (-)	0.12	0.16
F.	Formation and organisation expenses (-)	-3,044.78	-3,028.78
G.	Remuneration, social security charges and pension	-127.81	-96.67
H.	Services and sundry goods (-)	-3,046.36	-4,757.01
J.	Taxes		
	Classic Shares	-73,915.89	-61,128.21
	Institutional Shares	-95,353.15	-70,816.86
	Institutional B Shares	-6,378.52	-6,646.24
L.	Other expenses (-)	-143,984.12	-34,765.93
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	14,092,498.83	11,410,084.74
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	57,363,908.96	-140,982,891.81

**VII. Result of the bookyear**

57,363,908.96	-140,982,891.81
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<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	55,892,651.01	-143,587,472.37
	Profit for the period available for appropriation	57,363,908.96	-140,982,891.81
	Income on the creation of shares (income on the cancellation of shares)	-1,471,257.95	-2,604,580.56
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-55,201,508.03	143,940,382.14
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-691,142.98	-352,909.77

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Euro Corporate Bonds

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Bonds</b>							
Government bonds							
<u>Germany</u>							
FEDERAL REPUBLIC OF GERMANY 20/27 0.00%	950,000.00	EUR	92.750	881,125.00		0.11	0.11
Bonds issued by credit institutions							
<u>Australia</u>							
WESTPAC BANKING 16/27 +0.875%	500,000.00	EUR	92.854	467,328.44		0.06	0.06
<u>Austria</u>							
ERSTE GROUP BANK AG 19/30 +1.00% 10/06	300,000.00	EUR	94.469	285,064.17		0.04	0.04
ERSTE GROUP BANK AG 20/27 +0.875%	5,000,000.00	EUR	92.826	4,668,794.42		0.58	0.57
ERSTE GROUP BANK AG 20/31 1.625%	2,100,000.00	EUR	93.430	1,972,481.02		0.24	0.24
ERSTE GROUP BANK AG 21/32 0.875%	6,500,000.00	EUR	87.527	5,696,096.98		0.70	0.70
ERSTE GROUP BANK AG 22/33 0.00%	4,800,000.00	EUR	98.526	4,837,089.13		0.60	0.60
VERBUND AG 21/41 +0.90%	6,300,000.00	EUR	71.838	4,567,926.98		0.56	0.56
<u>Belgium</u>							
ALIAxis FINANCE SA 21/28 +0.875%	7,300,000.00	EUR	85.023	6,215,570.49		0.77	0.76
ARGENTA SPAARBANK NV 20/26 +1.00%	2,300,000.00	EUR	94.494	2,178,206.90		0.27	0.27
ARGENTA SPAARBANK NV 20/27 +1.00%	800,000.00	EUR	91.421	738,691.11		0.09	0.09
BELFIUS BANK SA/NV 16/26 +3.125% 11/05 11/05	700,000.00	EUR	98.817	705,584.60		0.09	0.09
<u>Canada</u>							
ONTARIO TEACHERS' FINANCE TRUS 21/51 +0.95%	5,900,000.00	EUR	56.427	3,334,543.24		0.41	0.41
<u>Denmark</u>							
DANSKE BK AS 20/30 +1.50% 02/09	850,000.00	EUR	95.473	815,631.03		0.10	0.10
NYKREDIT A/S 21/28 +0.375%	2,050,000.00	EUR	88.159	1,814,551.85		0.22	0.22
<u>Finland</u>							
BALDER FINLAND OYJ 21/29 +1.00%	3,300,000.00	EUR	76.458	2,554,139.81		0.32	0.31
BALDER FINLAND OYJ 22/27 +1.00%	600,000.00	EUR	85.088	516,199.44		0.06	0.06
NORDEA BANK FINLAND PLC 21/28 +0.50%	803,000.00	EUR	87.965	706,983.16		0.09	0.09
OP CORPORATE BANK PLC 20/27 +0.10%	3,900,000.00	EUR	89.157	3,477,595.44		0.43	0.43
OP CORPORATE BANK PLC 20/30 +1.625% 09/06	1,485,000.00	EUR	95.620	1,433,347.36		0.18	0.18
<u>France</u>							
BANQUE FEDERATIVE DU CREDIT MUTUEL 15/25 +3.00% 11/09 11/09	1,100,000.00	EUR	99.329	1,102,445.11		0.14	0.14
BANQUE FEDERATIVE DU CREDIT MUTUEL 16/26 +1.875% 04/11 04/11	800,000.00	EUR	95.868	769,197.26		0.10	0.10
BANQUE FEDERATIVE DU CREDIT MUTUEL 18/25 +0.75% 17/01 17/07	1,800,000.00	EUR	95.965	1,733,449.31		0.21	0.21
BANQUE FEDERATIVE DU CREDIT MUTUEL 18/28 +1.375%	700,000.00	EUR	93.028	655,558.15		0.08	0.08
BANQUE FEDERATIVE DU CREDIT MUTUEL 19/26 +0.75% 08/06 08/06	5,500,000.00	EUR	94.179	5,202,828.83		0.64	0.64
BANQUE FEDERATIVE DU CREDIT MUTUEL 20/30 +0.75%	500,000.00	EUR	84.789	427,501.72		0.05	0.05
BANQUE FEDERATIVE DU CREDIT MUTUEL 20/30 +1.25%	3,200,000.00	EUR	86.741	2,798,551.77		0.35	0.34
BANQUE FEDERATIVE DU CREDIT MUTUEL 20/31 +0.625%	500,000.00	EUR	82.078	413,050.32		0.05	0.05
BANQUE FEDERATIVE DU CREDIT MUTUEL 21/26 +0.01%	5,000,000.00	EUR	92.987	4,649,644.19		0.57	0.57
BANQUE FEDERATIVE DU CREDIT MUTUEL 21/28 +0.25%	3,200,000.00	EUR	86.700	2,777,955.00		0.34	0.34
BANQUE FEDERATIVE DU CREDIT MUTUEL 21/28 +0.625%	2,300,000.00	EUR	87.591	2,016,786.47		0.25	0.25
BANQUE FEDERATIVE DU CREDIT MUTUEL 22/29 +2.625%	400,000.00	EUR	95.175	382,219.95		0.05	0.05
BANQUE FEDERATIVE DU CREDIT MUTUEL 22/32 +1.125%	500,000.00	EUR	83.625	423,424.75		0.05	0.05
BANQUE FEDERATIVE DU CREDIT MUTUEL 22/33 +3.75%	2,700,000.00	EUR	102.305	2,854,064.56		0.35	0.35
BANQUE FEDERATIVE DU CREDIT MUTUEL 23/28 +3.875%	1,400,000.00	EUR	101.603	1,472,523.57		0.18	0.18
BANQUE FEDERATIVE DU CREDIT MUTUEL 23/33 +5.125%	2,000,000.00	EUR	107.318	2,244,645.57		0.28	0.28
BNP PARIBAS CARDIF SA 14/25 +4.032% 25/11 25/11	1,300,000.00	EUR	98.791	1,289,147.69		0.16	0.16
BNP PARIBAS SA 15/25 +2.375% 17/02 17/02	2,000,000.00	EUR	98.606	2,013,116.85		0.25	0.25
BNP PARIBAS SA 16/27 +2.25% 11/01 11/01	3,000,000.00	EUR	97.296	2,983,964.04		0.37	0.37
BNP PARIBAS SA 19/26 +2.125% 23/01 23/01	1,100,000.00	EUR	97.209	1,091,070.33		0.14	0.13
BNP PARIBAS SA 20/28 +0.50% 19/02	7,200,000.00	EUR	91.080	6,588,607.11		0.82	0.81
BNP PARIBAS SA 21/33 +0.875% 31/08	600,000.00	EUR	85.968	517,527.15		0.06	0.06
BNP PARIBAS SA 23/31 +3.875% 10/01	400,000.00	EUR	103.089	427,346.55		0.05	0.05
BPCE SA 20/27 +0.50%	2,000,000.00	EUR	92.331	1,849,487.65		0.23	0.23

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
BPCE SA 22/32 +2.375%	1,600,000.00	EUR	93.095	1,515,159.29		0.19	0.19
CREDIT AGRICOLE 21/28 +0.375%	600,000.00	EUR	88.405	531,987.01		0.07	0.07
CREDIT AGRICOLE 22/29 +1.125%	500,000.00	EUR	91.198	460,735.41		0.06	0.06
CREDIT AGRICOLE (LONDON) 16/26 +1.875% 20/12 20/12	1,000,000.00	EUR	96.334	963,802.97		0.12	0.12
CREDIT AGRICOLE (LONDON) 17/27 +1.375% 03/05 03/05	6,000,000.00	EUR	94.856	5,745,434.36		0.71	0.71
CREDIT AGRICOLE (LONDON) 19/29 +1.75% 05/03 05/03	600,000.00	EUR	92.496	563,554.50		0.07	0.07
CREDIT MUTUEL ARKEA SA 20/27 +0.875%	3,400,000.00	EUR	92.594	3,167,367.84		0.39	0.39
CREDIT MUTUEL ARKEA SA 20/29 +1.25% 11/06	1,700,000.00	EUR	90.849	1,556,101.64		0.19	0.19
CREDIT MUTUEL ARKEA SA 22/30 +0.75%	100,000.00	EUR	86.160	86,869.23		0.01	0.01
MUTUELLE ASSURANCE DES COMMERC 21/52 +2.125% 21/03	2,600,000.00	EUR	77.383	2,040,795.98		0.25	0.25
SUEZ SACA 22/32 +5.00%	3,600,000.00	EUR	110.812	4,016,770.28		0.50	0.49
<b>Germany</b>							
AAREAL BANK AG 20-27 0.5	200,000.00	EUR	88.559	177,844.45		0.02	0.02
AAREAL BANK AG 20/27 +0.25%	300,000.00	EUR	85.565	256,768.65		0.03	0.03
AAREAL BANK AG 21/26 +0.05%	800,000.00	EUR	89.368	715,076.12		0.09	0.09
AAREAL BANK AG 22/28 +0.75%	300,000.00	EUR	86.335	260,573.99		0.03	0.03
DEUTSCHE BANK AG 18/28 +1.75%	6,700,000.00	EUR	92.855	6,332,434.92		0.78	0.78
DEUTSCHE BANK AG 20/26 +1.375% 03/09	2,700,000.00	EUR	95.843	2,599,627.89		0.32	0.32
DEUTSCHE BANK AG 20/27 +1.625%	4,400,000.00	EUR	94.055	4,205,592.59		0.52	0.52
DEUTSCHE BANK AG 22/30 +5.00% 05/09	1,700,000.00	EUR	103.409	1,784,656.83		0.22	0.22
VIER GAS TRANSPORT GMBH 22/32 +4.625%	800,000.00	EUR	109.125	882,502.17		0.11	0.11
<b>Ireland</b>							
AIB GROUP PLC 22/28 +2.25% 04/04	1,651,000.00	EUR	95.961	1,611,613.31		0.20	0.20
HAMMERSON IRELAND FINANCE DAC 21/27 +1.75%	1,600,000.00	EUR	91.805	1,484,871.07		0.18	0.18
NEW LINDE PLC 23/34 +3.625%	800,000.00	EUR	104.930	855,289.31		0.11	0.11
<b>Italy</b>							
INTESA SANPAOLO SPA 19/26 +1.00%	1,000,000.00	EUR	93.781	938,898.85		0.12	0.12
INTESA SANPAOLO SPA 21/28 +0.75%	1,000,000.00	EUR	90.155	907,450.09		0.11	0.11
INTESA SANPAOLO SPA 23/31 +5.125%	363,000.00	EUR	106.785	393,829.04		0.05	0.05
UNICREDIT SPA 21/31 +0.85%	2,800,000.00	EUR	82.615	2,335,655.44		0.29	0.29
<b>Japan</b>							
SUMITOMO MITSUI FINANCIAL GROUP INC 19/29 +0.632%	2,710,000.00	EUR	85.733	2,326,489.17		0.29	0.29
<b>Luxembourg</b>							
CPI PROPERTY GROUP SA 20/26 +2.75%	1,500,000.00	EUR	83.673	1,281,135.47		0.16	0.16
EUROCLEAR INVESTMENTS SA 16/26 +1.125%	1,100,000.00	EUR	95.328	1,049,355.76		0.13	0.13
<b>Netherlands</b>							
CTP BV 21/27 +0.75%	3,000,000.00	EUR	89.242	2,696,604.16		0.33	0.33
CTP BV 22/26 +0.875%	3,550,000.00	EUR	92.788	3,323,175.96		0.41	0.41
HEIMSTADEN BOSTAD TREASURY BV 22/25 +0.625%	5,400,000.00	EUR	88.872	4,813,644.98		0.60	0.59
ING GROEP NV 20/29 +0.25% 18/02	1,800,000.00	EUR	86.934	1,568,677.38		0.19	0.19
ING GROEP NV 22/27 +1.25% 16/02	500,000.00	EUR	95.174	481,279.14		0.06	0.06
<b>Norway</b>							
SPAREBANK 1 SR BANK ASA 21/26 +0.25%	1,500,000.00	EUR	91.987	1,380,321.50		0.17	0.17
SPAREBANK 1 SR BANK ASA 23/27 +3.75%	1,000,000.00	EUR	101.807	1,021,756.37		0.13	0.13
<b>Romania</b>							
BANCA COMERCIALA ROMANA SA 23/27 +7.625% 19/05	1,700,000.00	EUR	105.663	1,875,605.44		0.23	0.23
<b>Spain</b>							
BANCO BILBAO VIZCAYA ARGENTARIA 17/27	1,200,000.00	EUR	100.317	1,241,023.13		0.15	0.15
BANCO BILBAO VIZCAYA ARGENTARIA 20/30 +1.00% 16/01	700,000.00	EUR	96.268	680,533.00		0.08	0.08
BANCO BILBAO VIZCAYA ARGENTARIA 22/29 +4.375%	1,200,000.00	EUR	106.400	1,287,700.98		0.16	0.16
BANCO BILBAO VIZCAYA ARGENTARIA 23/31 +4.625% 13/01	900,000.00	EUR	105.155	986,309.74		0.12	0.12
BANCO SABADELL 22/28 +5.125% 10/11	1,800,000.00	EUR	105.265	1,907,125.45		0.24	0.23
BANCO SANTANDER CENTRAL HISPANO SA 20/27 +0.50%	1,000,000.00	EUR	91.841	922,899.95		0.11	0.11
BANCO SANTANDER CENTRAL HISPANO SA 23/30 +4.25%	3,100,000.00	EUR	104.707	3,317,906.26		0.41	0.41
SANTANDER CONSUMER FINANCE SA 21/26 0.00%	500,000.00	EUR	93.384	466,920.08		0.06	0.06
<b>Sweden</b>							
FASTIGHETS AB BALDER 17/26 +1.875%	1,600,000.00	EUR	91.393	1,490,230.80		0.18	0.18
SWEDBANK 22/27 +1.30%	606,000.00	EUR	93.192	571,543.13		0.07	0.07
SWEDBANK 22/27 +2.10%	950,000.00	EUR	96.368	927,375.18		0.12	0.11
SWEDBANK 23/30 +4.375%	1,500,000.00	EUR	103.797	1,577,572.26		0.20	0.19
<b>Switzerland</b>							
CREDIT SUISSE AG/LONDON 21/28 +0.25%	9,150,000.00	EUR	87.043	7,971,866.51		0.99	0.98
CS GROUP 20/26 +3.25% 02/04	1,834,000.00	EUR	99.136	1,862,296.07		0.23	0.23
CS GROUP 22/29 +7.75% 01/03	5,850,000.00	EUR	115.361	7,123,977.82		0.88	0.88
UBS GROUP AG 16/26 +1.25% 01/09 01/09	3,450,000.00	EUR	95.105	3,295,131.94		0.41	0.41
UBS GROUP AG 21/28 +0.25%	4,057,000.00	EUR	88.048	3,580,675.29		0.44	0.44
UBS LONDON 21/26 +0.01%	2,202,000.00	EUR	93.195	2,052,312.76		0.25	0.25
UBS LONDON 21/31 +0.50%	9,031,000.00	EUR	81.923	7,432,116.61		0.92	0.91
<b>U.K.</b>							
CYBG PLC 20/25 +2.875% 24/12	1,000,000.00	EUR	99.459	994,982.76		0.12	0.12

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
HSBC HOLDING PLC 21/29 +0.641% 24/09	2,000,000.00	EUR	87.857	1,760,509.12		0.22	0.22
HSBC HOLDING PLC 22/27 +3.019% 15/06	4,150,000.00	EUR	98.841	4,169,317.66		0.52	0.51
HSBC HOLDING PLC 23/33 +4.856% 23/05	2,100,000.00	EUR	106.260	2,292,758.42		0.28	0.28
NATIONWIDE BLDG SOCIETY 22/27 +2.00%	1,109,000.00	EUR	96.242	1,082,169.89		0.13	0.13
NATIONWIDE BLDG SOCIETY 22/29 +3.25%	1,300,000.00	EUR	99.941	1,312,503.33		0.16	0.16
<u>U.S.A.</u>							
AMERICAN TOWER CORP 20/28 +0.50%	1,950,000.00	EUR	89.292	1,750,487.26		0.22	0.22
BANK OF AMERICA CORP 17/27 +1.776% 04/05 04/05	2,020,000.00	EUR	96.116	1,964,960.20		0.24	0.24
BANK OF AMERICA CORP 23/28 +4.134%	5,000,000.00	EUR	103.229	5,274,399.07		0.65	0.65
BERKSHIRE HATHAWAY FINANCE COR 22/30 +1.50%	500,000.00	EUR	90.903	460,375.84		0.06	0.06
BERKSHIRE HATHAWAY FINANCE COR 22/34 +2.00%	7,800,000.00	EUR	89.027	7,066,020.90		0.87	0.87
CAPITAL ONE FINANCIAL CORP 19/29 +1.65%	3,239,000.00	EUR	87.978	2,878,820.75		0.36	0.35
CELANESE US HOLDINGS LLC 22/26 +4.777%	1,000,000.00	EUR	101.822	1,039,497.32		0.13	0.13
CELANESE US HOLDINGS LLC 22/29 +5.337%	1,600,000.00	EUR	104.990	1,760,320.56		0.22	0.22
EURONET WORLDWIDE INC 19/26 +1.375%	4,218,000.00	EUR	94.003	4,000,072.80		0.50	0.49
GOLDMAN SACHS 21/29 +0.875%	2,700,000.00	EUR	87.054	2,365,572.64		0.29	0.29
JPMORGAN CHASE & CO 18/29 +1.812% 12/06	6,550,000.00	EUR	93.626	6,197,359.07		0.77	0.76
JPMORGAN CHASE & CO 19/27 +1.09% 11/03 11/03	4,900,000.00	EUR	95.066	4,700,982.36		0.58	0.58
NEW YORK LIFE GLOBAL FDG 20/27 +0.25%	772,000.00	EUR	92.562	716,374.06		0.09	0.09
VISA INC 22/26 +1.50%	4,900,000.00	EUR	96.717	4,778,676.83		0.59	0.59
WELLS FARGO COMPANY 16/26 +1.375%	1,900,000.00	EUR	94.502	1,800,112.10		0.22	0.22
WELLS FARGO COMPANY 16/27 +1.00% 02/08 02/02	6,630,000.00	EUR	92.980	6,224,546.30		0.77	0.77
WELLS FARGO COMPANY 19/30 +0.625%	1,810,000.00	EUR	83.815	1,525,675.87		0.19	0.19
Corporate bonds							
<u>Australia</u>							
APT PIPELINES LTD 15/27 +2.00%	700,000.00	EUR	95.647	680,312.67		0.08	0.08
AUSGRID FINANCE PTY LTD 21/31 +0.875%	3,000,000.00	EUR	81.852	2,461,502.37		0.30	0.30
SYDNEY AIRPORT 23/33 +4.375%	3,200,000.00	EUR	105.442	3,465,942.00		0.43	0.43
TOYOTA FINANCE AUSTRALIA LTD 22/28 +0.44%	3,780,000.00	EUR	90.416	3,433,669.51		0.43	0.42
<u>Belgium</u>							
ANHEUSER-BUSCH INBEV NV 16/36 +2.75% 29/03 17/03	1,000,000.00	EUR	95.754	979,107.06		0.12	0.12
FLUVIUS SYSTEM OPERATOR CVBA 21/28 +0.25%	1,600,000.00	EUR	88.580	1,419,448.81		0.18	0.17
G.B.L. 18/25 +1.875%	100,000.00	EUR	97.839	98,827.77		0.01	0.01
G.B.L. 23/33 +4.00%	7,500,000.00	EUR	105.298	8,084,221.74		1.00	0.99
VGP NV 21/29 +1.50%	100,000.00	EUR	77.922	79,008.23		0.01	0.01
<u>Cyprus</u>							
AROUNDTOWN PROPERTY HOLD SA 19/28 +1.45% 09/07 09/07	100,000.00	EUR	78.122	78,806.95		0.01	0.01
<u>Finland</u>							
ELENIA VERKKO OYJ 20/27 +0.375%	3,000,000.00	EUR	91.105	2,743,199.60		0.34	0.34
UPM-KYMMENE CORP 21/31 +0.50%	499,000.00	EUR	82.781	414,997.42		0.05	0.05
UPM-KYMMENE CORP 22/29 +2.25%	3,399,000.00	EUR	95.736	3,300,050.66		0.41	0.41
<u>France</u>							
AIR LIQUIDE FINANCE SA 21/31 +0.375%	2,000,000.00	EUR	84.628	1,696,991.23		0.21	0.21
AUCHAN HOLDINGS SA 20/26 +2.875%	500,000.00	EUR	97.358	499,946.11		0.06	0.06
AXA 18/29 +3.25% 26/03 28/05	1,250,000.00	EUR	96.248	1,226,970.04		0.15	0.15
BOUYGUES 22/29 +2.25%	500,000.00	EUR	96.866	489,954.75		0.06	0.06
BOUYGUES 22/32 +4.625%	2,600,000.00	EUR	110.096	2,929,851.22		0.36	0.36
BOUYGUES 22/37 +3.25%	500,000.00	EUR	98.143	498,793.18		0.06	0.06
BOUYGUES 22/42 +5.375%	2,100,000.00	EUR	119.142	2,558,116.25		0.32	0.31
CARREFOUR 22/29 +2.375%	1,000,000.00	EUR	96.066	964,555.94		0.12	0.12
DASSAULT SYSTEMES 19/29 +0.375%	1,000,000.00	EUR	88.228	883,350.52		0.11	0.11
EDENRED 23/31 +3.625%	6,200,000.00	EUR	102.036	6,448,458.48		0.80	0.79
GIE PSA TRESORERIE 3/33 +6.00%	2,665,000.00	EUR	118.806	3,210,299.58		0.40	0.40
L'OREAL 23/25 +3.125%	3,000,000.00	EUR	99.909	3,054,652.30		0.38	0.38
LA MONDIALE SAM 14/25 +5.05% 17/12 17/12	1,400,000.00	EUR	100.296	1,406,468.61		0.17	0.17
MERCIALYS SA 22/29 +2.50%	3,500,000.00	EUR	91.696	3,282,222.89		0.41	0.40
ORANGE S.A. 3/33 8,125% 28/1	3,059,000.00	EUR	140.650	4,530,602.81		0.56	0.56
ORANGE S.A. 14/26 5.00% 01/10 01/10	1,100,000.00	EUR	102.199	1,137,562.83		0.14	0.14
ORANGE S.A. 16/25 +1.00% 12/05 12/05	800,000.00	EUR	96.893	780,190.42		0.10	0.10
ORANGE S.A. 18/30 +1.375%	4,300,000.00	EUR	92.080	4,015,656.98		0.50	0.49
ORANGE S.A. 18/30 +1.875%	300,000.00	EUR	94.067	283,860.45		0.04	0.04
ORANGE S.A. 19/26 +1.75% 19/09 19/03	600,000.00	EUR	93.257	567,720.48		0.07	0.07
ORANGE S.A. 19/29 +2.00% 15/01 15/01	700,000.00	EUR	96.219	686,883.40		0.09	0.08
ORANGE S.A. 20/99 1.75%	700,000.00	EUR	88.913	624,899.78		0.08	0.08
ORANGE S.A. 21/99 0.00%	800,000.00	EUR	85.369	689,942.98		0.09	0.09
ORANGE S.A. 23/99 +5.375%	3,000,000.00	EUR	104.906	3,259,524.81		0.40	0.40
SODEXO 20/28 +1.00%	100,000.00	EUR	92.051	92,501.55		0.01	0.01
TDF INFRASTRUCTURE SASU 21/29 +1.75%	5,300,000.00	EUR	87.473	4,643,150.31		0.57	0.57
TELEPERFORMANCE 22/29 +3.75%	100,000.00	EUR	99.988	101,913.76		0.01	0.01
TOTAL 21/99 +1.625%	3,400,000.00	EUR	89.717	3,101,530.81		0.38	0.38
TOTAL CAPITAL CANADA LTD 14/29 +2.125% 18/09 18/09	1,500,000.00	EUR	95.933	1,447,872.20		0.18	0.18
TOTAL CAPITAL INTERNATIONAL SA 19/28 +0.696%	4,200,000.00	EUR	91.148	3,845,148.41		0.48	0.47
<u>Germany</u>							

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
ALLIANZ SE 15/25 +2.241% 07/07 07/07	1,000,000.00	EUR	97.188	982,596.01		0.12	0.12
ALLIANZ SE 17/27 +3.099% 13/01 06/07	7,900,000.00	EUR	98.095	7,867,266.31		0.97	0.97
ALLIANZ SE 19/49 +1.301% 25/09	1,000,000.00	EUR	86.475	868,123.56		0.11	0.11
ALLIANZ SE 22/38 +4.597% 07/06	1,400,000.00	EUR	102.611	1,456,417.44		0.18	0.18
ALLIANZ SE 22/52 +4.252% 05/01	3,000,000.00	EUR	99.333	3,041,671.05		0.38	0.37
AMPRION GMBH 22/32 +3.971%	8,000,000.00	EUR	104.392	8,436,450.26		1.04	1.04
HANNOVER RUECK SE 20/40 +1.75% 08/07	500,000.00	EUR	86.344	433,681.18		0.05	0.05
HOCHTIEF AG 21/29 +0.625%	9,750,000.00	EUR	86.796	8,503,694.52		1.05	1.05
ROBERT BOSCH INVESTMENT NEDERL 13/28 +2.625% 24/05 24/05	1,500,000.00	EUR	99.011	1,508,718.40		0.19	0.19
TALANX AG 14/26 +2.50%	1,400,000.00	EUR	98.152	1,389,328.23		0.17	0.17
TALANX AG 17/27 +2.25% 05/12 05/12	700,000.00	EUR	93.362	654,567.53		0.08	0.08
TALANX AG 22/29 +4.00%	8,800,000.00	EUR	104.315	9,242,209.46		1.14	1.14
VOLKSWAGEN BANK GMBH 19/26 +2.50% 31/07 31/07	8,000,000.00	EUR	97.516	7,883,754.46		0.98	0.97
VOLKSWAGEN FIN SERV AG 20/28 +3.375%	2,710,000.00	EUR	100.911	2,801,411.01		0.35	0.34
<u>Ireland</u>							
ABBOTT IRELAND FINANCING DAC 19/27 +0.375%	2,550,000.00	EUR	91.752	2,340,722.61		0.29	0.29
ATLAS COPCO FINANCE DAC 22/32 +0.75%	2,500,000.00	EUR	84.183	2,121,215.84		0.26	0.26
DXC CAPITAL FUNDING LTD 21/27 +0.45%	920,000.00	EUR	88.894	819,084.79		0.10	0.10
EATON CAPITAL UNLTD CO 21/26 +0.128%	700,000.00	EUR	93.928	658,223.78		0.08	0.08
EATON CAPITAL UNLTD CO 21/30 +0.577%	2,000,000.00	EUR	86.608	1,741,486.20		0.22	0.21
LINDE PLC 22/31 +1.375%	1,200,000.00	EUR	90.318	1,096,123.98		0.14	0.14
MEDTRONIC GLOBAL HOLDINGS SCA 22/31 +3.125%	8,900,000.00	EUR	100.584	9,009,007.54		1.11	1.11
RYANAIR LTD 20/25 +2.875%	2,650,000.00	EUR	99.122	2,648,591.26		0.33	0.33
RYANAIR LTD 21/26 +0.875%	1,129,000.00	EUR	94.509	1,072,887.11		0.13	0.13
<u>Italy</u>							
AEROPORTI DI ROMA SPA 21/31 +1.75%	5,710,000.00	EUR	86.528	4,982,266.83		0.62	0.61
ASTM SPA 21/33 +2.375%	1,150,000.00	EUR	84.261	971,540.63		0.12	0.12
ENI 13/25 3.75% 12/09 12/09	1,800,000.00	EUR	100.684	1,832,237.41		0.23	0.23
ENI 17/25 +1.00%	1,000,000.00	EUR	97.156	979,480.50		0.12	0.12
ENI 17/27 +1.50% 17/01 17/01	4,560,000.00	EUR	95.592	4,423,814.13		0.55	0.54
ENI 20/26 +1.25%	3,560,000.00	EUR	95.914	3,441,897.27		0.43	0.42
ENI 20/30 +0.625%	1,150,000.00	EUR	86.320	999,369.91		0.12	0.12
ENI 20/31 +2.00%	1,300,000.00	EUR	91.990	1,211,856.73		0.15	0.15
ENI 20/99 +2.625%	4,065,000.00	EUR	96.182	4,012,114.69		0.50	0.49
ENI 21/99 +2.00%	2,050,000.00	EUR	91.455	1,900,809.70		0.24	0.23
ENI 23/27 +3.625%	2,800,000.00	EUR	101.628	2,907,711.36		0.36	0.36
FCA BANK SPA IRELAND 23/26 +4.375%	4,700,000.00	EUR	101.658	4,892,533.60		0.61	0.60
HERA SPA 21/34 +1.00%	2,800,000.00	EUR	78.198	2,208,528.16		0.27	0.27
HERA SPA 23/33 +4.25%	950,000.00	EUR	104.033	1,016,225.75		0.13	0.13
SNAM SPA 20/28 0.00%	1,500,000.00	EUR	85.891	1,288,369.20		0.16	0.16
SNAM SPA 20/30 +0.75%	1,400,000.00	EUR	85.133	1,197,462.00		0.15	0.15
<u>Japan</u>							
NTT FINANCE CORP 21/25 +0.01%	1,000,000.00	EUR	96.021	960,294.24		0.12	0.12
NTT FINANCE CORP 21/25 +0.082%	2,000,000.00	EUR	94.255	1,885,162.69		0.23	0.23
<u>Luxembourg</u>							
GRAND CITY PROPERTIES SA 17/26 +1.375% 03/08 03/08	3,500,000.00	EUR	92.325	3,250,849.21		0.40	0.40
JOHN DEERE BANK SA 22/26 +2.50%	600,000.00	EUR	98.955	598,072.52		0.07	0.07
MOHAWK CAPITAL FINANCE SA 20/27 +1.75%	900,000.00	EUR	94.540	859,467.06		0.11	0.11
<u>Netherlands</u>							
AMERICAN MEDICAL SYSTEMS EUROPE BV 22-25 0.75%	4,450,000.00	EUR	96.696	4,329,972.70		0.54	0.53
AMERICAN MEDICAL SYSTEMS EUROPE BV 22-31 1.625%	3,800,000.00	EUR	90.561	3,491,246.87		0.43	0.43
COCA-COLA HBC FINANCE BV 22/25 +2.75%	300,000.00	EUR	99.163	299,676.53		0.04	0.04
DEMETER (SWISS LIFE) 15/25 +4.375% 16/06 16/06	3,150,000.00	EUR	99.458	3,206,738.15		0.40	0.39
DEUTSCHE BAHN FIN 19/29 +1.60% 18/10 18/10	2,000,000.00	EUR	84.694	1,700,177.78		0.21	0.21
DEUTSCHE BAHN FIN 20/39 +0.875%	1,700,000.00	EUR	72.365	1,237,887.46		0.15	0.15
DEUTSCHE TELEKOM INTERNATIONAL 3/33 7.5% 24/01	4,900,000.00	EUR	134.848	6,948,850.40		0.86	0.85
EASYJET FINCO BV 21/28 +1.875%	5,006,000.00	EUR	93.651	4,765,376.76		0.59	0.59
ELM BV (SWISS LIFE) 16/27 +4.50% 19/05 19/05	5,000,000.00	EUR	99.357	5,105,541.17		0.63	0.63
ENEL FINANCE INTERNATIONAL NV 18/26 +1.125%	2,350,000.00	EUR	95.175	2,244,132.55		0.28	0.28
ENEL FINANCE INTERNATIONAL NV 19/25 +1.50% 21/01 21/07	1,750,000.00	EUR	97.218	1,712,864.23		0.21	0.21
HEINEKEN 20/30 +2.25%	1,450,000.00	EUR	96.104	1,417,936.46		0.18	0.17
IBERDROLA INTL BV 19/25 +3.25% 12/02 12/02	6,500,000.00	EUR	99.019	6,621,465.51		0.82	0.81
KONINKLIJKE PHILIPS ELECTRONICS N.V. 19/26 +0.50%	5,000,000.00	EUR	93.342	4,682,187.63		0.58	0.58
MYLAN NV 16/28 +3.125% 22/11 22/11	2,069,000.00	EUR	97.525	2,024,331.33		0.25	0.25
NOVO NORDISK FINANCE NETHERLAN 22/25 +0.75%	5,552,000.00	EUR	97.018	5,417,499.53		0.67	0.67
NOVO NORDISK FINANCE NETHERLAN 22/30 +1.375%	2,000,000.00	EUR	93.158	1,883,670.59		0.23	0.23
PROSUS NV 20/28 +1.539%	652,000.00	EUR	86.618	568,803.68		0.07	0.07
PROSUS NV 21/29 +1.288%	3,946,000.00	EUR	81.395	3,235,308.12		0.40	0.40
SHELL INTERNATIONAL FIN 14/26 +2.50%	4,200,000.00	EUR	99.188	4,246,241.30		0.53	0.52
SHELL INTERNATIONAL FIN 14/27 +1.625% 06/11 20/01	380,000.00	EUR	96.458	372,341.79		0.05	0.05
SHELL INTERNATIONAL FIN 20/28 +1.50%	1,050,000.00	EUR	94.739	1,006,207.43		0.12	0.12
SHELL INTERNATIONAL FIN 20/32 +1.25%	788,000.00	EUR	86.155	680,192.25		0.08	0.08
SHELL INTERNATIONAL FIN 20/32 +1.875%	700,000.00	EUR	91.926	653,022.12		0.08	0.08
SIEMENS FINANCIERINGS NV 22/27 +0.625%	1,300,000.00	EUR	93.636	1,224,096.96		0.15	0.15
STELLANTIS NV 21/29 +0.75%	475,000.00	EUR	89.020	426,210.96		0.05	0.05



Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
STELLANTIS NV 22/32 +2.75%	1,331,000.00	EUR	93.780	1,275,409.87		0.16	0.16
SYNGENTA FINANCE NV 20/26 +3.375%	4,700,000.00	EUR	99.481	4,786,982.53		0.59	0.59
TENNET HOLDING BV 20/40 +0.50%	3,650,000.00	EUR	83.642	3,054,391.63		0.38	0.38
TENNET HOLDING BV 22/42 +2.75%	2,200,000.00	EUR	94.036	2,106,148.60		0.26	0.26
UNILEVER 20/30 +1.75%	2,000,000.00	EUR	94.038	1,907,430.43		0.24	0.23
UNILEVER FINANCE NETHERLANDS BV 17/29 +1.375% 31/07 31/07	1,500,000.00	EUR	93.014	1,403,720.35		0.17	0.17
UPJOHN FINANCE BV 20/27 +1.362%	6,522,000.00	EUR	92.921	6,106,156.16		0.76	0.75
UPJOHN FINANCE BV 20/32 +1.908%	1,000,000.00	EUR	84.273	852,583.49		0.11	0.11
VOLKSWAGEN INTL.FIN. NV 13/33 +3.30% 22/03 22/03	2,100,000.00	EUR	98.941	2,131,155.77		0.26	0.26
VOLKSWAGEN INTL.FIN. NV 17/27 +3.875% 14/06 14/06	500,000.00	EUR	95.531	488,135.84		0.06	0.06
VOLKSWAGEN INTL.FIN. NV 18/28 +4.625% 27/06 27/06	1,900,000.00	EUR	97.019	1,887,778.31		0.23	0.23
VOLKSWAGEN INTL.FIN. NV 18/30 +3.25% 16/11 18/11	700,000.00	EUR	99.168	696,722.47		0.09	0.09
VOLKSWAGEN INTL.FIN. NV 20/28 +0.875%	2,600,000.00	EUR	89.541	2,334,157.79		0.29	0.29
VOLKSWAGEN INTL.FIN. NV 20/99 +3.875%	7,700,000.00	EUR	91.915	7,236,444.53		0.90	0.89
VOLKSWAGEN INTL.FIN. NV 22/99 +3.748%	1,700,000.00	EUR	93.865	1,595,878.24		0.20	0.20
VOLKSWAGEN INTL.FIN. NV 22/99 +4.375%	2,000,000.00	EUR	90.856	1,883,101.11		0.23	0.23
WABTEC TRANSPORTATION NETHERLA 21/27 +1.25%	4,101,000.00	EUR	92.299	3,788,814.57		0.47	0.47
<u>Norway</u>							
EQUINOR ASA 16/36 +1.625% 09/11 09/11	816,000.00	EUR	84.402	690,533.39		0.09	0.09
<u>Spain</u>							
FCC AQUALIA SA 17/27 +2.629%	9,670,000.00	EUR	97.986	9,616,977.37		1.20	1.18
MAPFRE SA 17/27 +4.375% 31/03 31/03	700,000.00	EUR	98.833	714,672.95		0.09	0.09
MAPFRE SA 18/48 +4.125% 07/09	600,000.00	EUR	96.701	587,844.60		0.07	0.07
O2 TELEFONICA DEUTSCHLAND FINA 18/25 +1.75% 05/07 05/07	700,000.00	EUR	97.404	687,754.35		0.09	0.09
<u>Sweden</u>							
ERICSSON 21/29 +1.00%	918,000.00	EUR	84.956	785,336.90		0.10	0.10
SANDVIK FRIA 22/27 +2.125%	850,000.00	EUR	97.118	835,619.21		0.10	0.10
SANDVIK FRIA 22/29 +3.75%	6,650,000.00	EUR	103.524	6,947,738.05		0.86	0.85
<u>U.K.</u>							
BG ENERGY CAPITAL PLC 14/29 +2.25% 21/11 21/11	3,306,000.00	EUR	95.160	3,153,696.10		0.39	0.39
BP CAPITAL MARKETS PLC 14/26 +2.213% 25/09 25/09	1,800,000.00	EUR	97.976	1,773,915.35		0.22	0.22
BRAMBLES FINANCE PLC 23/31 +4.25%	200,000.00	EUR	105.687	217,923.35		0.03	0.03
HEATHROW FUNDING LTD 15/30 +1.50% 11/02 11/02	5,520,000.00	EUR	89.320	5,003,289.81		0.62	0.62
HEATHROW FUNDING LTD 20/25 +1.50%	900,000.00	EUR	96.907	875,043.02		0.11	0.11
NAT. GRID PLC 21/28 +0.163%	150,000.00	EUR	88.684	133,256.47		0.02	0.02
NATIONAL GRID ELECTRICITY DIST 22/32 +3.949%	9,000,000.00	EUR	103.128	9,378,663.45		1.16	1.15
SSE PLC 20/25 +1.25%	1,550,000.00	EUR	97.140	1,519,271.60		0.19	0.19
<u>U.S.A.</u>							
APPLE INC 15/27 +2.00% 17/09 17/09	3,000,000.00	EUR	97.986	2,956,458.65		0.37	0.36
AT&T INC 14/34 +3.375%	4,000,000.00	EUR	98.242	4,036,296.96		0.50	0.50
AT&T INC 17/36 +3.15% 04/09 04/09	900,000.00	EUR	93.478	850,284.10		0.11	0.11
AT&T INC 19/30 +0.80% 11/09 04/03	1,900,000.00	EUR	87.088	1,667,131.31		0.21	0.21
AT&T INC 20/28 +1.60%	8,500,000.00	EUR	94.022	8,075,121.97		1.00	0.99
AT&T INC 23/34 +4.30%	1,200,000.00	EUR	105.824	1,275,673.49		0.16	0.16
ATHENE GLOBAL FUNDING 21/28 +0.625%	3,620,000.00	EUR	89.101	3,247,210.86		0.40	0.40
BLACKSTONE HOLDINGS FINANCE CO 16/26 +1.00% 05/10 05/10	900,000.00	EUR	93.750	845,848.92		0.11	0.10
BOOKING HOLDINGS INC 15/27 +1.80% 03/03 03/03	1,466,000.00	EUR	96.364	1,434,397.12		0.18	0.18
BOOKING HOLDINGS INC 21/25 +0.10%	8,250,000.00	EUR	96.179	7,941,431.79		0.98	0.98
BOOKING HOLDINGS INC 21/28 +0.50%	5,924,000.00	EUR	90.796	5,402,680.39		0.67	0.66
BOOKING HOLDINGS INC 22/29 +4.25%	605,000.00	EUR	106.019	657,433.02		0.08	0.08
BOOKING HOLDINGS INC 22/31 +4.50%	1,064,000.00	EUR	109.060	1,166,157.61		0.14	0.14
BOOKING HOLDINGS INC 22/34 +4.75%	4,634,000.00	EUR	113.085	5,266,835.18		0.65	0.65
BOSTON SCIENTIFIC 19/27 +0.625%	3,500,000.00	EUR	91.497	3,204,053.63		0.40	0.39
COCA-COLA CO 15/35 +1.625%	1,750,000.00	EUR	86.782	1,541,605.32		0.19	0.19
COCA-COLA CO 20/29 +0.125%	5,000,000.00	EUR	87.318	4,370,811.36		0.54	0.54
COCA-COLA CO 21/29 +0.125%	2,000,000.00	EUR	87.210	1,746,214.23		0.22	0.22
DXC TECHNOLOGY CO 18/26 +1.75%	796,000.00	EUR	96.732	783,268.25		0.10	0.10
EXXON MOBIL CORP 20/32 +0.835%	9,040,000.00	EUR	83.015	7,542,904.52		0.93	0.93
EXXON MOBIL CORP 20/39 +1.408%	810,000.00	EUR	74.332	607,881.88		0.08	0.08
GENERAL ELECTRIC CO 5/35 4.125 19/09	700,000.00	EUR	107.500	760,468.24		0.09	0.09
I.B.M. 19/31 +1.75%	7,500,000.00	EUR	91.924	7,013,684.31		0.87	0.86
I.B.M. 23/31 +3.625%	1,500,000.00	EUR	103.348	1,598,778.92		0.20	0.20
KKR GROUP FINANCE CO V LLC 19/29 +1.625%	1,583,000.00	EUR	90.301	1,444,990.44		0.18	0.18
MCKESSON CORP 18/26 +1.625%	3,215,000.00	EUR	96.433	3,108,894.98		0.38	0.38
MERCK & CO 14/26 +1.875% 15/10 15/10	1,300,000.00	EUR	97.375	1,270,870.60		0.16	0.16
MET LIFE GLOB FUNDING I 20/27 +0.55%	6,320,000.00	EUR	91.927	5,828,393.14		0.72	0.72
MET LIFE GLOB FUNDING I 22/25 +1.75%	2,105,000.00	EUR	97.668	2,077,853.70		0.26	0.26
PARKER-HANNIFIN CORPORATION 17/25 +1.125% 01/03 01/03	4,520,000.00	EUR	97.100	4,431,003.57		0.55	0.55
PEPSICO INC 16/28 +0.875% 18/07 18/07	1,800,000.00	EUR	92.122	1,665,257.70		0.21	0.21
PEPSICO INC 20/28 +0.50%	8,810,000.00	EUR	91.111	8,055,363.18		1.00	0.99
PPG INDUSTRIES INC 15/27 +1.40% 13/03 13/03	742,000.00	EUR	94.463	709,173.69		0.09	0.09
STRYKER CORPORATION 18/27 +2.125%	1,100,000.00	EUR	96.867	1,067,394.35		0.13	0.13
STRYKER CORPORATION 18/30 +2.625%	560,000.00	EUR	97.004	544,387.96		0.07	0.07

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
STRYKER CORPORATION 19/29 +0.75%	3,550,000.00	EUR	89.060	3,183,687.10		0.39	0.39
TOYOTA MOTOR CREDIT CORP 23/29 +4.05%	3,550,000.00	EUR	105.042	3,771,012.93		0.47	0.46
VERIZON COMMUNICATIONS INC 14/31 +2.625% 01/12 01/12	1,250,000.00	EUR	95.792	1,199,915.50		0.15	0.15
VERIZON COMMUNICATIONS INC 19/27 +0.875%	2,250,000.00	EUR	93.568	2,119,536.19		0.26	0.26
VERIZON COMMUNICATIONS INC 19/30 +1.25%	950,000.00	EUR	89.218	856,173.58		0.11	0.11
VERIZON COMMUNICATIONS INC 19/32 +0.875%	4,050,000.00	EUR	83.000	3,389,104.09		0.42	0.42
VERIZON COMMUNICATIONS INC 21/29 +0.375%	1,350,000.00	EUR	87.063	1,179,245.31		0.15	0.14
VERIZON COMMUNICATIONS INC 21/32 +0.75%	1,500,000.00	EUR	82.246	1,242,365.23		0.15	0.15
VERIZON COMMUNICATIONS INC 22/30 +4.25%	5,050,000.00	EUR	106.190	5,397,193.52		0.67	0.66
WESTLAKE CHEMICAL CORP 19/29 +1.625%	2,008,000.00	EUR	90.007	1,822,054.51		0.23	0.22
Total bonds				770,483,400.31		95.28	94.72
<b>Money market instruments</b>							
Money market instruments issued by credit instit.							
<u>Denmark</u>							
DANSKE BK AS 19/24 +2.50% 22/03 21/06	2,880,000.00	EUR	98.967	2,887,823.37		0.36	0.36
<u>France</u>							
HSBC FRANCE SA 19/24 +0.25% 17/05 17/05	1,000,000.00	EUR	98.638	987,923.72		0.12	0.12
PSA BANQUE FRANCE SA 19/24 +0.625%	4,419,000.00	EUR	98.473	4,365,934.93		0.54	0.54
<u>Netherlands</u>							
HEIMSTADEN BOSTAD TREASURY BV 21/24 +0.25%	1,650,000.00	EUR	94.375	1,558,055.33		0.19	0.19
<u>Spain</u>							
BANCO BILBAO VIZCAYA ARGENTARIA 19/24 +2.575% 22/02 22/02	4,200,000.00	EUR	99.672	4,278,077.42		0.53	0.53
Corporate money market instruments							
<u>Australia</u>							
SYDNEY AIRPORT 14/24 +2.75% 23/04 23/04	3,110,000.00	EUR	99.563	3,154,828.01		0.39	0.39
<u>Belgium</u>							
G.B.L. 17/24 +1.375% 23/05 23/05	500,000.00	EUR	99.028	499,272.51		0.06	0.06
<u>France</u>							
AUTOROUTES DU SUD DE LA FRANCE 14/24 2.95% 17/01 17/01	1,100,000.00	EUR	99.966	1,130,386.82		0.14	0.14
DASSAULT SYSTEMES 19/24 0.00%	1,400,000.00	EUR	97.452	1,364,328.00		0.17	0.17
<u>Germany</u>							
ALLIANZ AG 14/24 +3.375% 18/09 18/09	900,000.00	EUR	99.062	900,023.16		0.11	0.11
VOLKSWAGEN BANK GMBH 19/24 +1.875%	900,000.00	EUR	99.809	913,630.31		0.11	0.11
<u>Ireland</u>							
CRH FUNDING BV 15/24 +1.875% 02/12 09/01	2,443,000.00	EUR	99.959	2,486,424.16		0.31	0.31
EATON CAPITAL UNLTD CO 16/24 +0.75%	3,650,000.00	EUR	97.895	3,580,647.01		0.44	0.44
<u>Italy</u>							
FCA BANK SPA IRELAND 19/24 +0.50% 13/09 13/09	909,000.00	EUR	97.645	888,921.78		0.11	0.11
<u>Mexico</u>							
SIGMA ALIMENTOS 17/24 +2.625%	694,000.00	EUR	99.763	708,576.28		0.09	0.09
<u>Netherlands</u>							
DEUTSCHE BAHN FIN 19/25 +0.95% 18/10 22/04	800,000.00	EUR	95.729	771,041.70		0.10	0.10
NOVO NORDISK FINANCE NETHERLAN 21/24 0.00%	4,300,000.00	EUR	98.419	4,232,017.00		0.52	0.52
<u>Romania</u>							
NE PROPERTY COOPERATIEF UA 17/24 +1.75%	500,000.00	EUR	96.916	485,440.66		0.06	0.06
<u>U.S.A.</u>							
EMERSON ELECTRIC CO 19/24 +0.375%	2,972,000.00	EUR	98.678	2,939,439.79		0.36	0.36
Total money market instruments				38,132,791.96		4.72	4.69
TOTAL SECURITIES PORTFOLIO				808,616,192.27		100.00	99.40
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	5,280,973.67	EUR	1.000	5,280,973.67		0.00	0.65
KBC GROUP USD	0.67	USD	1.000	0.61		0.00	0.00
Total demand accounts				5,280,974.28		0.00	0.65
TOTAL CASH AT BANK AND IN HAND				5,280,974.28		0.00	0.65
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>U.S.A.</u>							
JPMORGAN CHASE & CO DEKKING EUR	0.01	EUR	1.000	0.01		0.00	0.00
Total receivables				0.01		0.00	0.00
TOTAL RECEIVABLES AND PAYABLES				0.01		0.00	0.00

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
OTHER							
Interest receivable		EUR		-0.06		0.00	0.00
Expenses payable		EUR		-428,864.55		0.00	-0.05
TOTAL OTHER				-428,864.61		0.00	-0.05
TOTAL NET ASSETS				813,468,301.95		0.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
United Arab Emirates	0.31	0.00	0.00	0.00
Australia	3.94	1.50	0.75	1.67
Austria	0.57	2.52	2.78	2.71
Belgium	2.96	2.50	4.35	3.23
Canada	0.32	0.46	0.36	0.41
Switzerland	2.68	3.38	2.05	4.10
Cayman Islands	1.08	0.66	0.45	0.00
Cyprus	0.27	0.11	0.01	0.01
Germany	7.51	7.47	8.79	9.21
Denmark	0.28	0.64	1.14	0.67
Spain	7.32	3.28	2.98	3.28
Finland	0.33	0.97	1.27	1.87
France	16.19	15.66	16.33	16.13
U.K.	9.23	12.43	9.79	4.46
Hong Kong	0.07	0.08	0.06	0.00
Ireland	2.05	2.98	4.40	3.89
Italy	5.86	5.60	4.61	5.38
Japan	1.77	1.85	0.97	0.64
Luxembourg	3.94	0.76	0.96	0.87
Mexico	1.81	1.29	0.16	0.09
Netherlands	8.08	12.19	15.95	16.29
Norway	0.61	0.90	0.70	0.38
Romania	0.06	0.07	0.05	0.29
Sweden	1.21	2.29	1.67	1.62
U.S.A.	21.55	20.41	19.42	22.80
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	14.26	14.39	11.22	
Consum(cycl)	10.62	9.80	10.90	
Cons.goods	5.23	5.90	3.76	
Pharma	5.34	4.80	6.56	
Financials	47.13	50.84	47.91	
Technology	4.10	3.50	2.64	
Telecomm.	4.68	3.09	4.53	
Utilities	3.52	2.59	3.82	
Real est.	2.82	1.04	1.50	
Governm.	0.00	0.13	0.10	
Various	2.30	3.92	7.06	
TOTAL	100.00	100.00	100.00	

	31/12/2023
Financial Services	16.70
Banking	14.89
Materials	11.13
Utilities	8.27
Insurance	7.60
Telecommunications	7.17
Health Care	6.97
Oil & Gas	6.25
Consumer Discretionary Products	5.34
Media	3.72
Real Estate	3.52
Consumer Staple Products	3.34
Consumer Discretionary Services	1.60
Software & Tech Services	1.54
Retail & Wholesale - Discretionary	0.80
Tech Hardware & Semiconductors	0.46
Regional & Local	0.41
Retail & Wholesale - Staples	0.18
National	0.11
TOTAL	100.00

The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
EURO	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Euro Corporate Bonds (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	458,308,958.57	238,272,240.78	696,581,199.35
<b>Sales</b>	274,618,669.88	339,691,625.30	614,310,295.18
<b>Total 1</b>	732,927,628.45	577,963,866.08	1,310,891,494.53
<b>Subscriptions</b>	309,884,312.83	120,500,858.98	430,385,171.81
<b>Redemptions</b>	124,578,349.86	231,261,096.49	355,839,446.35
<b>Total 2</b>	434,462,662.69	351,761,955.47	786,224,618.16
<b>Monthly average of total assets</b>	842,609,735.81	839,540,474.41	841.068.941.93
<b>Turnover rate</b>	35.42%	26.94%	62.38%

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

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

A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%), reason: Fundfollows KBC AM weeklystrategy.

The detailed list of transactions can be consulted free of charge at the company designated as financial service: 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 Euro	Lot-size	Transaction date
JPMORGAN DEKKING EUR	EUR	0.01	0.01	N/A	03.03.2021

## 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
2021 - 12	460.12	264.23	2,129.52	216.00	14,640.62	4,347.23	18,987.85
2022 - 12	98.00	180.00	10,015.65	1,451.23	4,722.97	3,076.00	7,798.97
2023 - 12	505.23	2,369.00	782.58	185.00	4,445.61	5,260.00	9,705.61

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	5,111,690.96	1,886,681.14	23,665,389.72	1,542,982.14
2022 - 12	1,044,508.72	1,087,507.62	105,515,986.20	9,539,983.99
2023 - 12	4,890,069.82	14,318,029.59	7,619,575.02	1,111,647.42

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	192,132,056.77	11,032.81	7,040.11
2022 - 12	63,477,372.21	9,544.22	5,981.90
2023 - 12	79,020,325.58	10,284.16	6,330.98

### Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	11,185.62	121.00	5,918.84	22.75	67,949.56	285.26	68,234.82
2022 - 12	17,601.19	74.00	23,726.91	72.00	61,823.84	287.26	62,111.10
2023 - 12	26,367.19	103.69	25,129.26	36.00	63,061.77	354.94	63,416.71

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	125,235,575.72	866,220.30	66,229,695.21	165,021.43
2022 - 12	185,316,797.36	454,508.00	240,857,277.09	468,477.52
2023 - 12	260,300,142.58	635,243.42	248,283,916.61	222,054.84

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	757,344,218.11	11,115.88	7,097.91
2022 - 12	596,579,069.87	9,621.62	6,035.52
2023 - 12	656,532,476.49	10,374.94	6,395.88

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	157,106.00		77,030.00		299,095.00		299,095.00
2022 - 12	97,387.00		371,714.00		24,768.00		24,768.00
2023 - 12	155,655.00		105,531.00		74,892.00		74,892.00

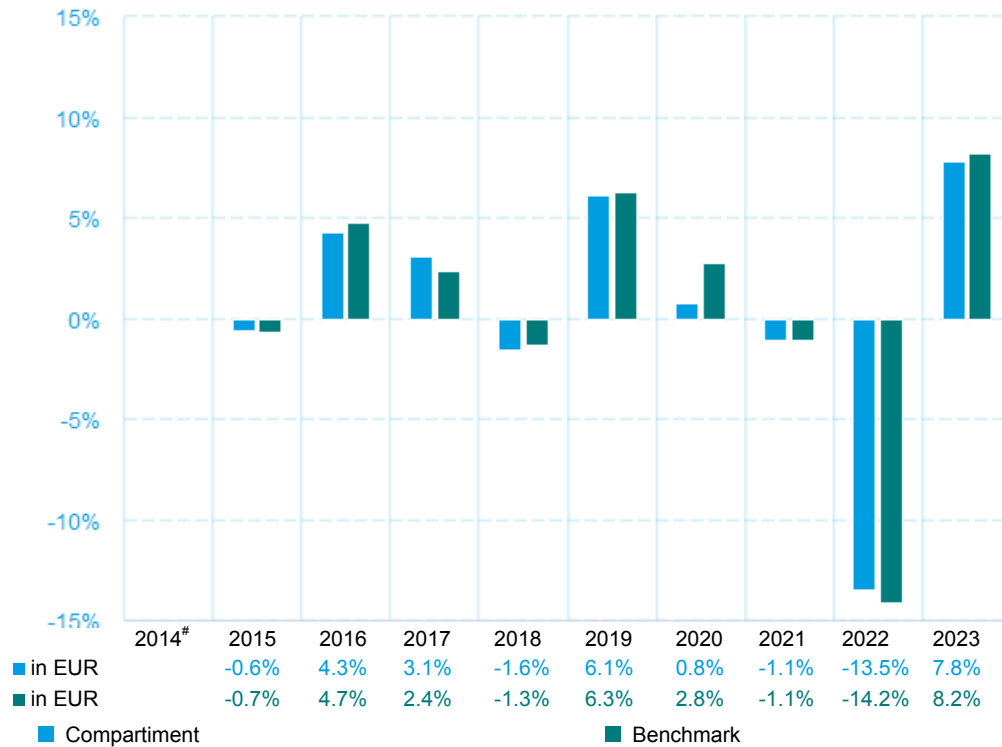
Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	176,779,091.74		86,620,601.74	
2022 - 12	99,747,458.81		388,952,593.14	
2023 - 12	152,995,077.35		103,361,361.82	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	333,674,484.91	1,115.61	
2022 - 12	23,909,216.88	965.33	
2023 - 12	77,915,499.88	1,040.37	

## 2.4.5. Performance figures

### Institutional B Shares

BE6274086295  
KBC Institutional Fund Euro Corporate Bonds Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (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	BE6274086295	EUR	7.77%	8.20%	-2.65%	-2.78%	-0.27%	0.07%			27/11/2014	0.44%

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

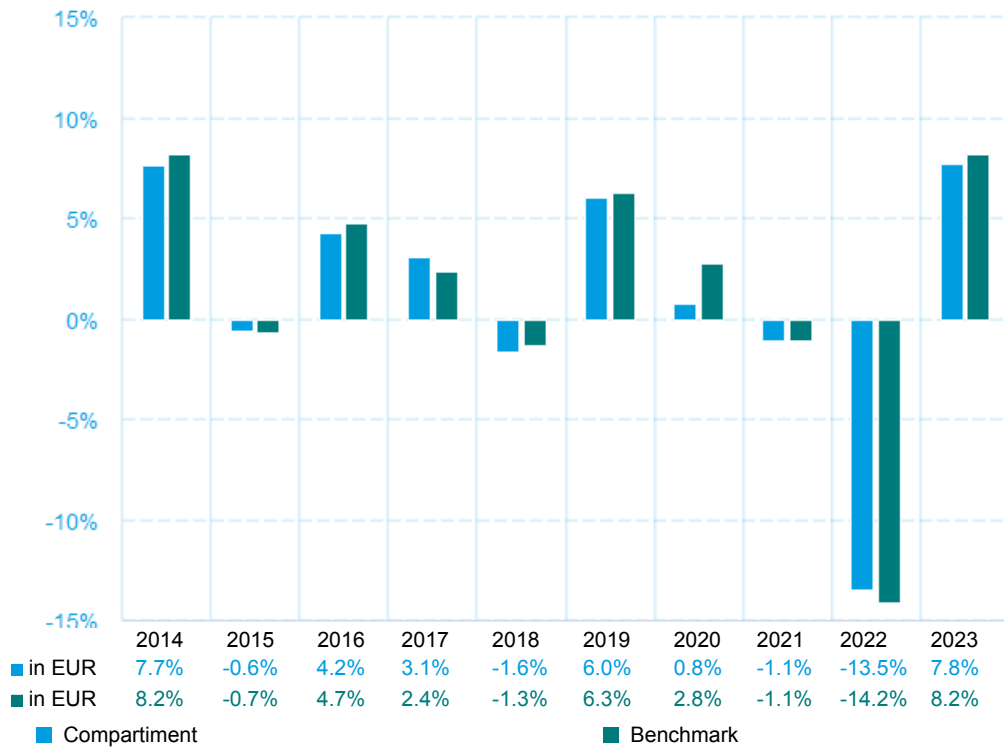
\* Return on annual basis.

### Institutional B Shares

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

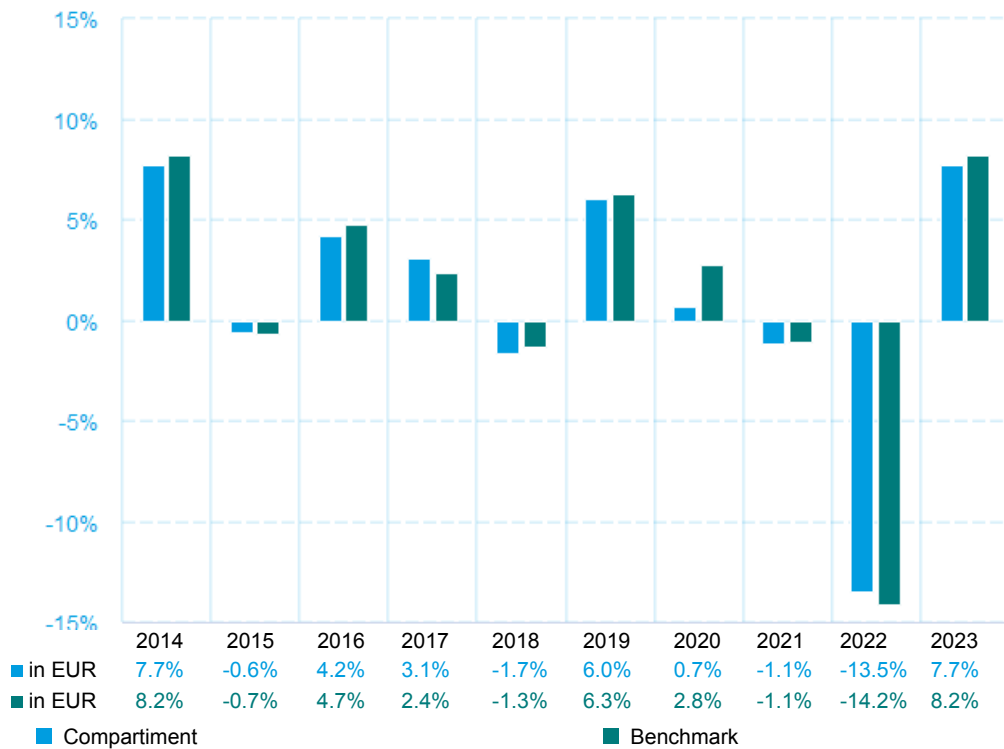
Classic Shares

BE0168961846  
 KBC Institutional Fund Euro Corporate Bonds Classic Shares CAP  
 Annual performance compared to the benchmark on 31/12/2023 (in EUR)



Classic Shares

BE0945990464  
 KBC Institutional Fund Euro Corporate Bonds Classic Shares DIS  
 Annual performance compared to the benchmark on 31/12/2023 (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	BE0168961846	EUR	7.75%	8.20%	-2.68%	-2.78%	-0.30%	0.07%	1.08%	1.34%	04/09/1998	2.92%
DIS	BE0945990464	EUR	7.70%	8.20%	-2.70%	-2.78%	-0.33%	0.07%	1.06%	1.34%	04/09/1998	1.58%

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.
- 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.

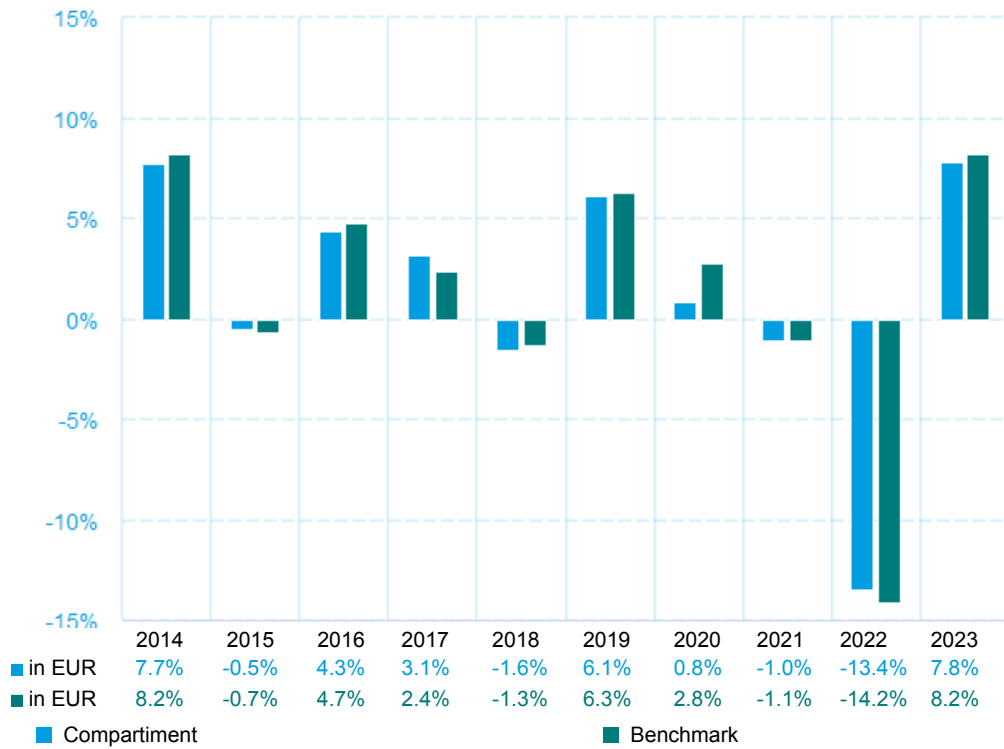
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the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

Dividend on ex-dividend date 28/03/2024: 86,1055 net (123,0078 gross).

**Institutional Shares**

BE6225962172

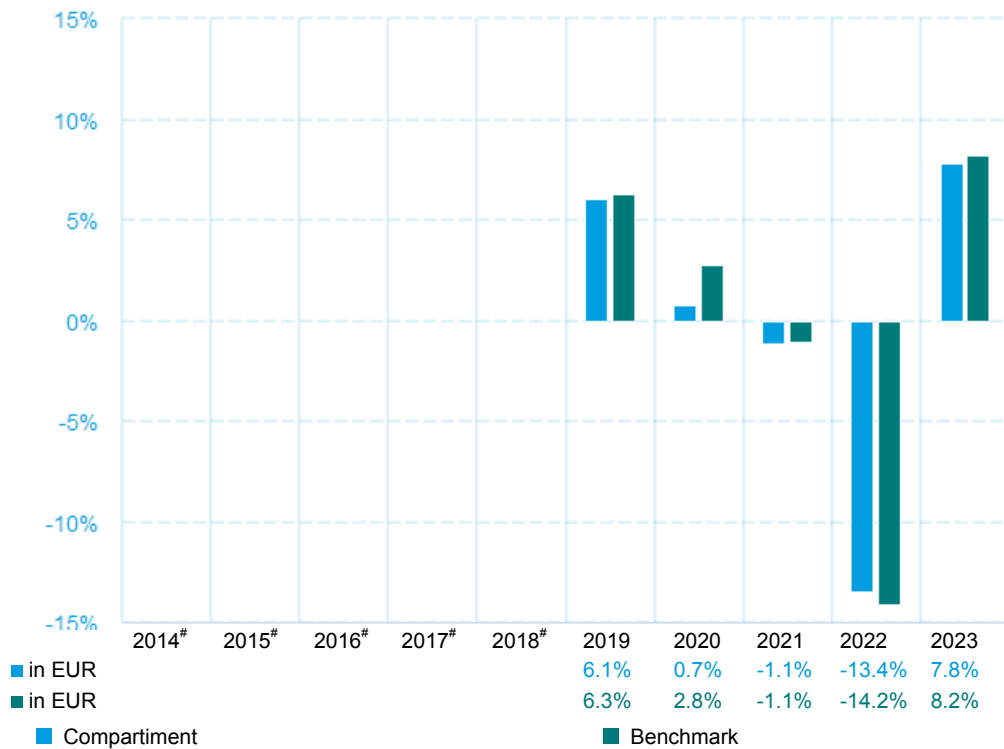
KBC Institutional Fund Euro Corporate Bonds Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



**Institutional Shares**

BE6225961166

KBC Institutional Fund Euro Corporate Bonds Institutional Shares DIS  
Annual performance compared to the benchmark on 31/12/2023 (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	BE6225962172	EUR	7.83%	8.20%	-2.62%	-2.78%	-0.23%	0.07%	1.16%	1.34%	06/09/2011	2.19%
DIS	BE6225961166	EUR	7.83%	8.20%	-2.65%	-2.78%	-0.28%	0.07%			06/09/2011	-0.35%

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.
- 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

Dividend on ex-dividend date 28/03/2024: 87,0157 net (124,3082 gross).

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Institutional B Shares Capitalisation :

Ongoing charges : 0,511%  
Transaction costs: 0,000%

#### Classic Shares Capitalisation :

Ongoing charges : 0,515%  
Transaction costs: 0,000%

#### Classic Shares Distribution :

Ongoing charges : 0,569%  
Transaction costs: 0,000%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,445%  
Transaction costs: 0,000%

#### Institutional Shares Distribution :

Ongoing charges : 0,444%  
Transaction costs: 0,000%

Percentage calculated at reporting date: 31 December 2023 .

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

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 52,73% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Institutional B Shares

Fee for managing the investment portfolio	Max 0.30%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.020%	of the net assets of the sub-fund per year.

### Classic Shares

Fee for managing the investment portfolio	Max 0.30%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.020%	of the net assets of the sub-fund per year.

### Institutional Shares

Fee for managing the investment portfolio	Max 0.30%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.020%	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.

### **Securities lending**

Pursuant to the Royal Decree of 7 March 2006 on securities lending, the undertaking for collective investment in transferable securities(UCITS) has entered into securities lending transactions, whereby the title to the securities that have been lent has been transferred, without recognition of that transfer of ownership in the accounts. For the period from 01/01/2023 to 31/12/2023, the realised net income for the UCITS amounts to 44.418,23 EUR and for the Management Company 13.667,15 EUR. Direct and indirect costs and charges are deducted from the gross income. These are set at a flat rate of 35% of the fee received and consist 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 the sub-fund uses an agent, the fee paid to the agent. The undertaking for collective investment in transferable securities will thus receive 65% of the fee received for securities lent. The number of securities lent varied between 0 and 38, with a market value fluctuating between 0 and 26344488.68 EUR. The detailed list of securities lending transactions carried out may be obtained from the registered office of the undertaking for collective investment in transferable securities at Havenlaan 2, 1080 Brussels. During the reporting period, securities lending transactions were effected in relation to the following securities lending systems:

Manager of the securities lending system: Société Générale

Type of securities lending transactions effected: the lending transactions are effected through the agency of a Lending Agent.

Nature of the lent securities: the securities lending transaction applies only to the bond portion of the portfolio.

Nature of the financial collateral: only cash is accepted.

Reinvestment of the financial collateral received: financial collateral may be reinvested in monetary funds.

- Section II, entitled 'Income and expenditure relative to the investments', contains the net results of transactions in respect of the lending of securities including the result generated by reinvesting financial guarantees tendered in the context of lending bon.

### **Transparency of securities financing transactions and of reuse**

Global data:

1) The amount of securities and commodities on loan as a proportion of total lendable assets defined as excluding cash and cash equivalents;	Nil	%
2) The amount of assets engaged in each type of SFT's and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency) and as a proportion of the collective investment undertaking's assets under management (AUM).		
The amount of assets engaged in each type of SFTs and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency)	0,00	EUR
proportion of the collective investment undertaking's assets under management (AUM)	Nil	%

Concentration data:

1) Ten largest collateral issuers across all SFTs and total return swaps (break down of volumes of the collateral securities and commodities received per issuer's name)

name collateral issuer	Market value on a settled basis	currency
Nil	Nil	Nil

2) Top 10 counterparties of each type of SFTs and total return swaps separately (Name of counterparty and gross volume of outstanding transactions).

type SFT (lending program)	name counterparty	Country of counterparty	Market value on a settled basis	currency
Nil	Nil	Nil	Nil	Nil

Aggregate transaction data for each type of SFTs and total return swaps separately to be broken down according to the below categories:

1) Type and quality of collateral;	equity (Goldman Sachs)	equity(KBC Bank)	bonds (Société Générale)
type	Nil.	Nil.	Nil.
quality – Bloomberg composite rating: see table below			
2) Maturity tenor of the collateral broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open maturity: see table below;			
3) Currency of the collateral: see table below			
4) Maturity tenor of the SFTs and total return swaps broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open transactions;	Nil.	Nil.	Nil.
5) Country in which the counterparties are established: see table above			
6) Settlement and clearing (e.g., tri-party, Central Counterparty, bilateral).	Nil.	Nil.	Nil.

collateral	quality	currency	Maturity tenor
Nil	Nil	Nil	Nil

Data on reuse of collateral:

1) Share of collateral received that is reused, compared to the maximum amount specified in the prospectus or in the disclosure to investors;	Nil
2) Cash collateral reinvestment returns to the collective investment undertaking. (EUR)	186.685,68

Safekeeping of collateral received by the collective investment undertaking as part of SFTs and total return swaps:

1) Number and names of custodians and the amount of collateral assets safe-kept by each of the custodians.

<u>number</u>	<u>Name collateral custodian</u>	<u>Market value on a settled basis</u>	<u>currency</u>
Nil	Nil	Nil	Nil

Safekeeping of collateral granted by the collective investment undertaking as part of SFTs and total return swaps:

1) The proportion of collateral held in segregated accounts or in pooled accounts, or in any other accounts.	Nil
--	-----

Data on return and cost for each type of SFTs and total return swaps:

1) Data on return and cost for each type of SFTs and total return swaps broken down between the collective investment undertaking, the manager of the collective investment undertaking and third parties (e.g. agent lender) in absolute terms and as a percentage of overall returns generated by that type of SFTs and total return swaps.
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Lending program: equity (Société Générale)	collective investment undertaking	manager of the collective investment undertaking	agent lender
return EUR	68.335,74	13.667,15	10.250,36
percentage of overall returns	100,00 %	20,00%	15,00%
cost EUR	23.917,51		
percentage of overall returns	35,00 %		

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## 2. Information on KBC Institutional Fund Euro Corporate Bonds ex Financials

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

Launch date: 9 December 2011

Initial subscription price: 1 000 EUR

Currency: EUR

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

Launch date: 9 December 2011

Initial subscription price: 1 000 EUR

Currency: EUR

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

Launch date: 9 December 2011

Initial subscription price: 1 000 EUR

Currency: EUR

##### **Institutional Shares Distribution**

Launch date: 9 December 2011

Initial subscription price: 1 000 EUR

Currency: EUR

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

Launch date: 9 December 2011

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 bonds.

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

###### *Permitted asset classes*

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

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

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

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

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

## Permitted derivatives transactions

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

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

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

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

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

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

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

## Strategy selected

At least 85% of the sub-fund's assets are invested in bonds and debt instruments denominated in euros and issued by companies.

The fund is actively managed with reference to the following benchmark: iBoxx EURO NON-FIN. ALL MAT. - Total 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.

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

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

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

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

The longterm expected tracking error for this fund is 0.75%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

### **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors that were taken into account through the general exclusion policy, were exposure to controversial weapons ('indicator 14'), exposure to companies active in the fossil fuel sector ('indicator 4') and Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10').

The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy were greenhouse gas emissions ('indicator 1'), carbon footprint ('indicator 2'), greenhouse gas intensity of investee companies ('indicator 3'), exposure to companies active in the fossil fuel sector ('indicator 4'), gender diversity on the board of directors ('indicator 13').

### **Required disclaimers for benchmark providers:**

Neither Markit, its affiliates nor any data provider make any warranty, express or implied, as to the accuracy,

completeness or timeliness of the data contained herein or as to the results to be obtained by any recipients of this data. Neither Markit, its affiliates nor any data provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions, regardless of cause, in the data provided by Markit or for any damages (whether direct or indirect) resulting therefrom. Markit is under no obligation to vary, amend, remove or add to the data or to notify a recipient in any manner in the event that a matter mentioned in the present document should subsequently be amended or become incorrect. Without limiting the foregoing, neither Markit, its affiliates nor any data provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgments, or any other conclusions, or any course of action determined, by you or by a third party, whether or not based on the content, the information or the materials contained herein. Copyright © 2016, Markit Indices Limited.

### **Characteristics of the bonds and debt instruments**

The sub-fund invests in bonds and debt instruments issued by companies. No investments are made in bonds and debt instruments issued by banks, insurers and other financial service providers.

The sub-fund invests directly and/or indirectly 100% of the in bonds and debt instruments invested assets:

- in bonds and debt instrument rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies: Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or
- in non-subordinated corporate bonds\* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has an investment grade rating by at least one of the rating agencies mentioned above.

All maturities are taken into consideration when selecting the bonds and debt instruments.

\*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

### **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 NV, Havenlaan 2, 1080 Brussels.

## 2.1.6. Index and benchmark

See 'Sub-fund's investment policy'.

## 2.1.7. Policy pursued during the financial year

Both in Europe and the United States, inflation figures remained far above the comfort level of the central banks at the start of the reporting period. As a result, the Federal Reserve in the US and the European Central Bank continued to hike their policy rates. However, some relief on gas prices and inflation led to growing expectations that central banks could slow down their pace of rate hikes. This was fuel for a continuation of the impressive credit spread rally that started already during the last months of 2022 and continued until March 2023.

Some cracks in regional US banks contaminated in the end also the much more systemic Credit Suisse Bank, which had to be saved by the Suisse government and UBS to avoid worldwide contagion. Credit spreads jumped sharply but it was remarkable how fast the calm returned and how isolated this event seemed to be.

Since then, credit spreads were moving slightly downwards in a rather small volatility range. During the last two months of 2023, the downward trend was more outspoken as inflation data started to surprise to the downside and were moving towards central bank targets much more quickly than initially expected. This led to the market pricing in rate cuts during the course of 2024. In spite of the challenging environment, corporate earnings are still solid and were not as heavy impacted as feared by the high inflation.

With the prospect of central banks slowing their hiking pace, the fund brought back its rate sensitivity to more neutral ranges once the 10y German rate touched the 2.50% at the start of the year. The rate sensitivity was further increased in the 2nd half of the year as we saw that the hiking cycle of central banks was reaching its end. Also for credit sensitivity, the fund started the reporting period at neutral levels and went higher in credit sensitivity by the end of the summer.

## 2.1.8. Future policy

For now, we keep our higher-than-benchmark credit sensitivity. The combination of (historically) average credit spreads and elevated risk-free rates makes corporate credit attractive, also in term of absolute yield levels. We expect to maintain the current stance in credit and rate sensitivity unless we expect a macroeconomic scenario that would be harsher than a mild downturn.

## 2.1.9. Summary risk indicator (SRI)

Classic Shares: 2 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- a moderate level of liquidity risk: since there will be partly invested in less liquid bonds, there is a risk a position cannot be sold in a timely manner at a reasonable price.

There is no capital protection.

Institutional Shares: 2 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- a moderate level of liquidity risk: since there will be partly invested in less liquid bonds, there is a risk a position cannot be sold in a timely manner at a reasonable price.

There is no capital protection.

Institutional B Shares: 2 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- a moderate level of liquidity risk: since there will be partly invested in less liquid bonds, there is a risk a position cannot be sold in a timely manner at a reasonable price.

There is no capital protection.

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

The summary 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).

### **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 0.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

### **2.1.11. Value-at-Risk**

Not applicable



## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	16,747,878.63	64,366,245.04
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds	16,522,482.00	61,665,164.11
	Of which bonds lent		1,919,306.06
B.	Money market instruments	197,020.13	2,163,923.81
E.	Open-end undertakings for collective investment		
	a) Reinvested collateral in money market funds		2,222,274.44
<b>IV.</b>	<b>Receivables and payables within one year</b>		
B.	Payables		
	a) Accounts payable (-)		-10,416.15
	d) Collateral (-)		-2,225,608.36
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	35,588.79	569,557.81
C.	Collateral received cash		6,483.23
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	-0.01	-0.01
C.	Accrued expense (-)	-7,212.28	-25,133.84
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	16,747,878.63	64,366,245.04
<b>A.</b>	<b>Capital</b>	14,086,304.57	98,209,434.32
<b>B.</b>	<b>Income equalization</b>	-36,540.63	-1,341,393.90
<b>D.</b>	<b>Result of the bookyear</b>	2,698,114.69	-32,501,795.38
<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.b.	Cash at bank and in hand/deposits		2,225,608.36
IX.	Financial instruments lent		1,919,306.06

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	2,419,911.26	-34,455,040.19
B.	Money market instruments	204.75	-2,655.76
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	337,599.28	976,085.21
	Unrealised gains on investments	329,586.28	-3,330,765.25
	Realised losses on investments	-5,160,939.53	-33,376,799.25
	Unrealised losses on investments	6,913,869.98	1,273,783.34
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	a) Securities and money market instruments	350,679.64	2,474,332.70
	b) Cash at bank and in hand and deposits	5,079.03	2,164.38
C.	Interest on borrowings (-)	-3.95	-4,097.83
<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	6,491.13	110,232.47
B.	Other	250.00	
<b>IV.</b>	<b>Operating expenses</b>		
B.	Financial expenses (-)	-57.47	-122.88
C.	Custodian's fee (-)	-3,969.33	-35,359.90
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-9,715.71	-10,606.03
	Institutional Shares	-7,662.53	-251,630.08
	Institutional B Shares	-39,243.31	-193,605.22
	b) Administration and accounting management	-18,779.58	-151,204.02
	c) Commercial fee	-625.00	-625.00
E.	Administrative expenses (-)	0.07	0.01
F.	Formation and organisation expenses (-)	-200.21	-347.06
G.	Remuneration, social security charges and pension	-2.21	-9.09
H.	Services and sundry goods (-)	-2,510.30	-3,729.04
J.	Taxes		
	Classic Shares	-1,350.73	-3,139.09
	Institutional Shares	0.00	-9,431.66
	Institutional B Shares	-5,404.20	-1,998.52
L.	Other expenses (-)	5,023.34	35,076.43
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	277,998.68	1,955,900.57
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	2,698,114.69	-32,501,795.38
<b>VII.</b>	<b>Result of the bookyear</b>	2,698,114.69	-32,501,795.38

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	2,661,574.06	-33,843,189.28
	Profit for the period available for appropriation	2,698,114.69	-32,501,795.38
	Income on the creation of shares (income on the cancellation of shares)	-36,540.63	-1,341,393.90
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-2,643,789.52	33,861,134.54
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-17,784.54	-17,945.26

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Euro Corporate Bonds ex Financials

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Bonds</b>							
Bonds issued by credit institutions							
<u>Austria</u>							
VERBUND AG 21/41 +0.90%	100,000.00	EUR	71.838	72,506.78		0.43	0.43
<u>Belgium</u>							
ALIAxis FINANCE SA 21/28 +0.875%	200,000.00	EUR	85.023	170,289.60		1.02	1.02
<u>France</u>							
HOLDING D'INFRASTRUCTURES DES 21/28 +0.625%	100,000.00	EUR	87.146	87,323.35		0.52	0.52
PSA BANQUE FRANCE SA 23/26 +3.875%	100,000.00	EUR	100.825	104,477.34		0.63	0.62
<u>Ireland</u>							
NEW LINDE PLC 23/34 +3.625%	100,000.00	EUR	104.930	106,911.16		0.64	0.64
<u>Netherlands</u>							
SANDOZ FINANCE BV 23/33 +4.50%	100,000.00	EUR	106.308	106,824.68		0.64	0.64
<u>Spain</u>							
EDP SERVICIOS FINANCIEROS ESPA 23/32 +4.375%	100,000.00	EUR	106.693	107,721.36		0.64	0.64
PROSEGUR CASH SA 17/26 +1.375%	200,000.00	EUR	95.830	194,130.38		1.16	1.16
<u>U.S.A.</u>							
CELANESE US HOLDINGS LLC 21/28 +0.625%	100,000.00	EUR	86.284	86,472.27		0.52	0.52
IHG FINANCE LLC 23/29 +4.375%	100,000.00	EUR	103.755	104,125.57		0.62	0.62
Corporate bonds							
<u>Australia</u>							
AURIZON NETWORK PTY LTD 16/26 +3.125% 01/06 01/06	100,000.00	EUR	99.136	100,937.96		0.60	0.60
AUSNET SERVICES HOLDINGS PTY L 15/27 +1.50%	200,000.00	EUR	94.316	191,146.73		1.14	1.14
SYDNEY AIRPORT 18/28 +1.75%	170,000.00	EUR	94.254	162,239.58		0.97	0.97
TELSTRA CORP 19/29 +1.375%	100,000.00	EUR	92.558	93,602.57		0.56	0.56
TOYOTA FINANCE AUSTRALIA LTD 20/27 +2.28%	200,000.00	EUR	97.632	196,124.28		1.17	1.17
TOYOTA FINANCE AUSTRALIA LTD 22/28 +0.44%	100,000.00	EUR	90.416	90,837.82		0.54	0.54
<u>Belgium</u>							
ANHEUSER-BUSCH INBEV NV 15/30 +1.50% 20/04 18/04	200,000.00	EUR	92.244	186,578.62		1.12	1.11
<u>Finland</u>							
ELENIA VERKKO OYJ 20/27 +0.375%	200,000.00	EUR	91.105	182,879.97		1.09	1.09
UPM-KYMMENE CORP 21/31 +0.50%	200,000.00	EUR	82.781	166,331.63		1.00	0.99
<u>France</u>							
BOUYGUES 22/42 +5.375%	200,000.00	EUR	119.142	243,630.12		1.46	1.46
COMP. FIN. ET INDUS. 16/25 +0.375% 07/02 07/02	200,000.00	EUR	96.735	194,138.45		1.16	1.16
EDENRED 20/29 +1.375%	200,000.00	EUR	92.255	185,967.49		1.11	1.11
L'OREAL 23/28 +2.875%	300,000.00	EUR	100.601	307,080.91		1.84	1.84
L'OREAL 23/29 +3.375%	100,000.00	EUR	103.248	103,579.64		0.62	0.62
ORANGE S.A. 3/33 8,125% 28/1	150,000.00	EUR	140.650	222,160.98		1.33	1.33
ORANGE S.A. 19/32 +0.50%	100,000.00	EUR	81.828	81,986.95		0.49	0.49
SANEF SA 15/26 +1.875%	100,000.00	EUR	96.970	98,445.76		0.59	0.59
SARTORIUS STEDIM BIOTECH 23/29 +4.375%	100,000.00	EUR	103.789	105,056.44		0.63	0.63
SARTORIUS STEDIM BIOTECH 23/32 +4.50%	100,000.00	EUR	104.474	105,777.08		0.63	0.63
TELEPERFORMANCE 18/25 +1.875% 02/07 02/07	100,000.00	EUR	96.981	97,903.16		0.59	0.59
TELEPERFORMANCE 23/28 +5.25%	100,000.00	EUR	104.701	105,231.83		0.63	0.63
TOTAL CAPITAL INTERNATIONAL SA 18/30 +1.491% 04/09 04/09	100,000.00	EUR	91.486	91,958.30		0.55	0.55
<u>Germany</u>							
AMPRION GMBH 21/33 +0.625%	100,000.00	EUR	77.710	77,875.24		0.47	0.47
AMPRION GMBH 22/32 +3.971%	100,000.00	EUR	104.392	105,455.63		0.63	0.63
HOCHTIEF AG 21/29 +0.625%	200,000.00	EUR	86.796	174,434.76		1.04	1.04
INFINEON TECHNOLOGIES AG 20/32 +2.00%	100,000.00	EUR	91.144	92,171.07		0.55	0.55
KNORR-BREMSE AG 22/27 +3.25%	100,000.00	EUR	100.956	101,834.74		0.61	0.61
MERCK FIN SERVICES GMBH 22/26 +1.875%	100,000.00	EUR	97.515	98,523.97		0.59	0.59
MERCK FIN SERVICES GMBH 22/30 +2.375%	100,000.00	EUR	96.961	98,239.56		0.59	0.59
ROBERT BOSCH 23/27 +3.625%	100,000.00	EUR	102.167	104,247.28		0.62	0.62

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
ROBERT BOSCH 23/35 +4.00%	100,000.00	EUR	106.223	108,518.12		0.65	0.65
VOLKSWAGEN BANK GMBH 19/26 +2.50% 31/07 31/07	100,000.00	EUR	97.516	98,546.93		0.59	0.59
VOLKSWAGEN FIN SERV AG 19/27 +2.25%	100,000.00	EUR	97.574	98,121.03		0.59	0.59
<u>Ireland</u>							
ABBOTT IRELAND FINANCING DAC 18/26 +1.50%	100,000.00	EUR	96.580	96,961.28		0.58	0.58
ABBOTT IRELAND FINANCING DAC 19/27 +0.375%	100,000.00	EUR	91.752	91,793.04		0.55	0.55
ATLAS COPCO FINANCE DAC 22/32 +0.75%	100,000.00	EUR	84.183	84,848.63		0.51	0.51
EATON CAPITAL UNLTD CO 21/26 +0.128%	100,000.00	EUR	93.928	94,031.97		0.56	0.56
MEDTRONIC GLOBAL HOLDINGS SCA 19/31 +1.625% 07/03 07/03	100,000.00	EUR	90.795	92,113.90		0.55	0.55
MEDTRONIC GLOBAL HOLDINGS SCA 22/34 +3.375%	130,000.00	EUR	101.146	132,388.50		0.79	0.79
RYANAIR LTD 20/25 +2.875%	100,000.00	EUR	99.122	99,946.85		0.60	0.60
RYANAIR LTD 21/26 +0.875%	100,000.00	EUR	94.509	95,029.86		0.57	0.57
<u>Italy</u>							
AEROPORTI DI ROMA SPA 21/31 +1.75%	100,000.00	EUR	86.528	87,255.12		0.52	0.52
ENI 20/30 +0.625%	150,000.00	EUR	86.320	130,352.60		0.78	0.78
ENI 20/31 +2.00%	100,000.00	EUR	91.990	93,219.75		0.56	0.56
ENI 21/28 +0.375%	100,000.00	EUR	89.198	89,401.14		0.54	0.53
ENI 21/99 +2.00%	100,000.00	EUR	91.455	92,722.43		0.56	0.55
FCA BANK SPA IRELAND 23/26 +4.375%	150,000.00	EUR	101.658	156,144.69		0.93	0.93
F2I RETI ITALIA SRL 18/25 +2.195% 11/09 11/09	100,000.00	EUR	98.096	98,749.66		0.59	0.59
IRIDE SPA 20/30 +1.00%	200,000.00	EUR	85.448	171,884.98		1.03	1.03
SNAM SPA 20/28 0.00%	100,000.00	EUR	85.891	85,891.28		0.51	0.51
TERNA RETE ELETTRICA NAZIONALE 20/30 +0.375%	200,000.00	EUR	82.945	166,083.86		0.99	0.99
<u>Japan</u>							
NTT FINANCE CORP 21/28 +0.399%	100,000.00	EUR	88.979	88,996.34		0.53	0.53
<u>Luxembourg</u>							
NESTLE FINANCE INTERNATIONAL LTD 22/31 +3.25%	100,000.00	EUR	103.097	106,195.84		0.64	0.63
TRATON FINANCE LUXEMBOURG SA 21/33 +1.25%	100,000.00	EUR	80.478	81,434.60		0.49	0.49
TRATON FINANCE LUXEMBOURG SA 23/28 +4.25%	200,000.00	EUR	102.930	211,131.65		1.26	1.26
<u>Netherlands</u>							
AMERICAN MEDICAL SYSTEMS EUROPE BV 22-28 1.375%	100,000.00	EUR	93.720	94,831.92		0.57	0.57
AMERICAN MEDICAL SYSTEMS EUROPE BV 22-31 1.625%	100,000.00	EUR	90.561	91,874.92		0.55	0.55
ASML HOLDING NV 20/29 +0.625%	150,000.00	EUR	89.590	134,989.56		0.81	0.81
GSK CONSUMER HEALTHCARE CAPITA 22/34 +2.125%	100,000.00	EUR	89.073	90,669.78		0.54	0.54
KONINKLIJKE KPN NV 21/33 +0.875%	100,000.00	EUR	80.102	80,207.61		0.48	0.48
KONINKLIJKE KPN NV 23/31 +3.875%	100,000.00	EUR	103.909	105,804.29		0.63	0.63
NOVO NORDISK FINANCE NETHERLAN 22/25 +0.75%	100,000.00	EUR	97.018	97,577.45		0.58	0.58
NOVO NORDISK FINANCE NETHERLAN 22/27 +1.125%	100,000.00	EUR	94.867	95,144.13		0.57	0.57
NOVO NORDISK FINANCE NETHERLAN 22/30 +1.375%	100,000.00	EUR	93.158	94,183.53		0.56	0.56
SHELL INTERNATIONAL FIN 14/26 +2.50%	150,000.00	EUR	99.188	151,651.47		0.91	0.91
SHELL INTERNATIONAL FIN 14/27 +1.625% 06/11 20/01	120,000.00	EUR	96.458	117,581.62		0.70	0.70
SHELL INTERNATIONAL FIN 20/32 +1.875%	100,000.00	EUR	91.926	93,288.87		0.56	0.56
SIEMENS FINANCIERINGS NV 22/33 +3.00%	100,000.00	EUR	100.307	101,224.89		0.61	0.60
SIEMENS FINANCIERINGS NV 23/31 +3.375%	100,000.00	EUR	103.383	104,554.00		0.63	0.62
STELLANTIS NV 22/32 +2.75%	200,000.00	EUR	93.780	191,646.86		1.15	1.14
SYNGENTA FINANCE NV 20/26 +3.375%	200,000.00	EUR	99.481	203,701.38		1.22	1.22
TOYOTA MOTOR FINANCE NL BV 23/26 +3.375%	100,000.00	EUR	100.425	103,661.26		0.62	0.62
UNILEVER 20/30 +1.75%	100,000.00	EUR	94.038	95,371.53		0.57	0.57
UNILEVER FINANCE NETHERLANDS BV 18/27 +1.125% 12/02 12/02	100,000.00	EUR	95.227	96,213.32		0.57	0.57
UNIVERSAL MUSIC GROUP NV 22/27 +3.00%	100,000.00	EUR	100.150	101,641.42		0.61	0.61
UPJOHN FINANCE BV 20/27 +1.362%	200,000.00	EUR	92.921	187,247.97		1.12	1.12
VOLKSWAGEN INTL.FIN. NV 18/27 +2.625% 16/11 16/11	100,000.00	EUR	97.485	97,793.57		0.59	0.58
VOLKSWAGEN INTL.FIN. NV 18/30 +3.25% 16/11 18/11	200,000.00	EUR	99.168	199,063.56		1.19	1.19
VOLKSWAGEN INTL.FIN. NV 20/99 +3.875%	100,000.00	EUR	91.915	93,979.80		0.56	0.56
<u>Spain</u>							
FCC AQUALIA SA 17/27 +2.629%	250,000.00	EUR	97.986	248,629.20		1.49	1.49
IBERDROLA FINANZAS SAU 23/33 +3.625%	100,000.00	EUR	103.856	105,529.84		0.63	0.63
O2 TELEFONICA DEUTSCHLAND FINA 18/25 +1.75% 05/07 05/07	100,000.00	EUR	97.404	98,250.62		0.59	0.59
<u>Sweden</u>							
ERICSSON 22/27 +1.125%	100,000.00	EUR	92.553	93,551.16		0.56	0.56
SANDVIK FRIA 22/29 +3.75%	100,000.00	EUR	103.524	104,477.27		0.63	0.62
VOLVO TREASURY AB 23/27 +3.625%	100,000.00	EUR	101.808	103,966.98		0.62	0.62
<u>U.K.</u>							
ASTRAZENECA PLC 21/29 +0.375%	100,000.00	EUR	88.138	88,352.18		0.53	0.53
BG ENERGY CAPITAL PLC 14/29 +2.25% 21/11 21/11	200,000.00	EUR	95.160	190,786.21		1.14	1.14
BP CAPITAL MARKETS PLC 19/31 +1.231%	100,000.00	EUR	87.496	88,286.65		0.53	0.53
BP CAPITAL MARKETS PLC 19/34 +1.104%	100,000.00	EUR	79.182	79,314.78		0.47	0.47
BP CAPITAL MARKETS PLC 20/32 +2.822%	150,000.00	EUR	97.471	149,282.39		0.89	0.89
BP CAPITAL MARKETS PLC 20/99 +3.25%	100,000.00	EUR	96.785	98,472.66		0.59	0.59
BRITISH TELECOM 22/32 +3.375%	200,000.00	EUR	100.340	202,910.75		1.21	1.21
HEATHROW FUNDING LTD 15/30 +1.50% 11/02 11/02	100,000.00	EUR	89.320	90,639.31		0.54	0.54
HEATHROW FUNDING LTD 21/30 +1.125%	100,000.00	EUR	85.767	86,018.78		0.51	0.51

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
INTERNATIONAL DISTRIBUTIONS SE 23/28 +5.25%	150,000.00	EUR	103.873	158,090.74		0.95	0.94
NATIONAL GRID ELECTRICITY DIST 22/28 +3.53%	100,000.00	EUR	101.644	102,608.57		0.61	0.61
NATIONAL GRID GAS FINANCE PLC 20/32 +0.75%	100,000.00	EUR	80.957	81,557.44		0.49	0.49
NATIONAL GRID GAS FINANCE PLC 21/30 +0.625%	150,000.00	EUR	84.408	127,342.33		0.76	0.76
SSE PLC 20/30 +1.75%	100,000.00	EUR	91.951	93,179.47		0.56	0.56
<u>U.S.A.</u>							
APPLE INC 17/25 +0.875% 24/05 24/05	150,000.00	EUR	96.927	146,175.71		0.87	0.87
AT&T INC 14/29 +2.60% 17/12 17/12	100,000.00	EUR	96.682	96,767.73		0.58	0.58
AT&T INC 18/29 +2.35% 04/09 04/09	100,000.00	EUR	96.045	96,789.76		0.58	0.58
AT&T INC 23/31 +3.95%	100,000.00	EUR	103.972	106,400.76		0.64	0.64
BOOKING HOLDINGS INC 15/27 +1.80% 03/03 03/03	250,000.00	EUR	96.364	244,610.70		1.46	1.46
BOOKING HOLDINGS INC 21/28 +0.50%	100,000.00	EUR	90.796	91,199.87		0.55	0.55
BOOKING HOLDINGS INC 23/33 +4.125%	100,000.00	EUR	106.936	109,539.95		0.66	0.65
COCA-COLA CO 15/35 +1.625%	100,000.00	EUR	86.782	88,091.74		0.53	0.53
COCA-COLA CO 19/31 +1.25% 08/03 08/03	100,000.00	EUR	89.731	90,742.21		0.54	0.54
COCA-COLA CO 20/29 +0.125%	100,000.00	EUR	87.318	87,416.23		0.52	0.52
COCA-COLA CO 21/36 +0.95%	100,000.00	EUR	78.180	78,795.30		0.47	0.47
COLGATE - PALMOLIVE 19/26 +0.50% 06/03 06/03	100,000.00	EUR	95.201	95,607.77		0.57	0.57
EXXON MOBIL CORP 20/32 +0.835%	100,000.00	EUR	83.015	83,439.21		0.50	0.50
EXXON MOBIL CORP 20/39 +1.408%	100,000.00	EUR	74.332	75,047.15		0.45	0.45
I.B.M. 19/27 +1.25% 31/01 29/01	100,000.00	EUR	95.120	96,263.78		0.58	0.57
I.B.M. 19/31 +1.75%	100,000.00	EUR	91.924	93,515.79		0.56	0.56
I.B.M. 23/31 +3.625%	100,000.00	EUR	103.348	106,585.26		0.64	0.64
MCKESSON CORP 17/25 +1.50%	150,000.00	EUR	96.901	145,609.69		0.87	0.87
PARKER-HANNIFIN CORPORATION 17/25 +1.125% 01/03 01/03	100,000.00	EUR	97.100	98,031.05		0.59	0.59
PEPSICO INC 16/28 +0.875% 18/07 18/07	200,000.00	EUR	92.122	185,028.63		1.11	1.11
PPG INDUSTRIES INC 22/29 +2.75%	100,000.00	EUR	97.867	99,452.14		0.60	0.59
PROCTER & GAMBLE CO/THE 18/38 +1.875%	100,000.00	EUR	88.104	88,411.05		0.53	0.53
REVVITY INC 16/26 +1.875%	100,000.00	EUR	96.494	97,329.50		0.58	0.58
STRYKER CORPORATION 18/30 +2.625%	100,000.00	EUR	97.004	97,212.14		0.58	0.58
STRYKER CORPORATION 19/29 +0.75%	100,000.00	EUR	89.060	89,681.33		0.54	0.54
TOYOTA MOTOR CREDIT CORP 21/27 +0.125%	100,000.00	EUR	89.844	89,862.52		0.54	0.54
TOYOTA MOTOR CREDIT CORP 23/29 +4.05%	100,000.00	EUR	105.042	106,225.72		0.64	0.63
VERIZON COMMUNICATIONS INC 19/27 +0.875%	100,000.00	EUR	93.568	94,201.61		0.56	0.56
VERIZON COMMUNICATIONS INC 19/30 +1.25%	300,000.00	EUR	89.218	270,370.60		1.62	1.61
Total bonds				16,522,482.00		98.82	98.65
<b>Money market instruments</b>							
Corporate money market instruments							
<u>Mexico</u>							
AMERICA MOVIL S.A. DE C.V. 16/24 +1.50% 10/03 10/03	100,000.00	EUR	99.435	100,639.92		0.60	0.60
<u>Netherlands</u>							
DEUTSCHE BAHN FIN 19/25 +0.95% 18/10 22/04	100,000.00	EUR	95.729	96,380.21		0.58	0.57
Total money market instruments				197,020.13		1.18	1.18
<b>TOTAL SECURITIES PORTFOLIO</b>				16,719,502.13		100.00	99.83
<b>CASH AT BANK AND IN HAND</b>							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	35,588.79	EUR	1.000	35,588.79		0.00	0.21
Total demand accounts				35,588.79		0.00	0.21
<b>TOTAL CASH AT BANK AND IN HAND</b>				35,588.79		0.00	0.21
<b>OTHER</b>							
Interest receivable		EUR		-0.01		0.00	0.00
Expenses payable		EUR		-7,212.28		0.00	-0.04
<b>TOTAL OTHER</b>				-7,212.29		0.00	-0.04
<b>TOTAL NET ASSETS</b>				16,747,878.63		0.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
United Arab Emirates	0.33	0.00	0.00	0.00
Australia	3.12	3.15	3.79	4.98
Austria	0.00	0.00	0.00	0.43
Belgium	11.96	3.02	3.46	2.34
Cayman Islands	0.17	0.00	0.51	0.00
Germany	3.03	7.58	5.15	6.90
Spain	3.40	3.19	3.24	4.50
Finland	0.69	1.39	2.05	2.08
France	9.51	13.54	14.66	12.74
U.K.	13.59	10.82	11.35	9.78

Ireland	3.16	4.06	3.03	5.34
Italy	7.98	7.52	5.51	6.99
Japan	1.12	0.64	0.53	0.53
Luxembourg	3.22	2.41	2.15	2.38
Mexico	3.50	3.10	1.81	0.60
Netherlands	12.77	17.29	20.28	18.07
Norway	0.45	1.01	0.00	0.00
Sweden	0.84	0.47	0.64	1.80
U.S.A.	21.16	20.81	21.84	20.54
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	21.15	22.18	21.52	
Consum(cycl)	15.56	18.16	18.38	
Cons.goods	8.73	11.90	11.59	
Pharma	11.20	10.50	10.31	
Financials	18.98	12.32	14.16	
Technology	3.63	5.52	4.47	
Telecomm.	11.63	9.25	9.57	
Utilities	6.62	5.54	4.51	
Real est.	1.08	1.18	0.59	
Various	1.42	3.45	4.90	
TOTAL	100.00	100.00	100.00	

	31/12/2023
Materials	19.80
Health Care	12.57
Utilities	12.57
Telecommunications	10.38
Consumer Staple Products	10.14
Oil & Gas	9.70
Consumer Discretionary Products	9.42
Software & Tech Services	4.34
Media	3.26
Consumer Discretionary Services	2.36
Retail & Wholesale - Discretionary	2.27
Tech Hardware & Semiconductors	1.43
Financial Services	1.14
Banking	0.62
TOTAL	100.00

*The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.*

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
EURO	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Euro Corporate Bonds ex Financials (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	1,893,850.80	6,695,836.06	8,589,686.86
<b>Sales</b>	51,974,611.96	6,625,999.93	58,600,611.88
<b>Total 1</b>	53,868,462.76	13,321,835.99	67,190,298.74
<b>Subscriptions</b>	264,792.15	564,352.08	829,144.23
<b>Redemptions</b>	50,327,773.92	752,510.49	51,080,284.41
<b>Total 2</b>	50,592,566.07	1,316,862.57	51,909,428.64
<b>Monthly average of total assets</b>	21,295,982.25	16,358,626.96	18.817.390.24
<b>Turnover rate</b>	15.38%	73.39%	81.21%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions.

A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%), reason: In januari, a large client (KBC pension fund) stepped out of the fund as their own portfolios were in place (the LDI compartments). apart from that, little in- or outflow was noticed during the reporting period. The portfolio was rebalanced frequently to comply with the targets set, and to replace less attractive instruments with more promising ones based on quant scores and fundamental analysis.

The detailed list of transactions can be consulted free of charge at the company designated as financial service: 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
2021 - 12	16.00	0.00	159.00	115.00	2,022.00	1,127.00	3,149.00
2022 - 12	0.00	0.00	104.00	82.00	1,918.00	1,045.00	2,963.00
2023 - 12	0.00	0.00	60.00	137.00	1,858.00	908.00	2,766.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	21,837.92	0.00	215,744.55	134,678.29
2022 - 12	0.00	0.00	126,263.00	85,055.56
2023 - 12	0.00	0.00	70,566.88	135,439.01

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	4,023,204.83	1,346.52	1,153.98
2022 - 12	3,231,816.61	1,154.76	973.20
2023 - 12	3,242,605.48	1,242.34	1,029.00



## Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	5,002.40	0.00	5,748.76	0.00	119,718.60	0.00	119,718.60
2022 - 12	0.00	0.00	78,523.60	0.00	41,195.00	0.00	41,195.00
2023 - 12	0.00	0.00	41,195.00	0.00	0.00	0.00	0.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	6,840,202.22	0.00	7,851,765.57	0.00
2022 - 12	0.00	0.00	99,690,297.41	0.00
2023 - 12	0.00	0.00	49,525,864.85	0.00

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	162,679,643.64	1,358.85	0.00
2022 - 12	48,045,903.74	1,166.30	0.00
2023 - 12	0.00	0.00	0.00

## Institutional B Shares

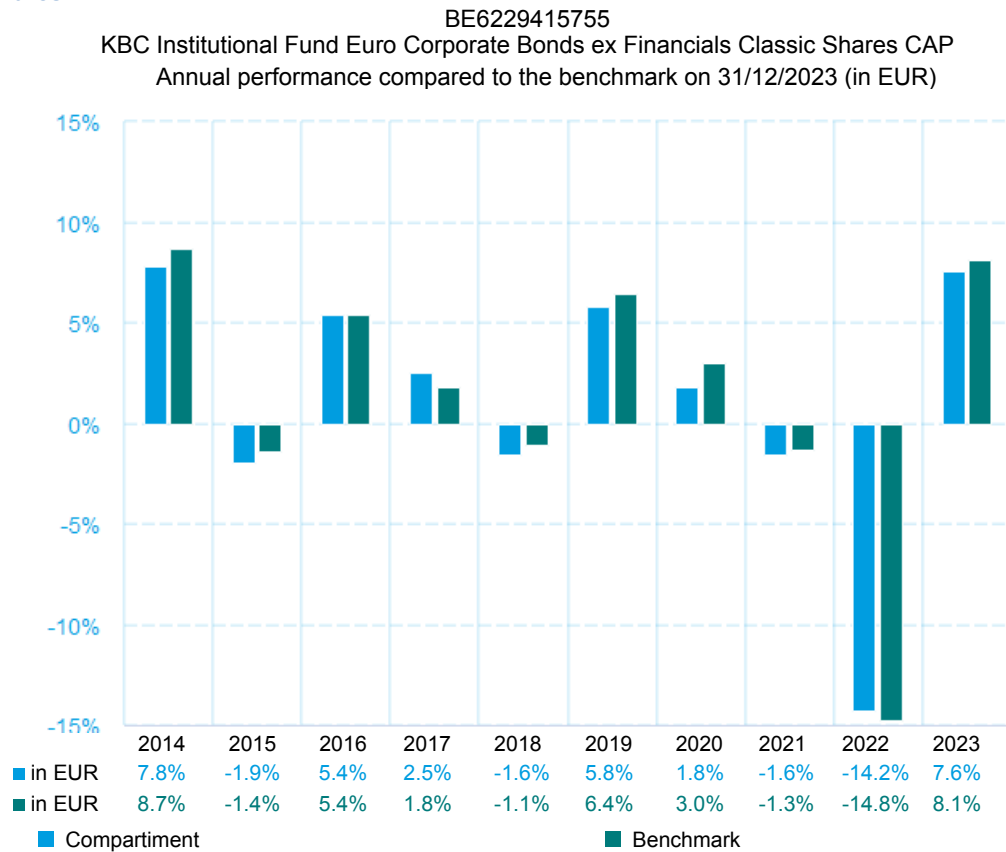
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	29,585.87		73,767.00		339,877.01		339,877.01
2022 - 12	11,845.88		340,410.89		11,312.00		11,312.00
2023 - 12	712.00		1,180.00		10,844.00		10,844.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	40,226,063.14		100,764,074.45	
2022 - 12	15,644,639.41		443,795,092.35	
2023 - 12	837,535.85		1,401,051.64	

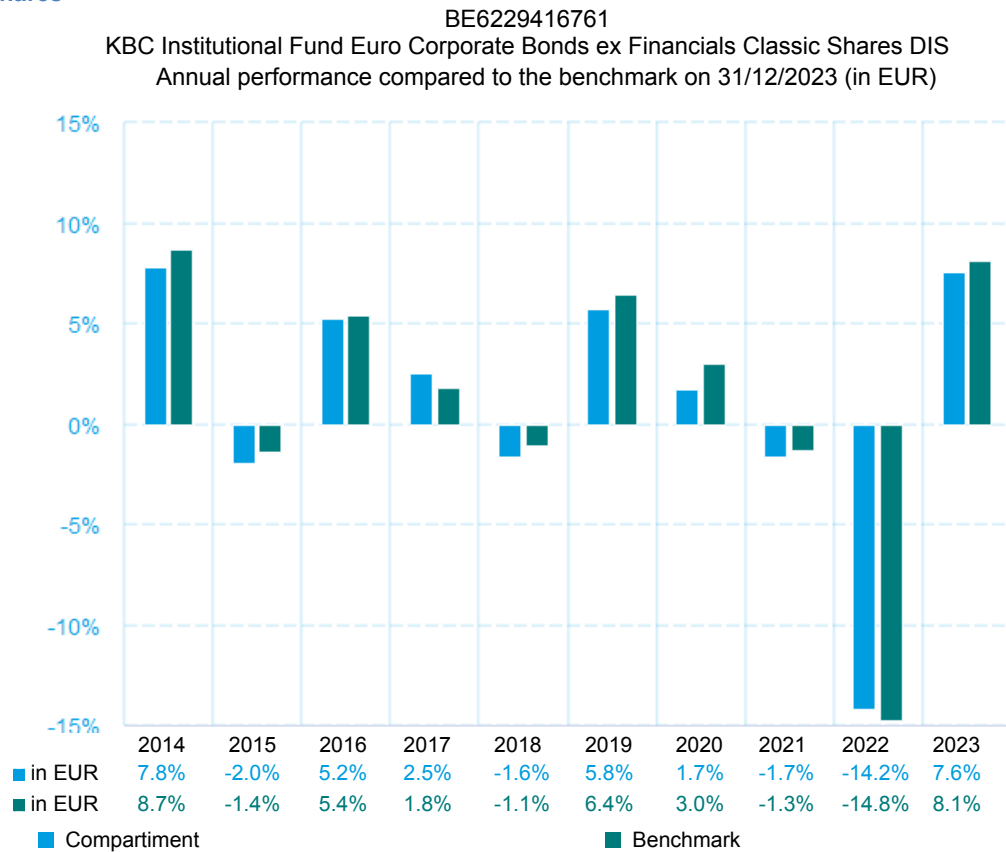
Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	458,241,358.70	1,348.26	
2022 - 12	13,088,524.69	1,157.05	
2023 - 12	13,505,273.15	1,245.41	

## 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
CAP	BE6229415755	EUR	7.58%	8.11%	-3.17%	-3.12%	-0.44%	-0.07%	0.96%	1.26%	09/12/2011	1.82%
DIS	BE6229416761	EUR	7.60%	8.11%	-3.18%	-3.12%	-0.48%	-0.07%	0.91%	1.26%	09/12/2011	1.55%

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.
- 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.

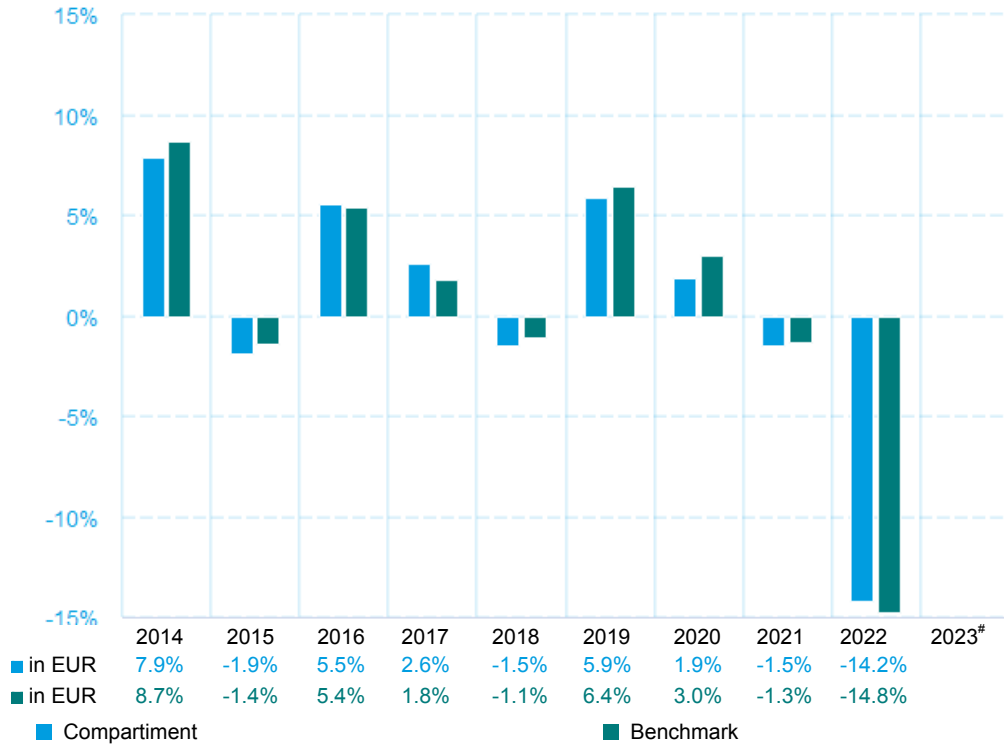
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the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

Dividend on ex-dividend date 28/03/2024: 13,7106 net (19,5865 gross).

**Institutional Shares**

BE6229417777

KBC Institutional Fund Euro Corporate Bonds ex Financials Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

**Institutional Shares**

BE6229418783

KBC Institutional Fund Euro Corporate Bonds ex Financials Institutional Shares DIS  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)

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

## Institutional Shares

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

### Capitalisation units (CAP)

Return on date D over a period of X years :

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

where  $Y = D - X$

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

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

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

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

### Distribution units (DIV)

Return on date D over a period of X years :

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

where  $Y = D - X$

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

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

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

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

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

For dividend i on date Di with value Wi:

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

$i = 1 \dots N$

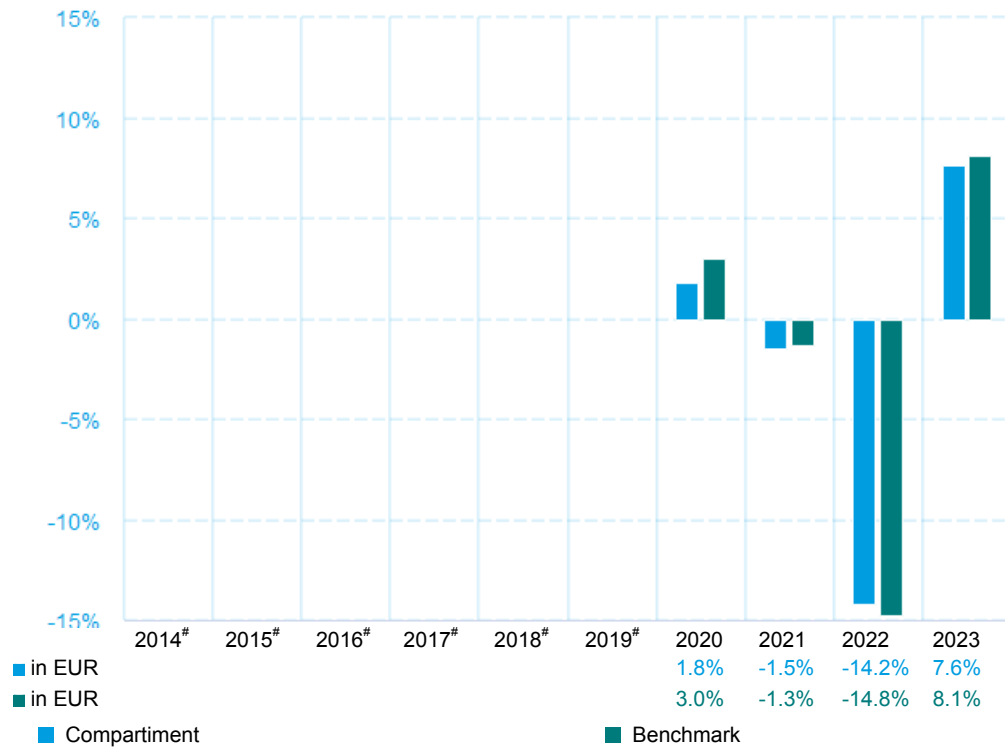
from which  $C = C_0 * \dots * C_N$ .

- 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

BE6229419799

KBC Institutional Fund Euro Corporate Bonds ex Financials Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (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	BE6229419799	EUR	7.64%	8.11%	-3.10%	-3.12%					09/12/2011	-1.86%

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

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Classic Shares Capitalisation :

Ongoing charges : 0,506%  
Transaction costs: 0,000%

#### Classic Shares Distribution :

Ongoing charges : 0,494%  
Transaction costs: 0,000%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,023%  
Transaction costs: 0,000%

#### Institutional Shares Distribution :

Ongoing charges : 0,000%  
Transaction costs: 0,000%

#### Institutional B Shares Capitalisation :

Ongoing charges : 0,456%  
Transaction costs: 0,000%

Percentage calculated at reporting date: 31 December 2023 .

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

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 52,73% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.30%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.005%	of the net assets of the sub-fund per year.

### **Institutional Shares**

Fee for managing the investment portfolio	Max 0.30%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.005%	of the net assets of the sub-fund per year.

### **Institutional B Shares**

Fee for managing the investment portfolio	Max 0.30%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.005%	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.

### **Securities lending**

Pursuant to the Royal Decree of 7 March 2006 on securities lending, the undertaking for collective investment in transferable securities(UCITS) has entered into securities lending transactions, whereby the title to the securities that have been lent has been transferred, without recognition of that transfer of ownership in the accounts. For the period from 01/01/2023 to 31/12/2023, the realised net income for the UCITS amounts to 1.779,19 EUR and for the Management Company 547,44 EUR. Direct and indirect costs and charges are deducted from the gross income. These are set at a flat rate of 35% of the fee received and consist 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 the sub-fund uses an agent, the fee paid to the agent. The undertaking for collective investment in transferable securities will thus receive 65% of the fee received for securities lent. The number of securities lent varied between 0 and 7, with a market value fluctuating between 0 and 1872226.61 EUR. The detailed list of securities lending transactions carried out may be obtained from the registered office of the undertaking for collective investment in transferable securities at Havenlaan 2, 1080 Brussels. During the reporting period, securities lending transactions were effected in relation to the following securities lending systems:

Manager of the securities lending system: Société Générale

Type of securities lending transactions effected: the lending transactions are effected through the agency of a Lending Agent.

Nature of the lent securities: the securities lending transaction applies only to the bond portion of the portfolio.

Nature of the financial collateral: only cash is accepted.

Reinvestment of the financial collateral received: financial collateral may be reinvested in monetary funds.

- Section II, entitled 'Income and expenditure relative to the investments', contains the net results of transactions in respect of the lending of securities including the result generated by reinvesting financial guarantees tendered in the context of lending bon.

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## 2. Information on KBC Institutional Fund Euro Equities Responsible Investing

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

Launch date: 8 December 2000

Initial subscription price: 2 500 EUR

Currency: EUR

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

Launch date: 6 September 2011

Initial subscription price: 1 393.12 EUR

Currency: EUR

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

Launch date: 30 May 2017

Initial subscription price: 3 023.59 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 fund aims to generate a return that matches the return of the benchmark: MSCI EMU– Net Return Index ([www.MSCI.com](http://www.MSCI.com)) by investing in a selection of shares that are included in the benchmark and that comply with the responsible investing methodology. Active management is therefore limited to the responsible investing methodology. The benchmark comprises shares from the euro-area.

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

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

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

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

The sub-fund is compliant with the transparency obligations of article 11 (1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Institutional Fund Euro Equities Responsible Investing’ of this annual report. This annex specifically covers the periodic reports for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

### Negative screening

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

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

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision

of the Responsible Investing Advisory Board.

#### Positive selection methodology

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

- (1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and
- (2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;
- (3) support sustainable development, by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

#### (1) ESG-score

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

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

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

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

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

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

The targets can be revised upwards or downwards.

#### (2) Carbon Intensity

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

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO<sub>2</sub> equivalent), divided by revenues (in mln USD).

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

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

The targets may be revised upwards or downwards.

#### (3) UN Sustainable Development Goals

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

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

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

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

The targets may be revised upwards or downwards.

#### Potential Exceptions

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

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;

- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

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

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

The sub-fund aims to generate a return that matches the return of the benchmark: MSCI EMU– Net Return Index.

The sub-fund aims to minimise the tracking error relative to the benchmark referred to above. Under normal market conditions, the expected tracking error is between 0% and 5%. Possible causes of this tracking error could be the Responsible Investing methodology, the method used to track the benchmark, transaction charges, dividend reinvestment and the costs generally borne by the sub-fund.

The tracking error measures the volatility of the sub-fund's return relative to that of the benchmark. The higher the tracking error, the more the sub-fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

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

### **Taxonomy related information**

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

### **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors were explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. The principal adverse impacts on sustainability factors that were taken into account through the exclusion policies can be found in the 'Annex for KBC Institutional Fund Euro Equities Responsible Investing'.

The principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy. The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy can be found in the 'Annex for KBC Institutional Fund Euro Equities Responsible Investing'.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Institutional Fund Euro Equities Responsible Investing'.

### **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)**

The sub-fund may not lend any financial instruments.

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

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

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

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

## **2.1.4. Financial portfolio management**

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

## **2.1.5. Distributors**

KBC Asset Management NV, Havenlaan 2, 1080 Brussels.

## **2.1.6. Index and benchmark**

See 'Sub-fund's investment policy'.

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

As stipulated in the prospectus, the fund management aimed to reflect the performance of the MSCI EMU Index.

The fund's strategy is also in line with the SRI strategy and the fund's assets are invested accordingly.

## **2.1.8. Future policy**

As stipulated in the prospectus, the fund will continue to track the performance of the MSCI EMU Index.

Compliance with the sustainability aspect of the strategy remains valid going forward.

## **2.1.9. Summary risk indicator (SRI)**

Classic Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

- a high level of market risk: the level of the risk reflects the volatility of the stock market.
  - a high level of performance risk: the level of the risk reflects the volatility of the stock market.
- There is no capital protection.

Institutional Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

- a high level of market risk: the level of the risk reflects the volatility of the stock market.
  - a high level of performance risk: the level of the risk reflects the volatility of the stock market.
- There is no capital protection.

Institutional B Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

- a high level of market risk: the level of the risk reflects the volatility of the stock market.
  - a high level of performance risk: the level of the risk reflects the volatility of the stock market.
- There is no capital protection.

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

The summary 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).

## **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 0.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.



## 2.1.11. Value-at-Risk

Not applicable

## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	433,075,471.67	326,311,645.82
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
	a) Shares	433,808,598.47	326,577,770.83
<b>IV.</b>	<b>Receivables and payables within one year</b>		
B.	Payables		
	c) Borrowings (-)	-572,986.37	-129,468.49
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	2,765.32	3,333.89
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-162,905.75	-139,990.41
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	433,075,471.67	326,311,645.82
<b>A.</b>	<b>Capital</b>	369,764,697.51	405,043,206.51
<b>B.</b>	<b>Income equalization</b>	1,077,524.89	-1,198,598.71
<b>D.</b>	<b>Result of the bookyear</b>	62,233,249.27	-77,532,961.98

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	55,240,778.27	-84,679,228.39
D.	Other securities		-3.26
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	-48,442.31	10,799.66
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	15,623,365.20	17,651,338.02
	Unrealised gains on investments	38,236,523.37	-56,527,675.61
	Realised losses on investments	-14,316,554.00	-25,746,406.12
	Unrealised losses on investments	15,649,001.39	-20,045,688.28
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	9,733,771.68	10,093,060.70
B.	Interests		
	b) Cash at bank and in hand and deposits	4,191.36	671.40
C.	Interest on borrowings (-)	-19,554.34	-4,792.28
<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	19,946.11	17,012.61
B.	Other	0.67	
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-331,616.41	-309,851.50
B.	Financial expenses (-)	-193.54	-199.09
C.	Custodian's fee (-)	-145,569.89	-152,950.02
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-93,017.15	-108,471.18
	Institutional Shares	-1,635,262.42	-1,955,219.43
	Institutional B Shares	-20,982.99	-6,168.74
	b) Administration and accounting management	-371,355.96	-377,273.21
	c) Commercial fee	-625.00	-625.00
F.	Formation and organisation expenses (-)	-1,404.15	-673.88
G.	Remuneration, social security charges and pension	-68.43	-49.83
H.	Services and sundry goods (-)	-1,731.23	-3,092.22
J.	Taxes		
	Classic Shares	-17,078.53	-15,848.67
	Institutional Shares	-43,602.20	-31,102.15
	Institutional B Shares	-1,214.27	-420.37
L.	Other expenses (-)	-33,720.00	-8,537.13
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	7,040,913.31	7,135,470.01
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	62,233,249.27	-77,532,961.98
<b>VII.</b>	<b>Result of the bookyear</b>	62,233,249.27	-77,532,961.98

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	63,310,774.16	-78,731,560.69
	Profit for the period available for appropriation	62,233,249.27	-77,532,961.98
	Income on the creation of shares (income on the cancellation of shares)	1,077,524.89	-1,198,598.71
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-63,310,774.16	78,731,560.69

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Euro Equities Responsible Investing

Name	Quantity on 31/12/2023	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>							
ERSTE GROUP BANK AG -	48,317.00	EUR	36.730	1,774,683.41		0.41	0.41
<u>Belgium</u>							
AGEAS NV -	17,305.00	EUR	39.310	680,259.55		0.16	0.16
ANHEUSER-BUSCH INBEV NV -	105,107.00	EUR	58.420	6,140,350.94		1.42	1.42
D'IETEREN -	3,296.00	EUR	176.900	583,062.40		0.13	0.14
ELIA SYSTEM OPERATOR -	3,171.00	EUR	113.300	359,274.30		0.08	0.08
G.B.L. -	16,714.00	EUR	71.220	1,190,371.08		0.27	0.28
KBC GROUP -	33,074.00	EUR	58.720	1,942,105.28		0.45	0.45
LOTUS BAKERIES (BRU)	23.00	EUR	8,230.000	189,290.00		0.04	0.04
SOFINA -	2,339.00	EUR	225.400	527,210.60		0.12	0.12
SYENSQO SA -	8,000.00	EUR	94.260	754,080.00		0.17	0.17
U.C.B. -	18,139.00	EUR	78.900	1,431,167.10		0.33	0.33
UMICORE -	19,119.00	EUR	24.900	476,063.10		0.11	0.11
WAREHOUSE DISTR. DE PAUW -	13,626.00	EUR	28.500	388,341.00		0.09	0.09
<u>Finland</u>							
ELISA OYJ (HEL) A	12,765.00	EUR	41.870	534,470.55		0.12	0.12
KESKO OYJ B	40,200.00	EUR	17.925	720,585.00		0.17	0.17
KONE CORP. -	45,819.00	EUR	45.160	2,069,186.04		0.48	0.48
METSO OUTOTEC OYJ -	62,273.00	EUR	9.170	571,043.41		0.13	0.13
NOKIA A	696,725.00	EUR	3.052	2,126,404.70		0.49	0.49
NORDEA BANK ABP -	384,340.00	EUR	11.226	4,314,600.84		1.00	1.00
ORION OYJ B	15,251.00	EUR	39.270	598,906.77		0.14	0.14
SAMPO OYJ SAMPO OYJ	54,798.00	EUR	39.610	2,170,548.78		0.50	0.50
STORA ENSO OYJ R	75,565.00	EUR	12.525	946,451.63		0.22	0.22
<u>France</u>							
ACCOR -	23,626.00	EUR	34.600	817,459.60		0.19	0.19
AEROPORTS DE PARIS -	2,718.00	EUR	117.200	318,549.60		0.07	0.07
ALSTOM -	31,201.00	EUR	12.180	380,028.18		0.09	0.09
AMUNDI SA -	5,001.00	EUR	61.600	308,061.60		0.07	0.07
ARKEMA -	7,544.00	EUR	103.000	777,032.00		0.18	0.18
AXA -	219,580.00	EUR	29.490	6,475,414.20		1.49	1.50
BIOMERIEUX -	3,571.00	EUR	100.600	359,242.60		0.08	0.08
BNP PARIBAS SA -	124,013.00	EUR	62.590	7,761,973.67		1.79	1.79
BOUYGUES -	17,597.00	EUR	34.120	600,409.64		0.14	0.14
CAPGEMINI SA -	20,046.00	EUR	188.750	3,783,682.50		0.87	0.87
CARREFOUR -	67,624.00	EUR	16.565	1,120,191.56		0.26	0.26
CIE DE ST-GOBAIN -	54,083.00	EUR	66.660	3,605,172.78		0.83	0.83
COVIVIO -	11,975.00	EUR	48.680	582,943.00		0.13	0.14
CREDIT AGRICOLE -	128,699.00	EUR	12.852	1,654,039.55		0.38	0.38
DANONE SA -	78,621.00	EUR	58.680	4,613,480.28		1.06	1.07
DASSAULT SYSTEMES -	80,970.00	EUR	44.235	3,581,707.95		0.83	0.83
EDENRED -	33,037.00	EUR	54.140	1,788,623.18		0.41	0.41
EIFFAGE SA -	6,721.00	EUR	97.020	652,071.42		0.15	0.15
ESSILOR LUXOTTICA (PAR)	35,300.00	EUR	181.600	6,410,480.00		1.48	1.48
EURAZEO (PAR)	10,992.00	EUR	71.850	789,775.20		0.18	0.18
EUROFINS SCIENTIFIC -	14,885.00	EUR	58.980	877,917.30		0.20	0.20
GECINA REG	4,060.00	EUR	110.100	447,006.00		0.10	0.10
HERMES INTL. (PAR)	4,000.00	EUR	1,918.800	7,675,200.00		1.77	1.77
IPSEN -	2,884.00	EUR	107.900	311,183.60		0.07	0.07
KERING -	9,371.00	EUR	399.000	3,739,029.00		0.86	0.86
KLEPIERRE (CIE FONCIERE) -	19,302.00	EUR	24.680	476,373.36		0.11	0.11
L'OREAL -	29,723.00	EUR	450.650	13,394,669.95		3.09	3.09
LEGRAND (PAR)	34,307.00	EUR	94.100	3,228,288.70		0.74	0.75
LVMH-MOET HENNESSY LOUIS VUITT SE -	33,824.00	EUR	733.600	24,813,286.40		5.72	5.73
MICHELIN (PAR)	90,088.00	EUR	32.460	2,924,256.48		0.67	0.68
ORANGE S.A. -	226,707.00	EUR	10.304	2,335,988.93		0.54	0.54
PERNOD RICARD SA -	25,220.00	EUR	159.750	4,028,895.00		0.93	0.93
PUBLICIS GROUPE SA -	29,833.00	EUR	84.000	2,505,972.00		0.58	0.58
REMY COINTREAU SA -	2,385.00	EUR	115.000	274,275.00		0.06	0.06

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
RENAULT (PAR)	20,045.00	EUR	36.905	739,760.73		0.17	0.17
SARTORIUS STEDIM BIOTECH -	3,192.00	EUR	239.500	764,484.00		0.18	0.18
SARTORIUS STEDIM BIOTECH -	3,052.00	EUR	333.200	1,016,926.40		0.23	0.24
SCHNEIDER ELECTRIC SE -	67,365.00	EUR	181.780	12,245,609.70		2.82	2.83
SEB (PAR)	2,412.00	EUR	113.000	272,556.00		0.06	0.06
SOCIETE GENERALE SA -	81,284.00	EUR	24.025	1,952,848.10		0.45	0.45
SODEXHO ALLIANCE -	10,583.00	EUR	99.620	1,054,278.46		0.24	0.24
STMICROELECTRONICS NV -	82,540.00	EUR	45.245	3,734,522.30		0.86	0.86
TELEPERFORMANCE -	8,577.00	EUR	132.050	1,132,592.85		0.26	0.26
UNIBAIL-RODAMCO SE -	19,537.00	EUR	66.920	1,307,416.04		0.30	0.30
VINCI S.A. -	60,095.00	EUR	113.700	6,832,801.50		1.58	1.58
VIVENDI SA -	115,847.00	EUR	9.676	1,120,935.57		0.26	0.26
WORLDLINE SA -	26,781.00	EUR	15.670	419,658.27		0.10	0.10
<u>Germany</u>							
ADIDAS AG -	19,407.00	EUR	184.160	3,573,993.12		0.82	0.83
ALLIANZ AG REG	50,895.00	EUR	241.950	12,314,045.25		2.84	2.84
ASCLEPION-MEDITEC AG -	2,341.00	EUR	98.840	231,384.44		0.05	0.05
BAYERISCHE MOTOREN WERKE AG (FRA)(PREF)	6,174.00	EUR	89.950	555,351.30		0.13	0.13
BAYERISCHE MOTOREN WERKE AG -	34,135.00	EUR	100.780	3,440,125.30		0.79	0.79
BECHTLE AG -	8,970.00	EUR	45.390	407,148.30		0.09	0.09
BEIERSDORF AG -	11,163.00	EUR	135.700	1,514,819.10		0.35	0.35
COMMERZBANK AG -	136,667.00	EUR	10.760	1,470,536.92		0.34	0.34
CONTINENTAL AG -	13,433.00	EUR	76.920	1,033,266.36		0.24	0.24
DAIMLER TRUCK HOLDING AG -	56,799.00	EUR	34.020	1,932,301.98		0.45	0.45
DELIVERY HERO SE -	21,090.00	EUR	25.010	527,460.90		0.12	0.12
DEUTSCHE BOERSE AG -	24,138.00	EUR	186.500	4,501,737.00		1.04	1.04
DEUTSCHE LUFTHANSA AG REG	49,640.00	EUR	8.048	399,502.72		0.09	0.09
DEUTSCHE POST AG -	120,437.00	EUR	44.855	5,402,201.64		1.25	1.25
DEUTSCHE TELEKOM INT FIN REG	385,441.00	EUR	21.750	8,383,341.75		1.93	1.94
DR ING HC F PORSCHE AG -	13,107.00	EUR	79.900	1,047,249.30		0.24	0.24
EVONIK INDUSTRIES AG -	29,990.00	EUR	18.500	554,815.00		0.13	0.13
FRESENIUS MEDICAL CARE AG & CO -	27,741.00	EUR	37.960	1,053,048.36		0.24	0.24
FRESENIUS SE & CO KGAA (FRA)	55,241.00	EUR	28.070	1,550,614.87		0.36	0.36
GEA AG -	26,619.00	EUR	37.690	1,003,270.11		0.23	0.23
HANNOVER RUECK SE (FRA) NAAM	6,828.00	EUR	216.300	1,476,896.40		0.34	0.34
HEIDELBERGCEMENT AG -	14,225.00	EUR	80.940	1,151,371.50		0.27	0.27
HELLOFRESH SE -	17,491.00	EUR	14.310	250,296.21		0.06	0.06
HENKEL KGAA (FRA)	5,568.00	EUR	64.980	361,808.64		0.08	0.08
HENKEL KGAA PREF	28,733.00	EUR	72.860	2,093,486.38		0.48	0.48
INFINEON TECHNOLOGIES AG -	159,989.00	EUR	37.800	6,047,584.20		1.39	1.40
KNORR-BREMSE AG -	13,890.00	EUR	58.800	816,732.00		0.19	0.19
LEG IMMOBILIEN AG -	11,166.00	EUR	79.320	885,687.12		0.20	0.21
MERCK KGAA -	16,269.00	EUR	144.100	2,344,362.90		0.54	0.54
MUNCHENER RUCKVERSICHERUNG AG REG	16,494.00	EUR	375.100	6,186,899.40		1.43	1.43
NEMETSCHEK SE -	6,598.00	EUR	78.480	517,811.04		0.12	0.12
PUMA SE (FRA)	12,145.00	EUR	50.520	613,565.40		0.14	0.14
RATIONAL AG -	289.00	EUR	699.500	202,155.50		0.05	0.05
SAP AG -	128,046.00	EUR	139.480	17,859,856.08		4.12	4.12
SCOUT24 AG -	9,158.00	EUR	64.160	587,577.28		0.14	0.14
SIEMENS HEALTHINEERS AG -	32,978.00	EUR	52.600	1,734,642.80		0.40	0.40
TALANX AG -	6,905.00	EUR	64.650	446,408.25		0.10	0.10
VONOVIA SE -	96,418.00	EUR	28.540	2,751,769.72		0.63	0.64
WACKER CHEMIE AG -	1,782.00	EUR	114.300	203,682.60		0.05	0.05
ZALANDO SE -	27,210.00	EUR	21.450	583,654.50		0.14	0.14
<u>Ireland</u>							
AIB GROUP PLC -	224,841.00	EUR	3.880	872,383.08		0.20	0.20
BANK OF IRELAND GROUP PLC -	120,345.00	EUR	8.218	988,995.21		0.23	0.23
KERRY GROUP PLC -	17,674.00	EUR	78.660	1,390,236.84		0.32	0.32
KINGSPAN GROUP PLC -	18,235.00	EUR	78.400	1,429,624.00		0.33	0.33
SMURFIT KAPPA PLC -	35,851.00	EUR	35.880	1,286,333.88		0.30	0.30
<u>Italy</u>							
AMPLIFON SPA -	13,215.00	EUR	31.340	414,158.10		0.10	0.10
ASSICURAZIONI GENERALI -	121,094.00	EUR	19.105	2,313,500.87		0.53	0.53
BANCO BPM SPA -	149,291.00	EUR	4.781	713,760.27		0.17	0.17
DAVIDE CAMPARI - MILANO SPA -	61,408.00	EUR	10.215	627,282.72		0.14	0.14
DIASORIN SPA -	2,149.00	EUR	93.240	200,372.76		0.05	0.05
FINECOBANK BANCA FINECO SPA -	75,378.00	EUR	13.585	1,024,010.13		0.24	0.24
INFRASTRUTTURE SPA -	31,830.00	EUR	11.450	364,453.50		0.08	0.08
INTESA SANPAOLO SPA -	1,832,302.00	EUR	2.644	4,843,690.34		1.12	1.12
MEDIOBANCA (MIL)	88,582.00	EUR	11.205	992,561.31		0.23	0.23
MONCLER SPA -	28,616.00	EUR	55.700	1,593,911.20		0.37	0.37
NEXI SPA -	61,335.00	EUR	7.406	454,247.01		0.11	0.11
POSTE ITALIANE -	55,791.00	EUR	10.275	573,252.53		0.13	0.13
PRYSMIAN SPA -	29,834.00	EUR	41.170	1,228,265.78		0.28	0.28
RECORDATI SPA -	9,918.00	EUR	48.830	484,295.94		0.11	0.11
TELECOM ITALIA SPA (MIL)	1,084,557.00	EUR	0.294	319,076.67		0.07	0.07
TERNA RETE ELETTRICA NAZIONALE -	221,321.00	EUR	7.554	1,671,858.83		0.39	0.39
UNICREDIT SPA -	208,036.00	EUR	24.565	5,110,404.34		1.18	1.18

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
<u>Netherlands</u>							
A.K.Z.O. NOBEL -	22,335.00	EUR	74.820	1,671,104.70		0.39	0.39
ABN AMRO GROUP N.V. -	63,762.00	EUR	13.590	866,525.58		0.20	0.20
ADYEN BV -	2,599.00	EUR	1,166.600	3,031,993.40		0.70	0.70
AEGON -	188,016.00	EUR	5.248	986,707.97		0.23	0.23
ARGENX SE -	6,648.00	EUR	343.500	2,283,588.00		0.53	0.53
ASM INTERNATIONAL -	5,664.00	EUR	469.950	2,661,796.80		0.61	0.62
ASML HOLDING NV -	49,565.00	EUR	681.700	33,788,460.50		7.80	7.81
ASR NEDERLAND NV -	31,205.00	EUR	42.700	1,332,453.50		0.31	0.31
BE SEMICONDUCTOR -	9,157.00	EUR	136.450	1,249,472.65		0.29	0.29
EURONEXT NV -	8,848.00	EUR	78.650	695,895.20		0.16	0.16
FERRARI NV -	14,912.00	EUR	305.200	4,551,142.40		1.05	1.05
HEINEKEN -	33,575.00	EUR	91.940	3,086,885.50		0.71	0.71
HEINEKEN HOLDING (AMS)(A 25NLG)	13,492.00	EUR	76.600	1,033,487.20		0.24	0.24
IMCD GROUP NV -	9,132.00	EUR	157.550	1,438,746.60		0.33	0.33
ING GROEP NV -	427,270.00	EUR	13.526	5,779,254.02		1.33	1.33
JDE PEET'S BV -	10,863.00	EUR	24.360	264,622.68		0.06	0.06
KON. AHOLD DELHAIZE NV -	112,296.00	EUR	26.015	2,921,380.44		0.67	0.68
KONINKLIJKE KPN NV -	407,036.00	EUR	3.118	1,269,138.25		0.29	0.29
NN GROUP NV -	37,035.00	EUR	35.750	1,324,001.25		0.31	0.31
OCI NV -	3,076.00	EUR	26.240	80,714.24		0.02	0.02
PROSUS NV -	182,936.00	EUR	26.985	4,936,527.96		1.14	1.14
QIAGEN NV -	34,260.00	EUR	39.400	1,349,844.00		0.31	0.31
RANDSTAD NV (AMS)	18,843.00	EUR	56.720	1,068,774.96		0.25	0.25
STELLANTIS NV -	262,675.00	EUR	21.150	5,555,576.25		1.28	1.28
UNIVERSAL MUSIC GROUP NV -	95,878.00	EUR	25.810	2,474,611.18		0.57	0.57
WOLTERS KLUWER -	29,966.00	EUR	128.700	3,856,624.20		0.89	0.89
<u>Portugal</u>							
JERONIMO MARTINS -	47,192.00	EUR	23.040	1,087,303.68		0.25	0.25
<u>Spain</u>							
ACCIONA SA -	3,289.00	EUR	133.300	438,423.70		0.10	0.10
ACTIVIDADES CONSTRUCCY SERV -	21,410.00	EUR	40.160	859,825.60		0.20	0.20
AENA SA -	12,274.00	EUR	164.100	2,014,163.40		0.46	0.47
AMADEUS IT GROUP SA -	54,514.00	EUR	64.880	3,536,868.32		0.82	0.82
BANCO BILBAO VIZCAYA ARGENTARIA -	705,912.00	EUR	8.226	5,806,832.11		1.34	1.34
BANCO SANTANDER CENTRAL HISPANO SA -	1,923,104.00	EUR	3.780	7,268,371.57		1.68	1.68
CAIXABANK SA -	545,379.00	EUR	3.726	2,032,082.15		0.47	0.47
CELLNEX TELECOM SAU -	70,429.00	EUR	35.660	2,511,498.14		0.58	0.58
CORP ACCIONA ENERGIAS RENOVABL -	13,028.00	EUR	28.080	365,826.24		0.08	0.08
EDP RENOVAVEIS SA -	33,406.00	EUR	18.525	618,846.15		0.14	0.14
FERROVIAL SA -	58,011.00	EUR	33.020	1,915,523.22		0.44	0.44
GRIFOLS SA -	46,249.00	EUR	15.455	714,778.30		0.17	0.17
INDUSTRIA DE DISENO TEXTIL SA -	135,487.00	EUR	39.430	5,342,252.41		1.23	1.23
RED ELECTRICA DE ESPANA -	47,958.00	EUR	14.910	715,053.78		0.17	0.17
TELEFONICA SA -	592,304.00	EUR	3.534	2,093,202.34		0.48	0.48
<u>Switzerland</u>							
DSM-FIRMENICH AG -	22,249.00	EUR	92.000	2,046,908.00		0.47	0.47
<u>U.S.A.</u>							
AERCAP HOLDINGS NV -	21,951.00	USD	74.320	1,476,846.35		0.34	0.34
Total shares				433,808,598.47		100.00	100.17
TOTAL SECURITIES PORTFOLIO				433,808,598.47		100.00	100.17
CASH AT BANK AND IN HAND							
Demand accounts							
<u>Belgium</u>							
KBC GROUP CHF	205.37	CHF	1.000	220.89		0.00	0.00
KBC GROUP EURO	-572,976.71	EUR	1.000	-572,976.71		0.00	-0.13
KBC GROUP GBP	-8.37	GBP	1.000	-9.66		0.00	0.00
KBC GROUP USD	2,810.71	USD	1.000	2,544.43		0.00	0.00
Total demand accounts				-570,221.05		0.00	-0.13
TOTAL CASH AT BANK AND IN HAND				-570,221.05		0.00	-0.13
OTHER							
Expenses payable		EUR		-162,905.75		0.00	-0.04
TOTAL OTHER				-162,905.75		0.00	-0.04
TOTAL NET ASSETS				433,075,471.67		0.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Austria	0.57	0.82	0.65	0.41
Belgium	4.26	4.36	3.96	3.24
Switzerland	0.00	0.00	0.66	0.47
Cyprus	0.11	0.00	0.00	0.00

Germany	22.57	22.71	20.27	22.63
Spain	10.14	7.17	7.62	8.36
Finland	4.02	3.07	2.54	3.25
France	32.26	36.15	36.59	33.66
Ireland	2.35	2.10	1.68	1.38
Italy	6.93	5.41	4.99	5.28
Netherlands	16.34	17.73	20.43	20.73
Portugal	0.45	0.48	0.52	0.25
U.S.A.	0.00	0.00	0.09	0.34
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	20.01	22.73	16.29	
Consum(cycl)	20.00	19.33	22.67	
Cons.goods	9.29	9.44	9.87	
Pharma	10.33	9.16	6.43	
Financials	17.55	18.33	21.31	
Technology	12.59	12.64	17.00	
Telecomm.	4.29	3.53	3.75	
Utilities	3.80	3.02	1.33	
Real est.	1.39	1.19	0.96	
Various	0.75	0.63	0.39	
TOTAL	100.00	100.00	100.00	

	31/12/2023
Consumer Discretionary Products	13.94
Banking	13.20
Tech Hardware & Semiconductors	11.45
Consumer Staple Products	9.01
Software & Tech Services	8.91
Insurance	8.24
Industrial Services	6.39
Industrial Products	5.47
Health Care	5.37
Materials	3.74
Telecommunications	3.45
Media	2.81
Financial Services	2.06
Retail & Wholesale - Discretionary	1.87
Real Estate	1.58
Retail & Wholesale - Staples	1.41
Utilities	0.78
Consumer Discretionary Services	0.19
Renewable Energy	0.08
Not specified	0.05
TOTAL	100.00

The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
EURO	100.00	100.00	99.91	99.66
US DOLLAR	0.00	0.00	0.09	0.34
TOTAL	100.00	100.00	100.00	100.00



## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Euro Equities Responsible Investing (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	67,188,633.72	113,602,292.76	180,790,926.48
<b>Sales</b>	74,738,202.83	54,015,184.40	128,753,387.23
<b>Total 1</b>	141,926,836.54	167,617,477.16	309,544,313.71
<b>Subscriptions</b>	27,830,784.59	70,667,662.75	98,498,447.34
<b>Redemptions</b>	41,121,030.45	13,915,863.40	55,036,893.85
<b>Total 2</b>	68,951,815.04	84,583,526.15	153,535,341.19
<b>Monthly average of total assets</b>	364,163,717.06	379,946,781.74	372,086,942.30
<b>Turnover rate</b>	20.04%	21.85%	41.93%

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: 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
2021 - 12	1,488.46		4,130.28		6,102.49		6,102.49
2022 - 12	340.88		1,211.76		5,231.62		5,231.62
2023 - 12	536.19		1,018.91		4,748.89		4,748.89

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	5,517,525.53		15,011,512.81	
2022 - 12	1,251,747.63		4,020,094.04	
2023 - 12	2,019,462.34		3,918,629.04	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	24,746,797.86	4,055.19	
2022 - 12	17,756,454.40	3,394.07	
2023 - 12	19,001,657.46	4,001.28	

## Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	21,797.49		48,324.27		105,323.60		105,323.60
2022 - 12	21,365.76		37,899.65		88,789.71		88,789.71
2023 - 12	23,799.58		12,394.65		100,194.64		100,194.64

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	79,835,877.03		179,122,029.63	
2022 - 12	78,788,241.08		131,776,735.00	
2023 - 12	90,415,169.46		47,582,134.08	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	431,072,437.72	4,092.84	
2022 - 12	304,352,732.30	3,427.79	
2023 - 12	405,158,885.46	4,043.72	

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	0.00		0.00		0.00		0.00
2022 - 12	2,180.00		956.00		1,224.00		1,224.00
2023 - 12	2,072.00		1,098.00		2,198.00		2,198.00

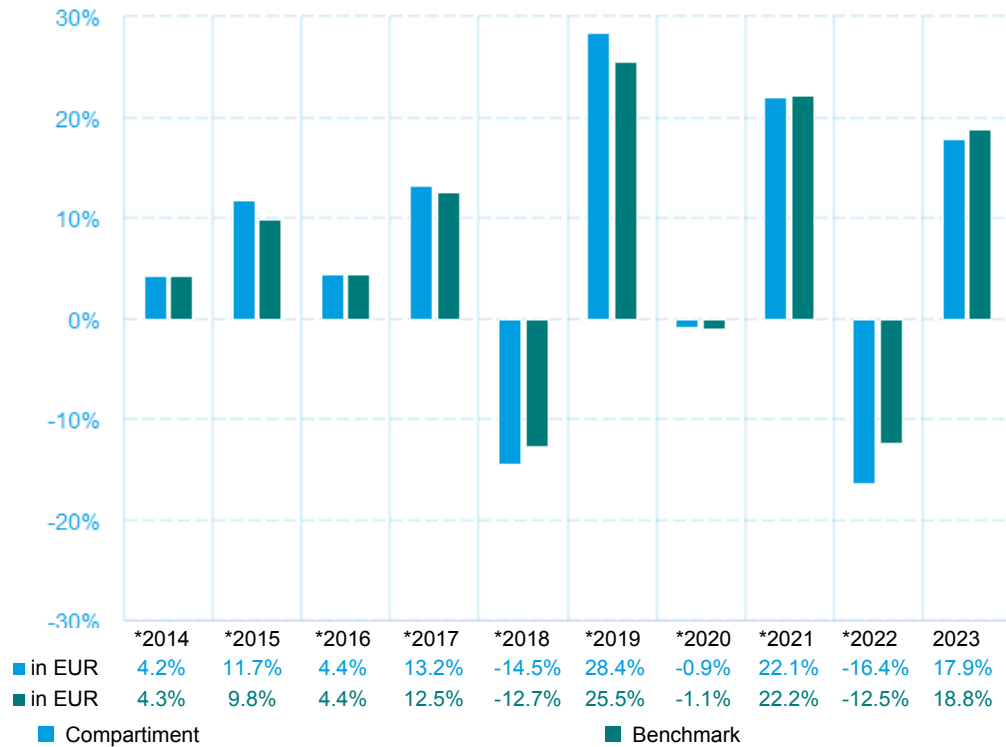
Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	0.00		0.00	
2022 - 12	6,931,605.85		3,149,393.30	
2023 - 12	7,847,599.96		4,250,892.06	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	0.00	0.00	
2022 - 12	4,202,459.08	3,433.38	
2023 - 12	8,914,928.75	4,055.93	

## 2.4.5. Performance figures

### Classic Shares

BE0175761940  
 KBC Institutional Fund Euro Equities Responsible Investing Classic Shares CAP  
 Annual performance compared to the benchmark on 31/12/2023 (in EUR)



\* 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
CAP	BE0175761940	EUR	17.89%	18.78%	6.36%	8.30%	8.89%	9.52%	6.05%	6.35%	08/12/2000	2.06%

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.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
**Capitalisation units (CAP)**  
 Return on date D over a period of X years :  

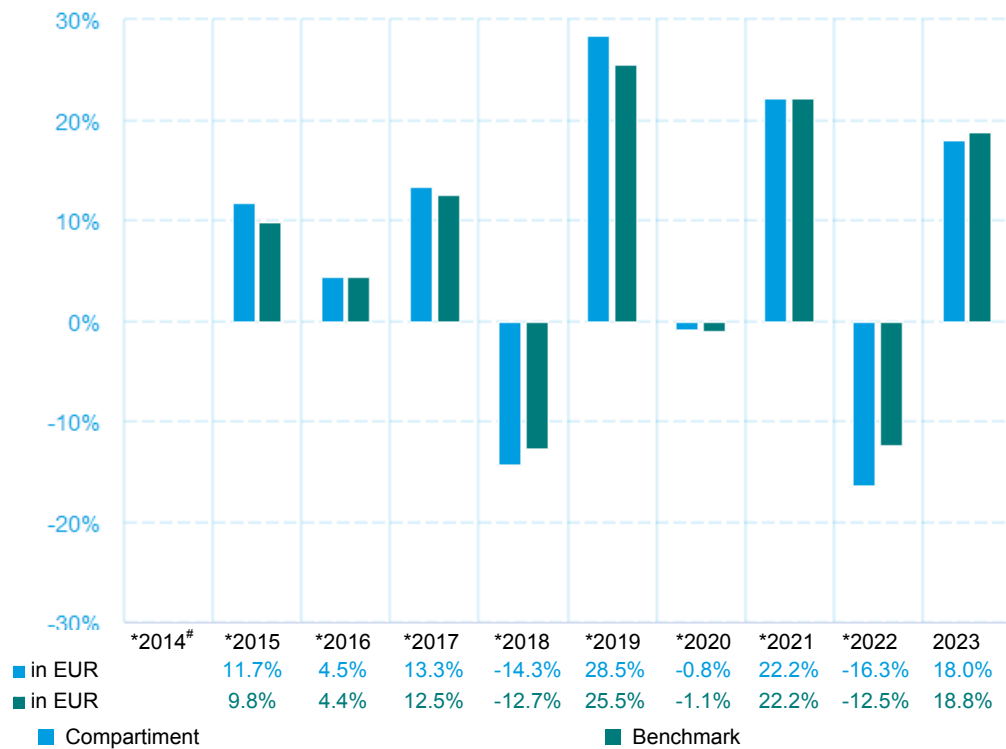
$$\left[ \frac{NIW(D)}{NIW(Y)} \right]^{1/X} - 1$$
 where Y = D-X  
 Return on date D since the start date S of the unit:  

$$\left[ \frac{NIW(D)}{NIW(S)} \right]^{1/F} - 1$$
 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.

## Institutional Shares

BE6225969243

KBC Institutional Fund Euro Equities Responsible Investing Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

\* 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
CAP	BE6225969243	EUR	17.97%	18.78%	6.44%	8.30%	8.97%	9.52%			06/09/2011	

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

\* Return on annual basis.

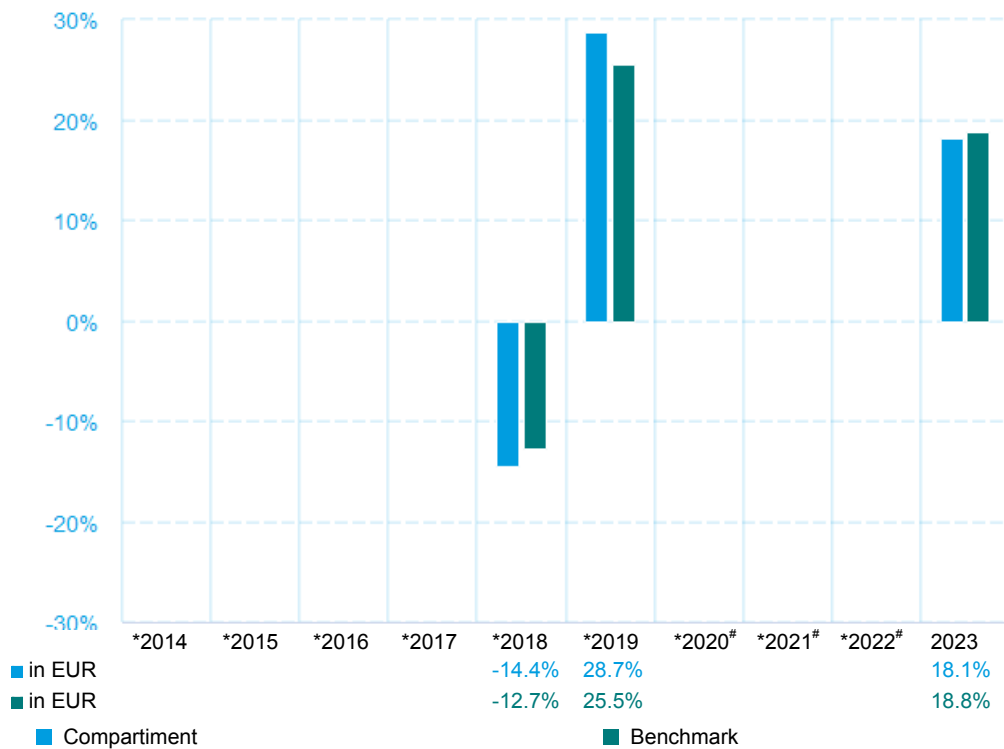
## Institutional Shares

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

## Institutional B Shares

BE6295240376

KBC Institutional Fund Euro Equities Responsible Investing Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

\* 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
CAP	BE6295240376	EUR	18.13%	18.78%							30/05/2017	

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

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Classic Shares Capitalisation :

Ongoing charges : 0,701%  
Transaction costs: 0,091%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,635%  
Transaction costs: 0,091%

#### Institutional B Shares Capitalisation :

Ongoing charges : 0,498%  
Transaction costs: 0,091%

Percentage calculated at reporting date: 31 December 2023 .

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.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.45%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.015%	of the net assets of the sub-fund per year.

### Institutional Shares

Fee for managing the investment portfolio	Max 0.45%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.015%	of the net assets of the sub-fund per year.

### Institutional B Shares

Fee for managing the investment portfolio	Max 0.55%	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.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.015%	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.



**Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**  
KBC Institutional Fund Euro Equities Responsible Investing

**Legal entity identifier:**  
549300VZZ0AGYW0MBR98

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Did this financial product have a sustainable investment objective?**

Yes    No

It made **sustainable investments with an environmental objective**: %

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective**: %

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 82.63% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

This sub-fund:

- has promoted the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- has promoted climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;
- has supported sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The specific objectives of the sub-fund can be found in the table under title 'How did the sustainability indicators perform?' of this annex.

The sub-fund invested 82.63% of the assets in "sustainable investments" as defined by art. 2.17 SFDR and 17.50% in other investments aligned with environmental or social characteristics.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI EMU-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

### How did the sustainability indicators perform?

**Sustainability indicators**  
measure how the environmental or social characteristics promoted by the financial product are attained.

	Target	Target applied	Actuals	Objective attained
<b>Instruments issued by companies</b>				
ESG risk score	10% better than the following benchmark: MSCI EMU-Net Return index.	16.73	16.33	Yes
Carbon Intensity	A reduction of 50% by 2030 based on the following benchmark: MSCI EMU-Net Return index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%.	103.82	40.68	Yes
<b>Minimum % Sustainable Investments</b>	A minimum of 55% of sustainable investments.	55	82.63	Yes
<b>Other specific objectives</b>	not applicable			

As indicated in the table above, the sub-fund has reached all targets during the reference period.

The sub-fund pursued these objectives (directly or indirectly) based on a dual approach: the negative screening and the positive selection methodology. The reference period of this annual report is 1 January 2023 to 31 December 2023. The objectives and results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year and, for this reason, are not a reliable indicator for future results.

All targets are also monitored by KBC Asset Management at month-end. Given the difference in the periodicity of the calculations, it cannot be excluded that the monitoring at month-end leads to different results than the situation at the end of the financial year as shown in the table above and section 2.1.7 of the general annual report.

No breaches at month-end have been identified for this sub-fund.

### ... and compared to previous periods?

Sustainability indicators	Achieved result	Achieved result
	31/12/2022	31/12/2023
<b>Instruments issued by companies</b>		
ESG risk score		16.33
Carbon Intensity		40.68
<b>Sustainable Investments</b>	85.60	82.63

For both reporting periods, the results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year. Therefore, they are not a reliable indicator of future results.

For the reporting period 01/01/2022 - 31/12/2022, the results achieved were not reported for each sustainability indicator separately (except for the percentage of sustainable investments).

For the year 2022, it was only described in a general way whether or not the targets were achieved.

### What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The sub-fund promoted a combination of environmental and social characteristics and, even though it didn't have sustainable investments as an objective, the sub-fund invested 82.63% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this chapter only reflect the situation at the end of the financial year of the **sub-fund** and, for that reason, are not a reliable indicator for future results.

### (1) UN Sustainable Development Goals

To support sustainable development, the sub-fund invested a part of its portfolio in companies that contribute to the UN Sustainable Development Goals (including both social and environmental objectives).

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, were designated as 'sustainable investments'.

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

***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and anti-bribery matters.

The sustainable investments that the sub-fund partially made did not cause significant harm to the sustainable investment objective through the negative screening. The sub-fund took into account the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 through the negative screening.

The negative screening amounts to the sub-fund's a priori exclusion of companies from the Responsible Investment universe which fall foul the exclusion policies.

The application of these policies means that companies involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, and companies active in the palm oil industry are subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather are excluded. The negative screening also ensures that companies based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These principles of negative screening are not exhaustive and may be modified on the advice of the Responsible Investing Advisory Board.

*How were the indicators for adverse impacts on sustainability factors taken into account?*

Through the exclusion policy for Responsible Investing funds and, in particular, the normative screening and ESG risk assessment, all indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account for instruments issued by companies. The sub-fund did not invest in companies that seriously violate the principles of the United Nations Global Compact and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, and any companies involved in serious controversies related to environmental, social or good governance issues are also excluded. Also excluded were companies that deviate significantly (score of -10) from any of the UN's first 15 Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk score of more than 40 according to data provider Sustainalytics.

In addition to the normative screening and ESG risk assessment, through the positive selection methodology on carbon intensity and the exclusions in the exclusion policy for Responsible Investment funds, the following indicators of principle adverse impacts on sustainability factors were also considered for all investments of this sub-fund:

- **Indicator 4:** exposure to companies active in the fossil fuel sector was taken into account as the sub-fund did not invest in companies that are active in the fossil fuel sector.
- **Indicator 10:** Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises was taken into account as the sub-fund did not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14:** exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) was taken into account as the sub-fund did not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors were implicitly taken into

account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercised the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators of principal adverse impacts on sustainability factors that the sub-fund can take into account can be found in Annex I of Delegated Regulation (EU) 2022/1288.

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Yes.

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, were excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assessed the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures were taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

The principal adverse impacts on sustainability factors were explicitly taken into account for all investments of this sub-fund by the exclusion policies applied. In addition, the principle adverse impacts on sustainability factors were implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting. More information on the principal adverse impacts on sustainability factors can be found under the heading 'How were the indicators for adverse impacts on sustainability factors taken into account' of this Annex.



## What were the top investments of this financial product?

This list includes the investments constituting the greatest proportion of the financial product during the reference period which is:

01/01/2023-31/12/2023

Largest investments	Sector	% assets	Country
ASML HOLDING NV	Tech Hardware & Semiconductors	6.98%	Netherlands
LVMH MOET HENNESSY LOUIS VUI	Consumer Discretionary Products	5.37%	France
SAP SE	Software & Tech Services	3.79%	Germany
L'OREAL	Consumer Staple Products	2.73%	France
ALLIANZ SE-REG	Insurance	2.65%	Germany
SCHNEIDER ELECTRIC SE	Industrial Products	2.63%	France
HERMES INTERNATIONAL	Consumer Discretionary Products	2.04%	France
DEUTSCHE TELEKOM AG-REG	Telecommunications	1.91%	Germany
VINCI SA	Industrial Services	1.86%	France
AXA SA	Insurance	1.72%	France
ESSILORLUXOTTICA	Health Care	1.51%	France
INTESA SANPAOLO	Banking	1.40%	Italy
INFINEON TECHNOLOGIES AG	Tech Hardware & Semiconductors	1.37%	Germany
INDUSTRIA DE DISEÑO TEXTIL	Retail & Wholesale - Discretionary	1.30%	Spain
BNP PARIBAS	Banking	1.28%	France



## What was the proportion of sustainability-related investments?

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results. At the end of the year, the proportion of sustainable investments was 82.63%.

### What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

The sub-fund could invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described in the prospectus under title "Information concerning the sub-fund Euro Equities Responsible Investing".

Within these categories of eligible assets, the sub-fund invested 100.13% in assets that promote environmental or social characteristics and 0.13% in other investments. The category "other investments" contained technical items, such as cash and derivatives, and assets in which the sub-fund invests temporarily following a planned update of the eligible universe, which determines the assets that promote environmental and/or social characteristics, for which there are no environmental or social safeguards. The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.

Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Euro Equities Responsible Investing' of the prospectus.

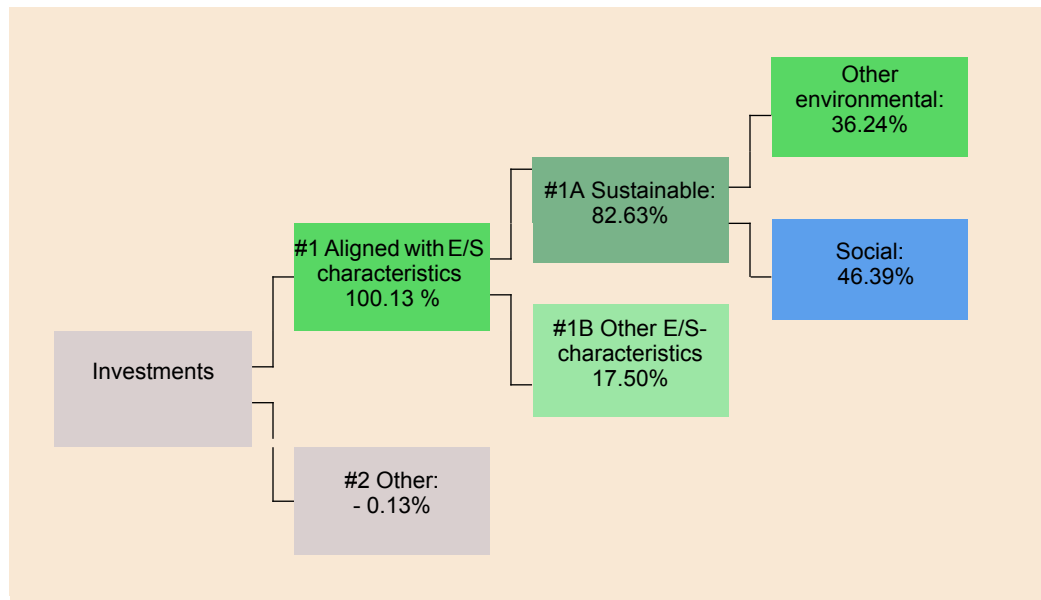
Investments in derivatives are not used to attain the environmental or social characteristics promoted by the financial product and will not affect them.

36.24% of the sustainable investments are environmentally sustainable investments and 46.39% are socially sustainable investments.

The sustainable investments are equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are considered "sustainable" by the Responsible Investing Advisory Board.

More information can be found at the section 'What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?' of this Annex.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**In which economic sectors were the investments made?**

On 31/12/2023 the investments were made in the following sectors:

Sector	%Assets
Consumer Discretionary Products	13.94%
Banking	13.20%
Tech Hardware & Semiconductors	11.45%
Consumer Staple Products	9.01%
Software & Tech Services	8.91%
Insurance	8.24%
Industrial Services	6.39%
Industrial Products	5.47%
Health Care	5.37%
Materials	3.74%
Telecommunications	3.45%
Media	2.81%
Financial Services	2.06%
Retail & Wholesale - Discretionary	1.87%
Real Estate	1.58%
Retail & Wholesale - Staples	1.41%
Utilities	0.78%
Consumer Discretionary Services	0.19%
Renewable Energy	0.08%
Not specified	0.05%

Sectors and sub-sectors of the economy that derive income from exploration, mining, extraction, production, processing, storage, refining or distribution - including transportation, storage and trading - in fossil fuels are excluded by the exclusion policy. Consequently, the sub-fund has not invested in these sectors and sub-sectors.



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework ("investments aligned with the EU Taxonomy"). Although the sub-fund does not aim to invest in investments aligned with the EU Taxonomy, it cannot be ruled out that the sub-fund does contain investments aligned with the EU Taxonomy. The percentage invested in EU Taxonomy-aligned investments was set at 31 December 2023. KBC Asset Management NV determined that insufficient reliable, timely and verifiable data from issuers or investee companies were available at that time for consistent reporting, and this based on its own research and services from data suppliers. The percentage invested in investments aligned with the EU Taxonomy was therefore set at 0%.

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>(1)</sup>?**

Yes:

In fossil gas                       In nuclear energy

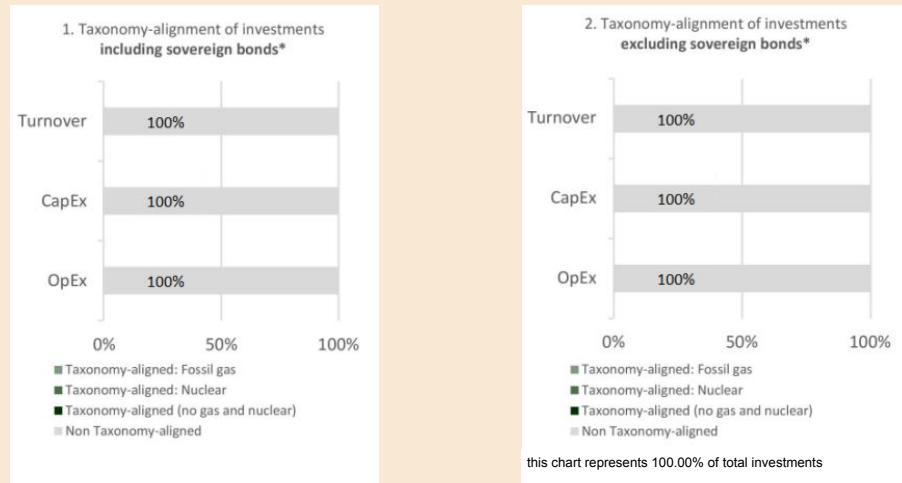
No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas

and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:  
 -turnover reflecting the share of revenue from green activities of investee companies.  
 -capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.  
 -operational expenditure (OpEx) reflecting green operational activities of investee companies.

**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



**\*For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.**

**What was the share of investments made in transitional and enabling activities?**

Not applicable.

**How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The previous reference period (which ran from 1 January 2022 tot 31 December 2022) also reported 0% on EU taxonomy-aligned investments.

KBC Asset Management NV determined, based on its own research and services from data suppliers, that insufficient reliable, timely and verifiable data of issuers in which investments were made were available for the previous and current financial year. The percentage of investments aligned with the EU taxonomy was therefore set at 0% for both reference periods.

**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

The sub-fund invested 82.63% in sustainable investments as defined by art. 2.17 SFDR. At the end of the financial year of the sub-fund, the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 36.24%.

Asset managers depend on available sustainability data relating to their investee companies. Currently, there is a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

**What was the share of socially sustainable investments?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



fund and, for this reason, are not a reliable indicator for future results. At the end of the financial year of the sub-fund, the share of socially sustainable investments was 46.39%.



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

At the end of the financial year, the "not sustainable" category may include the following investments:

Assets	Purpose of investments and presence of minimum environmental or social safeguards
Investments in cash	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in assets that no longer met screening criteria	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in derivatives	Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. ‘Investment information’ under title ‘Information concerning the sub-fund Euro Equities Responsible Investing’ of the prospectus. Investments in derivatives were not used to attain the environmental or social characteristics promoted by the sub-fund and did not affect them.

For investments included under “#2 not sustainable”, there were no environmental or social safeguards.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The sub-fund

- promoted the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promoted climate change mitigation, by preferring companies with lower Carbon Intensity, with the objective of meeting a predetermined carbon intensity target;
- supported sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

The sub-fund excluded companies involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices were also excluded, and companies active in the palm oil industry were subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather were excluded. The negative screening also ensured that companies based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) were excluded from the sub-fund's investment universe.

KBC Asset Management NV executed the voting rights of shares managed in the sub-fund according to the Proxy Voting and Engagement Policy. As such, KBC Asset Management monitored the companies in which the sub-fund is invested in, intervened with investee companies (avoiding insider information), took part in appropriate collective engagement initiatives and exercised voting rights in a considered way. These responsibilities were executed in the exclusive concern of defending the interests of the investors of the funds.



**How did this financial product perform compared to the reference benchmark?**

Reference benchmarks are indexes to measure whether

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI EMU-Net Return index was used as a

the financial product attains the environmental or social characteristics that they promote.

basis for comparison, to compare certain ESG characteristics promoted by the sub-fund. More information can be found in the table under the "How did the sustainability indicators perform" section of this annex.

● ***How does the reference benchmark differ from a broad market index?***

Not applicable.

● ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

● ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

● ***How did this financial product perform compared with the broad market index?***

Not applicable.

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## 2. Information on KBC Institutional Fund Euro Equity

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

Launch date:	6 March 1998
Initial subscription price:	200 000 BEF
Currency:	EUR

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

Launch date:	12 December 2007
Initial subscription price:	8 428.79 EUR
Currency:	EUR

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

Launch date:	30 May 2017
Initial subscription price:	9 418.67 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 primarily in shares of companies from Member States of the European Union participating in the euro or from Member States where progress towards meeting the convergence criteria suggests that they may soon join the euro.

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

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

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

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

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

The longterm expected tracking error for this fund is 2.50%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

### **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors that were taken into account through the general exclusion policy, were exposure to controversial weapons ('indicator 14'), exposure to companies active in the fossil fuel sector ('indicator 4') and Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10').

The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy were greenhouse gas emissions ('indicator 1'), carbon footprint ('indicator 2'), greenhouse gas intensity of investee companies ('indicator 3'), exposure to companies active in the fossil fuel sector ('indicator 4'), gender diversity on the board of directors ('indicator 13').

### **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 NV, Havenlaan 2, 1080 Brussels.

## **2.1.6. Index and benchmark**

See 'Sub-fund's investment policy'.

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

Active positions in Euro stocks were taken based on quantitative analysis and a stringent risk framework. Approximately once a month, the fund was rebalanced to reflect recommendations originated by forementioned analysis.

## **2.1.8. Future policy**

The fund will continue its active stock selection strategy based on quantitative analysis within the limits defined by the stringent risk framework.

## **2.1.9. Summary risk indicator (SRI)**

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

- a high level of market risk: the level of the risk reflects the volatility of the stock market.
  - a high level of performance risk: the level of the risk reflects the volatility of the stock market.
- There is no capital protection.

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

- a high level of market risk: the level of the risk reflects the volatility of the stock market.
  - a high level of performance risk: the level of the risk reflects the volatility of the stock market.
- There is no capital protection.

Institutional B Shares: 5 on a scale of 1 (lowest risk) to 7 (highest risk)

- a high level of market risk: the level of the risk reflects the volatility of the stock market.
  - a high level of performance risk: the level of the risk reflects the volatility of the stock market.
- There is no capital protection.

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

The summary 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).

### **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 0.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

### **2.1.11. Value-at-Risk**

Not applicable



## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	96,886,380.41	127,864,681.09
<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		3,720.75
C.	Shares and similar instruments		
	a) Shares	97,482,383.70	127,568,741.34
	Of which securities lent		7,876.80
<b>IV.</b>	<b>Receivables and payables within one year</b>		
B.	Payables		
	c) Borrowings (-)	-544,039.23	-55.84
	d) Collateral (-)		-3,720.75
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	230.61	282,573.47
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	-0.02	68,132.23
C.	Accrued expense (-)	-52,194.65	-54,710.11
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	96,886,380.41	127,864,681.09
<b>A.</b>	<b>Capital</b>	79,274,229.88	162,942,204.95
<b>B.</b>	<b>Income equalization</b>	-1,229,948.45	-879,583.77
<b>D.</b>	<b>Result of the bookyear</b>	18,842,098.98	-34,197,940.09
<hr/>			
	<b>Off-balance-sheet headings</b>		
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments		3,720.75
IX.	Financial instruments lent		7,876.80

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	16,074,579.42	-38,924,685.70
F.	Derivative financial instruments		
	l) Financial indices		
	Futures and forward contracts	-138,150.00	538,222.50
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	-5,227.72	159,525.65
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	18,033,673.26	23,300,307.80
	Unrealised gains on investments	1,560,266.74	-36,680,902.60
	Realised losses on investments	-10,092,027.81	-20,058,158.88
	Unrealised losses on investments	6,429,289.51	-4,788,183.87
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	3,786,858.81	5,130,265.90
B.	Interests		
	a) Securities and money market instruments	7,212.54	36,315.03
	b) Cash at bank and in hand and deposits	21,167.82	78.55
C.	Interest on borrowings (-)	-53,424.09	-9,773.57
<b>III.</b>	<b>Other income</b>		
A.	Income received to cover the acquisition and realization of assets, to discourage withdrawals and for delivery charges	76,902.99	77,778.71
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-255,559.04	-363,333.83
B.	Financial expenses (-)	-101.03	-114.52
C.	Custodian's fee (-)	-53,404.82	-68,011.80
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-41,273.09	-39,388.02
	Institutional Shares	-369,189.58	-490,161.69
	Institutional B Shares	-38,353.29	-38,399.01
	b) Administration and accounting management	-130,059.54	-164,099.90
	c) Commercial fee	-625.00	-625.00
F.	Formation and organisation expenses (-)	-632.86	-267.90
G.	Remuneration, social security charges and pension	-16.26	-19.31
H.	Services and sundry goods (-)	-1,591.51	-2,770.19
J.	Taxes		
	Classic Shares	-12,210.98	-10,624.93
	Institutional Shares	-14,153.61	-15,384.55
	Institutional B Shares	-1,134.39	-877.17
L.	Other expenses (-)	-9,515.79	-11,589.34
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	2,910,897.28	4,028,997.46
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	18,842,098.98	-34,197,940.09
<b>VII.</b>	<b>Result of the bookyear</b>	18,842,098.98	-34,197,940.09

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	17,612,150.53	-35,077,523.86
	Profit for the period available for appropriation	18,842,098.98	-34,197,940.09
	Income on the creation of shares (income on the cancellation of shares)	-1,229,948.45	-879,583.77
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-17,612,150.53	35,077,523.86

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Euro Equity

Name	Quantity on 31/12/2023	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>							
ERSTE GROUP BANK AG -	10,941.00	EUR	36.730	401,862.93		0.41	0.42
TELEKOM AUSTRIA AG (WIEN)	18,984.00	EUR	7.650	145,227.60		0.15	0.15
VOESTALPINE AG -	4,680.00	EUR	28.560	133,660.80		0.14	0.14
<u>Belgium</u>							
ANHEUSER-BUSCH INBEV NV -	24,782.00	EUR	58.420	1,447,764.44		1.49	1.49
G.B.L. -	9,365.00	EUR	71.220	666,975.30		0.68	0.69
SOLVAY -	2,245.00	EUR	27.730	62,253.85		0.06	0.06
SYENSQO SA -	2,245.00	EUR	94.260	211,613.70		0.22	0.22
U.C.B. -	6,219.00	EUR	78.900	490,679.10		0.50	0.51
WAREHOUSE DISTR. DE PAUW -	4,465.00	EUR	28.500	127,252.50		0.13	0.13
<u>Finland</u>							
NOKIA A	250,584.00	EUR	3.052	764,782.37		0.79	0.79
ORION OYJ B	3,964.00	EUR	39.270	155,666.28		0.16	0.16
OUTOKUMPU A -	14,702.00	EUR	4.484	65,923.77		0.07	0.07
TIETOEVRV CORP -	4,987.00	EUR	21.540	107,419.98		0.11	0.11
<u>France</u>							
ACCOR -	2,986.00	EUR	34.600	103,315.60		0.11	0.11
AIR LIQUIDE (L') -	9,164.00	EUR	176.120	1,613,963.68		1.66	1.67
ALSTOM -	22,060.00	EUR	12.180	268,690.80		0.28	0.28
AMUNDI SA -	5,854.00	EUR	61.600	360,606.40		0.37	0.37
ARKEMA -	2,444.00	EUR	103.000	251,732.00		0.26	0.26
AXA -	15,234.00	EUR	29.490	449,250.66		0.46	0.46
BNP PARIBAS SA -	18,590.00	EUR	62.590	1,163,548.10		1.19	1.20
BOUYGUES -	6,686.00	EUR	34.120	228,126.32		0.23	0.24
CAPGEMINI SA -	1,862.00	EUR	188.750	351,452.50		0.36	0.36
CARREFOUR -	6,745.00	EUR	16.565	111,730.93		0.12	0.12
CHRISTIAN DIOR SE -	74.00	EUR	707.500	52,355.00		0.05	0.05
CIE DE ST-GOBAIN -	8,412.00	EUR	66.660	560,743.92		0.57	0.58
CREDIT AGRICOLE -	30,529.00	EUR	12.852	392,358.71		0.40	0.41
DANONE SA -	21,321.00	EUR	58.680	1,251,116.28		1.28	1.29
DASSAULT SYSTEMES -	2,237.00	EUR	44.235	98,953.70		0.10	0.10
EIFFAGE SA -	14,523.00	EUR	97.020	1,409,021.46		1.45	1.45
ELIS SA -	5,936.00	EUR	18.890	112,131.04		0.12	0.12
ESSILOR LUXOTTICA (PAR)	8,561.00	EUR	181.600	1,554,677.60		1.60	1.61
EUROFINS SCIENTIFIC -	3,647.00	EUR	58.980	215,100.06		0.22	0.22
GECINA REG	3,926.00	EUR	110.100	432,252.60		0.44	0.45
HERMES INTL. (PAR)	277.00	EUR	1,918.800	531,507.60		0.55	0.55
IPSEN -	1,934.00	EUR	107.900	208,678.60		0.21	0.22
KERING -	2,263.00	EUR	399.000	902,937.00		0.93	0.93
KLEPIERRE (CIE FONCIERE) -	4,233.00	EUR	24.680	104,470.44		0.11	0.11
L'OREAL -	6,026.00	EUR	450.650	2,715,616.90		2.79	2.80
LA FRANCAISE DES JEUX SAEM -	2,900.00	EUR	32.840	95,236.00		0.10	0.10
LVMH-MOET HENNESSY LOUIS VUITT SE -	6,209.00	EUR	733.600	4,554,922.40		4.67	4.70
MICHELIN (PAR)	5,342.00	EUR	32.460	173,401.32		0.18	0.18
ORANGE S.A. -	17,693.00	EUR	10.304	182,308.67		0.19	0.19
PERNOD RICARD SA -	5,180.00	EUR	159.750	827,505.00		0.85	0.85
PUBLICIS GROUPE SA -	3,788.00	EUR	84.000	318,192.00		0.33	0.33
RENAULT (PAR)	5,555.00	EUR	36.905	205,007.28		0.21	0.21
RUBIS -	6,146.00	EUR	22.500	138,285.00		0.14	0.14
SANOFI -	40,216.00	EUR	89.760	3,609,788.16		3.70	3.73
SARTORIUS STEDIM BIOTECH -	305.00	EUR	239.500	73,047.50		0.08	0.08
SARTORIUS STEDIM BIOTECH -	301.00	EUR	333.200	100,293.20		0.10	0.10
SCHNEIDER ELECTRIC SE -	3,891.00	EUR	181.780	707,305.98		0.73	0.73
SCOR SE (PAR)	1,958.00	EUR	26.460	51,808.68		0.05	0.05
SEB (PAR)	5,924.00	EUR	113.000	669,412.00		0.69	0.69
SOCIETE GENERALE SA -	9,368.00	EUR	24.025	225,066.20		0.23	0.23
SODEXHO ALLIANCE -	475.00	EUR	99.620	47,319.50		0.05	0.05
SOPRA STORIA GROUP SA (PAR)	718.00	EUR	197.800	142,020.40		0.15	0.15
STMICROELECTRONICS NV -	14,348.00	EUR	45.245	649,175.26		0.67	0.67
TOTAL -	42,907.00	EUR	61.600	2,643,071.20		2.71	2.73
UNIBAIL-RODAMCO SE -	5,722.00	EUR	66.920	382,916.24		0.39	0.40

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
VINCI S.A. -	16,851.00	EUR	113.700	1,915,958.70		1.97	1.98
VIVENDI SA -	34,878.00	EUR	9.676	337,479.53		0.35	0.35
WORLDFINE SA -	5,096.00	EUR	15.670	79,854.32		0.08	0.08
<u>Germany</u>							
ADIDAS AG -	1,499.00	EUR	184.160	276,055.84		0.28	0.28
ALLIANZ AG REG	7,305.00	EUR	241.950	1,767,444.75		1.81	1.82
BASF SE -	31,312.00	EUR	48.780	1,527,399.36		1.57	1.58
BAYERISCHE MOTOREN WERKE AG (FRA)(PREF)	668.00	EUR	89.950	60,086.60		0.06	0.06
BAYERISCHE MOTOREN WERKE AG -	2,798.00	EUR	100.780	281,982.44		0.29	0.29
BECHTLE AG -	2,986.00	EUR	45.390	135,534.54		0.14	0.14
BEIERSDORF AG -	371.00	EUR	135.700	50,344.70		0.05	0.05
CONTINENTAL AG -	992.00	EUR	76.920	76,304.64		0.08	0.08
DAIMLER TRUCK HOLDING AG -	17,785.00	EUR	34.020	605,045.70		0.62	0.62
DEUTSCHE BANK AG REG	58,022.00	EUR	12.364	717,384.01		0.74	0.74
DEUTSCHE BOERSE AG -	3,669.00	EUR	186.500	684,268.50		0.70	0.71
DEUTSCHE TELEKOM INT FIN REG	98,676.00	EUR	21.750	2,146,203.00		2.20	2.22
DR ING HC F PORSCHE AG -	803.00	EUR	79.900	64,159.70		0.07	0.07
FRESENIUS MEDICAL CARE AG & CO -	9,935.00	EUR	37.960	377,132.60		0.39	0.39
FRESENIUS SE & CO KGAA (FRA)	21,883.00	EUR	28.070	614,255.81		0.63	0.63
HEIDELBERGCEMENT AG -	14,149.00	EUR	80.940	1,145,220.06		1.18	1.18
HENKEL KGAA PREF	11,337.00	EUR	72.860	826,013.82		0.85	0.85
HUGO BOSS AG -	1,727.00	EUR	67.460	116,503.42		0.12	0.12
INFINEON TECHNOLOGIES AG -	46,912.00	EUR	37.800	1,773,273.60		1.82	1.83
MERCEDES-BENZ GROUP AG -	23,218.00	EUR	62.550	1,452,285.90		1.49	1.50
MERCK KGAA -	5,524.00	EUR	144.100	796,008.40		0.82	0.82
METRO AG -	7,716.00	EUR	6.310	48,687.96		0.05	0.05
MUNCHENER RUCKVERSICHERUNG AG REG	1,891.00	EUR	375.100	709,314.10		0.73	0.73
PORSCHE AUTOMOBIL HOLDING SE PREF	1,649.00	EUR	46.320	76,381.68		0.08	0.08
PUMA SE (FRA)	1,166.00	EUR	50.520	58,906.32		0.06	0.06
SAP AG -	28,263.00	EUR	139.480	3,942,123.24		4.04	4.07
SCOUT24 AG -	3,008.00	EUR	64.160	192,993.28		0.20	0.20
SIEMENS AG REG	18,025.00	EUR	169.920	3,062,808.00		3.14	3.16
SIEMENS HEALTHINEERS AG -	2,525.00	EUR	52.600	132,815.00		0.14	0.14
SUDZUCKER AG (FRA)	3,248.00	EUR	14.190	46,089.12		0.05	0.05
VOLKSWAGEN AG PREF	7,227.00	EUR	111.800	807,978.60		0.83	0.83
VONOVIA SE -	5,965.00	EUR	28.540	170,241.10		0.18	0.18
<u>Ireland</u>							
FLUTTER ENTERTAINMENT PLC -	2,191.00	EUR	160.000	350,560.00		0.36	0.36
KERRY GROUP PLC -	1,925.00	EUR	78.660	151,420.50		0.16	0.16
SMURFIT KAPPA PLC -	1,214.00	EUR	35.880	43,558.32		0.05	0.05
<u>Italy</u>							
ACEA SPA (MIL)	8,338.00	EUR	13.830	115,314.54		0.12	0.12
ASSICURAZIONI GENERALI -	45,084.00	EUR	19.105	861,329.82		0.88	0.89
BUZZI UNICEM SPA -	4,882.00	EUR	27.540	134,450.28		0.14	0.14
DIASORIN SPA -	1,245.00	EUR	93.240	116,083.80		0.12	0.12
ENI -	60,438.00	EUR	15.348	927,602.42		0.95	0.96
HERA SPA -	37,469.00	EUR	2.972	111,357.87		0.11	0.12
INTESA SANPAOLO SPA -	810,390.00	EUR	2.644	2,142,265.97		2.20	2.21
IREN SPA -	47,507.00	EUR	1.973	93,731.31		0.10	0.10
ITALGAS ITALGAS SPA	27,668.00	EUR	5.180	143,320.24		0.15	0.15
NEXI SPA -	11,736.00	EUR	7.406	86,916.82		0.09	0.09
POSTE ITALIANE -	82,709.00	EUR	10.275	849,834.98		0.87	0.88
RECORDATI SPA -	4,339.00	EUR	48.830	211,873.37		0.22	0.22
TERNA RETE ELETTRICA NAZIONALE -	28,565.00	EUR	7.554	215,780.01		0.22	0.22
UNICREDIT SPA -	50,581.00	EUR	24.565	1,242,522.27		1.27	1.28
UNIPOL GRUPPO FINANZIARIO -	43,789.00	EUR	5.162	226,038.82		0.23	0.23
<u>Netherlands</u>							
A.K.Z.O. NOBEL -	6,802.00	EUR	74.820	508,925.64		0.52	0.53
ABN AMRO GROUP N.V. -	26,376.00	EUR	13.590	358,449.84		0.37	0.37
ADYEN BV -	380.00	EUR	1,166.600	443,308.00		0.46	0.46
ARGENX SE -	438.00	EUR	343.500	150,453.00		0.15	0.16
ASML HOLDING NV -	9,114.00	EUR	681.700	6,213,013.80		6.38	6.42
CNH INDUSTRIAL NV -	46,296.00	EUR	11.080	512,959.68		0.53	0.53
EXOR NV -	2,324.00	EUR	90.500	210,322.00		0.22	0.22
FERRARI NV -	685.00	EUR	305.200	209,062.00		0.21	0.22
HEINEKEN -	13,664.00	EUR	91.940	1,256,268.16		1.29	1.30
HEINEKEN HOLDING (AMS)(A 25NLG)	1,930.00	EUR	76.600	147,838.00		0.15	0.15
ING GROEP NV -	88,090.00	EUR	13.526	1,191,505.34		1.22	1.23
KON. AHOLD DELHAIZE NV -	15,240.00	EUR	26.015	396,468.60		0.41	0.41
KONINKLIJKE KPN NV -	63,812.00	EUR	3.118	198,965.82		0.20	0.21
KONINKLIJKE PHILIPS ELECTRONICS N.V. -	41,048.00	EUR	21.085	865,497.08		0.89	0.89
NN GROUP NV -	23,543.00	EUR	35.750	841,662.25		0.86	0.87
QIAGEN NV -	11,857.00	EUR	39.400	467,165.80		0.48	0.48
STELLANTIS NV -	30,500.00	EUR	21.150	645,075.00		0.66	0.67
UNIVERSAL MUSIC GROUP NV -	19,922.00	EUR	25.810	514,186.82		0.53	0.53
VOPAK (KON.) (AMS)	1,670.00	EUR	30.440	50,834.80		0.05	0.05

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
<u>Portugal</u>							
REN REDES ENERGETICAS -	21,360.00	EUR	2.325	49,662.00		0.05	0.05
<u>Spain</u>							
ACTIVIDADES CONSTRUCCY SERV -	10,639.00	EUR	40.160	427,262.24		0.44	0.44
AMADEUS IT GROUP SA -	5,832.00	EUR	64.880	378,380.16		0.39	0.39
BANCO BILBAO VIZCAYA ARGENTARIA -	103,517.00	EUR	8.226	851,530.84		0.87	0.88
BANCO SANTANDER CENTRAL HISPANO SA -	484,126.00	EUR	3.780	1,829,754.22		1.88	1.89
CAIXABANK SA -	23,326.00	EUR	3.726	86,912.68		0.09	0.09
CELLNEX TELECOM SAU -	2,612.00	EUR	35.660	93,143.92		0.10	0.10
ENAGAS -	42,224.00	EUR	15.265	644,549.36		0.66	0.67
IBERDROLA SA -	321,935.00	EUR	11.870	3,821,368.45		3.92	3.94
INDUSTRIA DE DISENO TEXTIL SA -	7,374.00	EUR	39.430	290,756.82		0.30	0.30
INMOBILIARIA COLONIAL SOCIMI SA -	7,492.00	EUR	6.550	49,072.60		0.05	0.05
RED ELECTRICA DE ESPANA -	22,120.00	EUR	14.910	329,809.20		0.34	0.34
REPSOL YPF SA -	79,237.00	EUR	13.450	1,065,737.65		1.09	1.10
TELEFONICA SA -	115,805.00	EUR	3.534	409,254.87		0.42	0.42
<u>Switzerland</u>							
DSM-FIRMENICH AG -	3,573.00	EUR	92.000	328,716.00		0.34	0.34
<u>U.S.A.</u>							
AERCAP HOLDINGS NV -	7,796.00	USD	74.320	524,508.87		0.54	0.54
Total shares				97,482,383.70		100.00	100.62
TOTAL SECURITIES PORTFOLIO				97,482,383.70		100.00	100.62
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP CHF	-55.14	CHF	1.000	-59.31		0.00	0.00
KBC GROUP EURO	-540,919.91	EUR	1.000	-540,919.91		0.00	-0.56
KBC GROUP GBP	199.83	GBP	1.000	230.61		0.00	0.00
KBC GROUP USD	-3,380.24	USD	1.000	-3,060.01		0.00	-0.00
Total demand accounts				-543,808.62		0.00	-0.56
TOTAL CASH AT BANK AND IN HAND				-543,808.62		0.00	-0.56
OTHER							
Interest receivable		EUR		-0.02		0.00	0.00
Expenses payable		EUR		-52,194.65		0.00	-0.05
TOTAL OTHER				-52,194.67		0.00	-0.05
TOTAL NET ASSETS				96,886,380.41		0.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Austria	2.97	0.92	1.64	0.70
Belgium	2.06	1.48	0.55	2.54
Switzerland	0.00	0.00	0.00	0.34
Germany	22.62	22.73	23.72	25.53
Spain	6.58	6.56	11.18	10.60
Finland	0.71	2.23	2.36	1.13
France	38.94	39.60	33.68	34.64
Ireland	2.14	3.03	3.55	0.56
Italy	7.16	7.14	7.73	7.72
Luxembourg	1.10	0.53	0.20	0.00
Netherlands	14.51	14.74	14.34	15.65
Portugal	1.21	1.04	0.60	0.05
U.S.A.	0.00	0.00	0.45	0.54
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	21.32	21.65	21.29	
Consum(cycl)	20.90	22.40	22.26	
Cons.goods	6.39	6.56	6.78	
Pharma	10.32	7.86	8.03	
Financials	15.11	15.93	15.54	
Technology	13.20	13.03	14.40	
Telecomm.	5.06	5.90	6.01	
Utilities	5.58	4.23	3.86	
Real est.	2.12	2.14	1.85	
Various	0.00	0.30	(0.02)	
TOTAL	100.00	100.00	100.00	

	31/12/2023
Consumer Discretionary Products	11.42
Banking	10.94
Health Care	10.24
Tech Hardware & Semiconductors	9.70
Consumer Staple Products	9.00
Materials	6.80
Software & Tech Services	5.95
Utilities	5.70
Industrial Services	5.47
Industrial Products	5.32
Insurance	5.06
Oil & Gas	4.98
Telecommunications	3.18
Financial Services	1.96
Media	1.41
Real Estate	1.31
Retail & Wholesale - Staples	0.57
Consumer Discretionary Services	0.57
Retail & Wholesale - Discretionary	0.42
TOTAL	100.00

*The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.*

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
EURO	99.99	99.99	99.72	99.46
US DOLLAR	0.01	0.01	0.28	0.54
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Euro Equity (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	61,091,707.28	66,003,438.27	127,095,145.54
<b>Sales</b>	60,537,920.05	112,790,692.97	173,328,613.02
<b>Total 1</b>	121,629,627.33	178,794,131.23	300,423,758.56
<b>Subscriptions</b>	20,451,783.49	24,290,439.92	44,742,223.41
<b>Redemptions</b>	24,823,465.94	68,472,209.22	93,295,675.16
<b>Total 2</b>	45,275,249.43	92,762,649.14	138,037,898.57
<b>Monthly average of total assets</b>	145,487,468.59	115,274,772.42	130.320.452.44
<b>Turnover rate</b>	52.48%	74.63%	124.61%

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: 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
2021 - 12	0.00		470.75		1,020.00		1,020.00
2022 - 12	170.00		184.00		1,006.00		1,006.00
2023 - 12	45.00		70.00		981.00		981.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	0.00		5,398,613.82	
2022 - 12	2,100,918.53		2,242,842.38	
2023 - 12	541,638.13		839,557.95	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	12,938,988.07	12,685.28	
2022 - 12	10,855,583.06	10,790.84	
2023 - 12	12,428,355.67	12,669.07	



## Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	1,400.24		7,660.16		15,467.95		15,467.95
2022 - 12	1,999.99		7,146.13		10,321.81		10,321.81
2023 - 12	1,281.57		6,281.49		5,321.89		5,321.89

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	16,658,064.87		86,665,329.34	
2022 - 12	24,159,530.55		81,552,461.83	
2023 - 12	15,676,662.75		75,901,066.19	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	198,182,309.81	12,812.45	
2022 - 12	112,594,144.00	10,908.37	
2023 - 12	68,218,213.15	12,818.43	

## Institutional B Shares

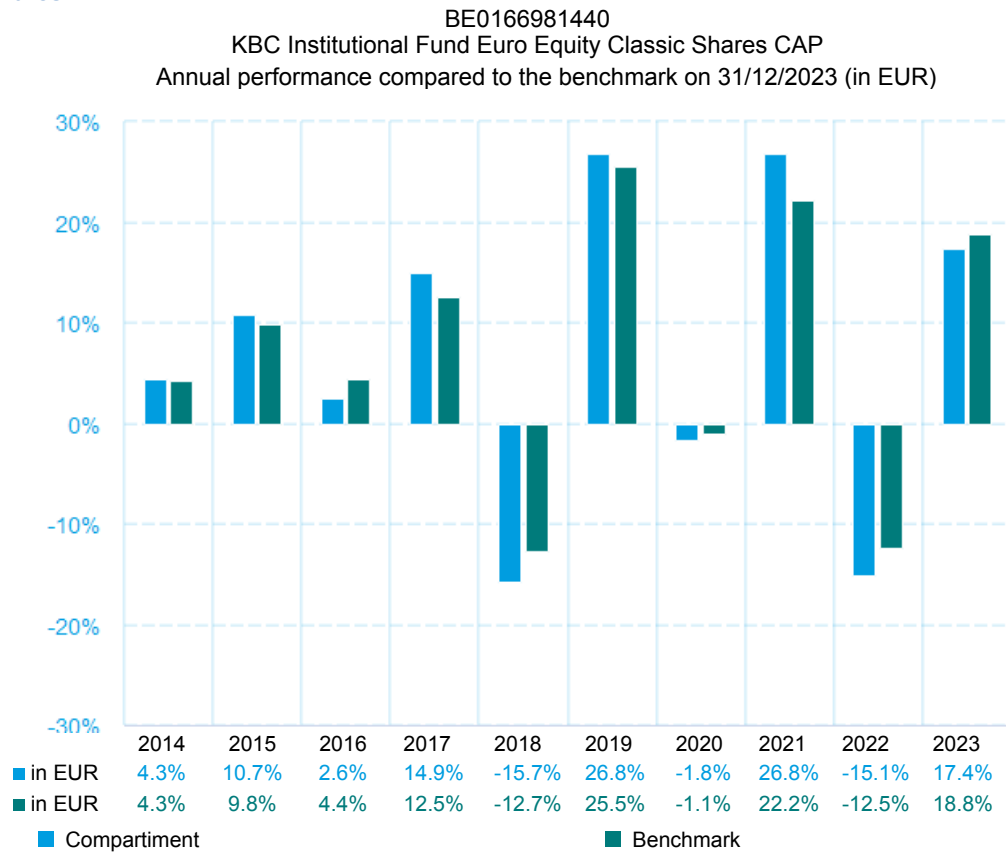
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	5,827.00		4,165.00		3,177.00		3,177.00
2022 - 12	1,383.00		4,155.00		405.00		405.00
2023 - 12	2,400.00		1,537.00		1,268.00		1,268.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	65,742,576.38		47,856,210.78	
2022 - 12	15,177,377.88		47,423,977.14	
2023 - 12	29,201,631.80		18,499,708.20	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	40,722,777.69	12,818.00	
2022 - 12	4,414,954.02	10,901.12	
2023 - 12	16,239,811.59	12,807.42	

## 2.4.5. Performance figures

### 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
CAP	BE0166981440	EUR	17.41%	18.78%	8.12%	8.30%	9.50%	9.52%	6.10%	6.35%	06/03/1998	3.70%

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

\* Return on annual basis.

### Classic Shares

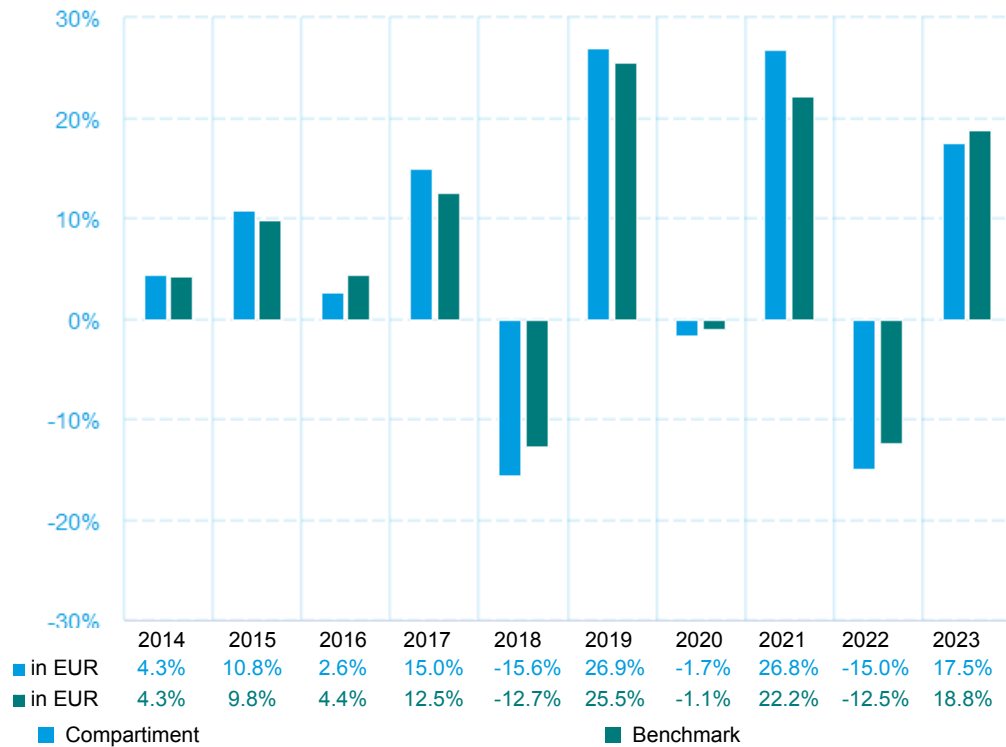
- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands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

$$\left[ \frac{NIW(D)}{NIW(Y)} \right]^{1/X} - 1$$
 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.

## Institutional Shares

BE0947887031  
KBC Institutional Fund Euro Equity Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (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	BE0947887031	EUR	17.51%	18.78%	8.21%	8.30%	9.59%	9.52%	6.16%	6.35%	12/12/2007	2.65%

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

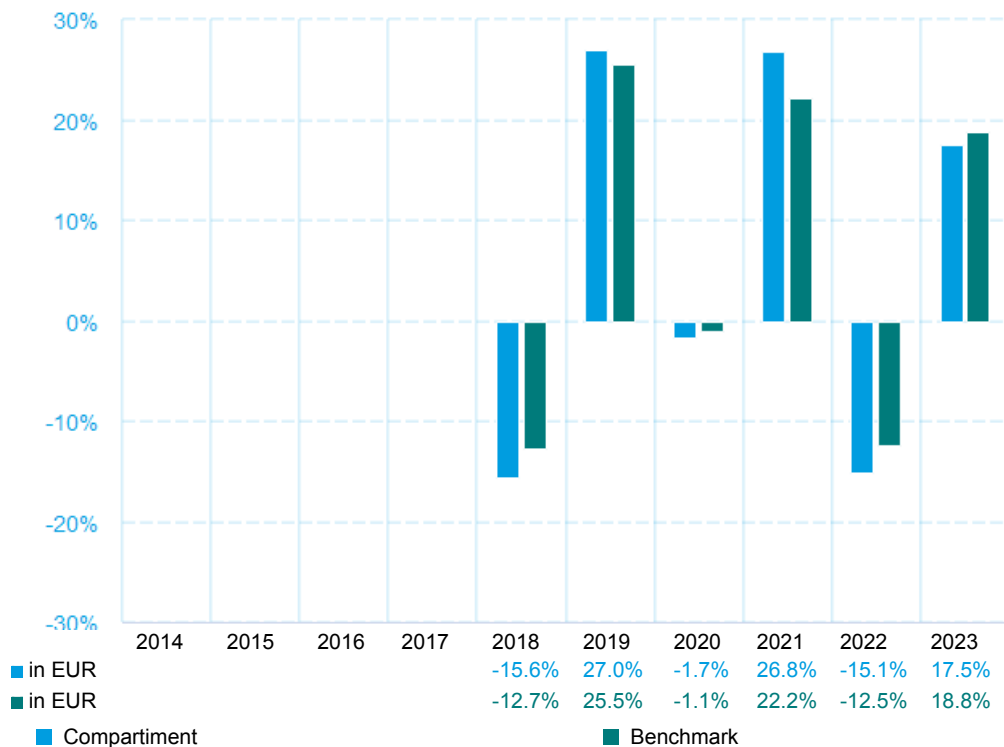
\* Return on annual basis.

## Institutional Shares

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

## Institutional B Shares

BE6295243404  
KBC Institutional Fund Euro Equity Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (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	BE6295243404	EUR	17.49%	18.78%	8.16%	8.30%	9.57%	9.52%			30/05/2017	4.77%

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.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$[(NIW(D) / NIW(Y))^{1 / X}] - 1$$
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.

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Classic Shares Capitalisation :

Ongoing charges : 0,591%  
Transaction costs: 0,198%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,500%  
Transaction costs: 0,198%

#### Institutional B Shares Capitalisation :

Ongoing charges : 0,547%  
Transaction costs: 0,198%

Percentage calculated at reporting date: 31 December 2023 .

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.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.35%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.015%	of the net assets of the sub-fund per year.

### Institutional Shares

Fee for managing the investment portfolio	Max 0.35%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.015%	of the net assets of the sub-fund per year.

### Institutional B Shares

Fee for managing the investment portfolio	Max 0.35%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.015%	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.

## Securities lending

Pursuant to the Royal Decree of 7 March 2006 on securities lending, the undertaking for collective investment in transferable securities(UCITS) has entered into securities lending transactions, whereby the title to the securities that have been lent has been transferred, without recognition of that transfer of ownership in the accounts. For the period from 01/01/2023 to 31/12/2023, the realised net income for the UCITS amounts to 4.688,15 EUR and for the Management Company 1.875,26 EUR. Direct and indirect costs and charges are deducted from the gross income. These are set at a flat rate of 35% of the fee received and consist 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 the sub-fund uses an agent, the fee paid to the agent. The undertaking for collective investment in transferable securities will thus receive 65% of the fee received for securities lent. The number of securities lent varied between 0 and 2, with a market value fluctuating between 0 and 3240468 EUR. The detailed list of securities lending transactions carried out may be obtained from the registered office of the undertaking for collective investment in transferable securities at Havenlaan 2, 1080 Brussels. During the reporting period, securities lending transactions were effected in relation to the following securities lending systems:

Manager of the securities lending system: Goldman Sachs

Type of securities lending transactions effected: the lending transactions are effected through the agency of a Lending Agent.

Nature of the lent securities: the securities lending applies only to the equity portion of the portfolio.

Nature of the financial collateral: government bonds issued by Austria, Belgium, Germany, the Netherlands, Luxembourg, the UK, France, the US and Switzerland and supranational bonds denominated in EUR, USD or GBP issued by the EIB or the KFW.

Reinvestment of the financial collateral received: no reinvestment takes place.

- Section II, entitled 'Income and expenditure relative to the investments', contains the net results of transactions in respect of the lending of securities including the result generated by reinvesting financial guarantees tendered in the context of lending bon.

## Transparency of securities financing transactions and of reuse

### Global data:

1) The amount of securities and commodities on loan as a proportion of total lendable assets defined as excluding cash and cash equivalents;	Nil	%
2) The amount of assets engaged in each type of SFT's and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency) and as a proportion of the collective investment undertaking's assets under management (AUM).		
The amount of assets engaged in each type of SFTs and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency)	0,00	EUR
proportion of the collective investment undertaking's assets under management (AUM)	Nil	%

### Concentration data:

1) Ten largest collateral issuers across all SFTs and total return swaps (break down of volumes of the collateral securities and commodities received per issuer's name)

name collateral issuer	Market value on a settled basis	currency
Nil	Nil	Nil

2) Top 10 counterparties of each type of SFTs and total return swaps separately (Name of counterparty and gross volume of outstanding transactions).

type SFT (lending program)	name counterparty	Country of counterparty	Market value on a settled basis	currency
Nil	Nil	Nil	Nil	Nil

Aggregate transaction data for each type of SFTs and total return swaps separately to be broken down according to the below categories:

1) Type and quality of collateral;	equity (Goldman Sachs)	equity(KBC Bank)	bonds (Société Générale)
type	Nil.	Nil.	Nil.
quality – Bloomberg composite rating: see table below			
2) Maturity tenor of the collateral broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open maturity: see table below;			
3) Currency of the collateral: see table below			
4) Maturity tenor of the SFTs and total return swaps broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open transactions;	Nil.	Nil.	Nil.
5) Country in which the counterparties are established: see table above			
6) Settlement and clearing (e.g., tri-party, Central Counterparty, bilateral).	Nil.	Nil.	Nil.

collateral	quality	currency	Maturity tenor
Nil	Nil	Nil	Nil

Data on reuse of collateral:

1) Share of collateral received that is reused, compared to the maximum amount specified in the prospectus or in the disclosure to investors;	Nil
2) Cash collateral reinvestment returns to the collective investment undertaking. (EUR)	Nil

Safekeeping of collateral received by the collective investment undertaking as part of SFTs and total return swaps:



1) Number and names of custodians and the amount of collateral assets safe-kept by each of the custodians.

<u>number</u>	<u>Name collateral custodian</u>	<u>Market value on a settled basis</u>	<u>currency</u>
Nil	Nil	Nil	Nil

Safekeeping of collateral granted by the collective investment undertaking as part of SFTs and total return swaps:

1) The proportion of collateral held in segregated accounts or in pooled accounts, or in any other accounts.	Nil
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Data on return and cost for each type of SFTs and total return swaps:

1) Data on return and cost for each type of SFTs and total return swaps broken down between the collective investment undertaking, the manager of the collective investment undertaking and third parties (e.g. agent lender) in absolute terms and as a percentage of overall returns generated by that type of SFTs and total return swaps.

Lending program: equity (Goldman Sachs)	collective investment undertaking	manager of the collective investment undertaking	agent lender
return EUR	7.212,54	1.875,26	649,13
percentage of overall returns	100,00 %	26,00%	9,00%
cost EUR	2.524,39		
percentage of overall returns	35,00 %		

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## 2. Information on KBC Institutional Fund Euro Equity Small & Medium Caps

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

##### **Discretionary Shares Capitalisation**

Launch date: 8 July 2005  
Initial subscription price: 2 500 EUR  
Currency: EUR

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

Launch date: 12 December 2007  
Initial subscription price: 3 657.56 EUR  
Currency: EUR

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

Launch date: 26 April 2022  
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 primarily in shares of companies in the euro area that have a small to medium stock market capitalisation.

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

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

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

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

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

The longterm expected tracking error for this fund is 4.50%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

### **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors that were taken into account through the general exclusion policy, were exposure to controversial weapons ('indicator 14'), exposure to companies active in the fossil fuel sector ('indicator 4') and Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10').

The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy were greenhouse gas emissions ('indicator 1'), carbon footprint ('indicator 2'), greenhouse gas intensity of investee companies ('indicator 3'), exposure to companies active in the fossil fuel sector ('indicator 4'), gender diversity on the board of directors ('indicator 13').

### **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 NV, Havenlaan 2, 1080 Brussels.

## 2.1.6. Index and benchmark

See 'Sub-fund's investment policy'.

## 2.1.7. Policy pursued during the financial year

2023 turned out to be a surprisingly strong year for the stock market, just like 2022. The S&P500 almost equalled the absolute record it had set in early 2022. Most European stock markets were also able to turn in fine performances (Stoxx 600 up 16.6% and Stoxx 50 up 23.2%). At +12.7% and 14.2%, respectively, the annual returns for small and mid caps (MSCI Europe Small Caps and MSCI Mid Caps) lagged behind the European stock market indices already referred to.

Stock markets rose in defiance of the macroeconomic noise and a number of concerns: the lingering Russian-Ukraine war, (core) inflation remaining relatively high, the already considerable rate hikes by central banks, the regional banking crisis in the US, and also the most widely predicted recession ever, the arrival of which economists nonetheless kept pushing back.

The battle against inflation seems to have been won. In 2022, central banks rapidly raised interest rates and reduced their asset purchasing programmes to curb fast-rising inflation. This policy continued unabated in 2023, achieving success as price increases slowed down. The focus now seems to be slowly shifting to a period of disinflation. The rapid decline in inflation enables interest rates to fall, and the lower the level of interest rates, the more attractive that shares become.

We should add that the stock market recovery was supported by a relatively small number of shares, with a large weighting in the indices, which were driven mainly by AI hype in addition to the imminent end of rate hikes. In the US, this mainly came down to the big technology shares, the so-called 'Magnificent 7'. The most notable name here is hardware manufacturer Nvidia, which is cashing in on the increased demand for graphics cards on which to run demanding AI software. In Europe, it was not only technology shares (especially semiconductors) that led the way, other high-quality growth shares did too.

As mentioned, small and medium-sized shares in Europe lagged behind European stock market indices. One explanation for this performance is the fact that high-quality tech companies are seldom found amongst small caps. The stock market recovery since the beginning of this year has been driven by investor hype around artificial intelligence (AI). This gave technology and semiconductor companies a boost. The stock market index for small and medium-sized companies is largely made up of more cyclical stocks from industrial and consumer goods sectors.

Over full-year 2023, the fund benefited from a solid sector allocation (+0.8%) due in part to the overweight position in Financials, IT and Consumer Discretionary. By contrast, our underweight position in industrial securities made a negative contribution. Our selection was negative (-2%) because of the weaker performance of Industrials, Financials, Energy. Consequently, we were unable to beat the composite index (small and mid caps).

## 2.1.8. Future policy

2024 is already expected to be a special year, with the focus this time being primarily on important elections. Many forecasts are being made, but going back a year, the outlook for 2023 came to very little. In the end, the two main macroeconomic forecasts for 2023 failed to materialise, namely the widely predicted recession in the US and the expected robust recovery in China following the lifting of draconian restrictions related to the zero-Covid policy there. The stock market seems as convinced of a soft landing today as it was of a recession back in 2022.

With the spectre of inflation dispelled and with rate cuts in sight, we have increased our positions in the rate-sensitive real estate sector in recent weeks, a move financed by selling some of the financial securities held in the portfolio. Within the banking segment, we have offloaded those shares most sensitive to interest rates following their strong performance since September 2022 and throughout 2023. A reduction in European key rates will result in lower profits at these banks in the future. Across other sectors, the prospect of lower interest rates could also support valuations on the stock market. The big question is whether corporate earnings will hold up.

Despite good company profits and low valuations, small- and mid-cap shares have lagged behind the shares of large blue-chip companies for the past three years. We believe they are ready to make up ground. We see that many small and medium-sized listed companies are undervalued and could benefit from a cyclical recovery. Lower interest rates could well mark the turning point. Lower rates also make it cheaper to borrow money to finance acquisitions. Holders of small- and mid-cap shares can therefore benefit from corporate takeovers that generate share price premiums.

## 2.1.9. Summary risk indicator (SRI)

Discretionary Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of concentration risk: there is a concentration of the investments in shares of euro-area companies that have a small to mid-sized market capitalisation and that are not part of the MSCI EMU Index.
- a moderate level of liquidity risk: since there will be invested in the shares of companies that have a lower market capitalisation, there is a risk that a position cannot be sold quickly at a reasonable price.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

Institutional Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of concentration risk: there is a concentration of the investments in shares of euro-area companies that have a small to mid-sized market capitalisation and that are not part of the MSCI EMU Index.
- a moderate level of liquidity risk: since there will be invested in the shares of companies that have a lower market capitalisation, there is a risk that a position cannot be sold quickly at a reasonable price.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

Classic Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of concentration risk: there is a concentration of the investments in shares of euro-area companies that have a small to mid-sized market capitalisation and that are not part of the MSCI EMU Index.
- a moderate level of liquidity risk: since there will be invested in the shares of companies that have a lower market capitalisation, there is a risk that a position cannot be sold quickly at a reasonable price.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

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

The summary 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).

## 2.1.10. Leveraged finance

The total amount of leveraged finance used by the sub-fund is 23 347.48 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.



## 2.1.11. Value-at-Risk

Not applicable

## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	82,365,723.94	88,485,877.47
<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		546,643.26
C.	Shares and similar instruments		
	a) Shares	81,132,954.50	88,564,518.26
	Of which securities lent		506,700.00
D.	Other securities	23,347.48	31,516.30
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable		5,088.52
B.	Payables		
	c) Borrowings (-)		-434,315.17
	d) Collateral (-)		-546,643.26
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	1,272,016.93	380,065.72
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-62,594.97	-60,996.16
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	82,365,723.94	88,485,877.47
<b>A.</b>	<b>Capital</b>	72,762,568.63	112,858,039.23
<b>B.</b>	<b>Income equalization</b>	-161,673.82	-279,182.82
<b>D.</b>	<b>Result of the bookyear</b>	9,764,829.13	-24,092,978.94
<hr/>			
	<b>Off-balance-sheet headings</b>		
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments		546,643.26
IX.	Financial instruments lent		506,700.00

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	7,982,874.68	-25,794,755.01
D.	Other securities	-12,971.69	-964.26
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	19,295.91	-31,693.93
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	3,885,048.44	10,686,680.06
	Unrealised gains on investments	3,205,419.88	-19,754,393.39
	Realised losses on investments	-2,627,493.76	-8,335,892.60
	Unrealised losses on investments	3,526,224.34	-8,423,807.27
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	2,252,457.96	2,293,315.93
B.	Interests		
	a) Securities and money market instruments	36,585.70	43,922.75
	b) Cash at bank and in hand and deposits	20,154.43	1,439.51
C.	Interest on borrowings (-)	-12,046.81	-4,114.94
F.	Other investment income	38,231.11	78,819.03
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-10,062.53	-137,993.37
B.	Financial expenses (-)	-81.51	-87.51
C.	Custodian's fee (-)	-33,305.56	-39,971.81
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	0.00	0.00
	Institutional Shares	-174,403.39	-198,566.05
	Discretionary Shares	-184,085.81	-152,239.99
	b) Administration and accounting management	-84,796.66	-100,230.40
	c) Commercial fee	-625.00	-625.00
F.	Formation and organisation expenses (-)	-448.86	-166.05
G.	Remuneration, social security charges and pension	-12.83	-12.48
H.	Services and sundry goods (-)	-1,057.54	-2,191.34
J.	Taxes		
	Classic Shares	0.00	0.00
	Institutional Shares	-9,538.85	-4,625.91
	Discretionary Shares	-47,544.01	-38,530.66
L.	Other expenses (-)	-13,789.61	-3,707.45
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	1,775,630.23	1,734,434.26
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	9,764,829.13	-24,092,978.94
<b>VII.</b>	<b>Result of the bookyear</b>	9,764,829.13	-24,092,978.94

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	9,603,155.31	-24,372,161.76
	Profit for the period available for appropriation	9,764,829.13	-24,092,978.94
	Income on the creation of shares (income on the cancellation of shares)	-161,673.82	-279,182.82
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-9,603,155.31	24,372,161.76

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Euro Equity Small & Medium Caps

Name	Quantity on 31/12/2023	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>							
BAWAG GROUP AG -	9,028.00	EUR	47.980	433,163.44		0.53	0.53
DO & CO RESTAURANTS & CATERING AG -	2,334.00	EUR	134.400	313,689.60		0.39	0.38
EUROTELESITES AG -	29,098.00	EUR	3.630	105,625.74		0.13	0.13
PALFINGER AG -	8,554.00	EUR	25.200	215,560.80		0.27	0.26
SCHOELLER-BLECKMAN OILFIELD -	5,174.00	EUR	44.200	228,690.80		0.28	0.28
TELEKOM AUSTRIA AG (WIEN)	108,197.00	EUR	7.650	827,707.05		1.02	1.00
UNIQA INSURANCE GROUP AG -	75,688.00	EUR	7.460	564,632.48		0.70	0.69
<u>Belgium</u>							
AEDIFICA -	16,413.00	EUR	63.650	1,044,687.45		1.29	1.27
AGFA GEVAERT -	42,300.00	EUR	1.470	62,181.00		0.08	0.08
AZELIS GROUP NV -	23,330.00	EUR	22.180	517,459.40		0.64	0.63
D'IETEREN -	10,959.00	EUR	176.900	1,938,647.10		2.39	2.35
DREDGING ENVIRONMENTAL & MARINE ENG. -	5,462.00	EUR	111.400	608,466.80		0.75	0.74
EKOPAK NV -	8,225.00	EUR	19.150	157,508.75		0.19	0.19
FAGRON -	44,116.00	EUR	16.610	732,766.76		0.90	0.89
GREENYARD NV -	45,641.00	EUR	5.960	272,020.36		0.34	0.33
KBC ANCORA -	22,006.00	EUR	41.520	913,689.12		1.13	1.11
KINEPOLIS GROUP (BRU)	9,550.00	EUR	44.700	426,885.00		0.53	0.52
LOTUS BAKERIES (BRU)	194.00	EUR	8,230.000	1,596,620.00		1.97	1.94
MONTEA SCA M	7,276.00	EUR	86.200	627,191.20		0.77	0.76
RECTICEL -	49,341.00	EUR	10.600	523,014.60		0.64	0.64
SHURGARD SELF STORAGE EUROPE S -	19,662.00	EUR	44.860	882,037.32		1.09	1.07
TESSENDERLO GROUP -	12,627.00	EUR	28.250	356,712.75		0.44	0.43
VGP NV -	6,199.00	EUR	105.000	650,895.00		0.80	0.79
WAREHOUSE DISTR. DE PAUW -	21,966.00	EUR	28.500	626,031.00		0.77	0.76
XIOR STUDENT HOUSING NV -	26,631.00	EUR	29.700	790,940.70		0.98	0.96
<u>Finland</u>							
HUHTAMAKI OYJ -	18,261.00	EUR	36.730	670,726.53		0.83	0.81
METSA BOARD OYJ CORPORATION B B-SHARES	75,255.00	EUR	7.190	541,083.45		0.67	0.66
METSO OUTOTEC OYJ -	102,241.00	EUR	9.170	937,549.97		1.16	1.14
OUTOKUMPU A -	99,529.00	EUR	4.484	446,288.04		0.55	0.54
QT GROUP OYJ -	5,387.00	EUR	64.500	347,461.50		0.43	0.42
VALMET CORP -	29,586.00	EUR	26.110	772,490.46		0.95	0.94
<u>France</u>							
ALTEN -	10,401.00	EUR	134.600	1,399,974.60		1.73	1.70
BENETEAU -	19,432.00	EUR	12.480	242,511.36		0.30	0.29
BIC (PAR)	8,212.00	EUR	62.850	516,124.20		0.64	0.63
CATANA GROUP -	13,692.00	EUR	5.720	78,318.24		0.10	0.10
CHARGEURS SA (PAR)	8,849.00	EUR	11.680	103,356.32		0.13	0.13
COMPAGNIE DES ALPES -	12,380.00	EUR	14.120	174,805.60		0.22	0.21
ELIS SA -	55,527.00	EUR	18.890	1,048,905.03		1.29	1.27
ERAMET ERAMET	3,986.00	EUR	71.500	284,999.00		0.35	0.35
ESKER SA -	3,688.00	EUR	159.600	588,604.80		0.73	0.72
FORVIA (PAR)	34,804.00	EUR	20.420	710,697.68		0.88	0.86
FRANCAISE ENERGIE -	6,846.00	EUR	51.200	350,515.20		0.43	0.43
GAZTRANSPORT ET TECHNIGAZ SA -	5,846.00	EUR	119.900	700,935.40		0.86	0.85
ID LOGISTICS GROUP -	2,473.00	EUR	306.000	756,738.00		0.93	0.92
INTERPARFUMS -	13,450.00	EUR	50.400	677,880.00		0.84	0.82
IPSOS -	11,810.00	EUR	56.750	670,217.50		0.83	0.81
KAUFMAN & BROAD SA (PAR)	3,341.00	EUR	30.100	100,564.10		0.12	0.12
LISI -	4,240.00	EUR	23.600	100,064.00		0.12	0.12
MANITOU BF SA -	10,997.00	EUR	23.200	255,130.40		0.31	0.31
MERSEN (PAR)	12,848.00	EUR	35.200	452,249.60		0.56	0.55
OVH GROUPE SAS -	14,236.00	EUR	8.615	122,643.14		0.15	0.15
REXEL SA (PAR)	42,601.00	EUR	24.770	1,055,226.77		1.30	1.28
ROBERTET SA -	790.00	EUR	830.000	655,700.00		0.81	0.80
SCOR SE (PAR)	35,938.00	EUR	26.460	950,919.48		1.17	1.16
SOITEC -	8,403.00	EUR	161.800	1,359,605.40		1.68	1.65
SOPRA STORIA GROUP SA (PAR)	3,861.00	EUR	197.800	763,705.80		0.94	0.93

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
SPIE SA -	30,049.00	EUR	28.300	850,386.70		1.05	1.03
TELEPERFORMANCE -	1,539.00	EUR	132.050	203,224.95		0.25	0.25
TRIGANO SA -	4,976.00	EUR	148.300	737,940.80		0.91	0.90
VALLOUREC SA -	41,173.00	EUR	14.025	577,451.33		0.71	0.70
VERALLIA SA -	17,703.00	EUR	34.860	617,126.58		0.76	0.75
VISIATIV SA -	9,508.00	EUR	27.100	257,666.80		0.32	0.31
<u>Germany</u>							
AIXTRON AG -	62,982.00	EUR	38.660	2,434,884.12		3.00	2.96
ASCLEPION-MEDITEC AG -	4,031.00	EUR	98.840	398,424.04		0.49	0.48
BECHTLE AG -	8,790.00	EUR	45.390	398,978.10		0.49	0.48
CANCOM SE -	16,450.00	EUR	29.560	486,262.00		0.60	0.59
CTS EVENTIM AG -	19,483.00	EUR	62.600	1,219,635.80		1.50	1.48
DATAGROUP AG -	9,871.00	EUR	57.400	566,595.40		0.70	0.69
DERMAPHARM HOLDING SE -	9,659.00	EUR	42.340	408,962.06		0.50	0.50
DUERR AG (FRA)	20,993.00	EUR	21.380	448,830.34		0.55	0.55
ECKERT & ZIEGLER STRAHLEN UN -	5,878.00	EUR	41.300	242,761.40		0.30	0.30
ELMOS SEMICONDUCTOR AG (FRA)	4,837.00	EUR	74.000	357,938.00		0.44	0.44
ENCAVIS AG -	38,178.00	EUR	15.590	595,195.02		0.73	0.72
EVOTEC SE -	40,552.00	EUR	21.280	862,946.56		1.06	1.05
FREENET AG FRA	29,566.00	EUR	25.340	749,202.44		0.92	0.91
GERRESHEIMER AG -	6,796.00	EUR	94.350	641,202.60		0.79	0.78
HENSOLDT AG -	9,708.00	EUR	24.400	236,875.20		0.29	0.29
HUGO BOSS AG -	16,239.00	EUR	67.460	1,095,482.94		1.35	1.33
JENOPTIK AG (FRA)	12,083.00	EUR	28.440	343,640.52		0.42	0.42
JOST WERKE AG -	5,939.00	EUR	44.200	262,503.80		0.32	0.32
K+S AG (FRA)	22,026.00	EUR	14.310	315,192.06		0.39	0.38
NEXUS AG -	3,254.00	EUR	58.200	189,382.80		0.23	0.23
PFEIFFER CACUUM TECHNOLOGY AG -	1,551.00	EUR	154.200	239,164.20		0.30	0.29
PHARMASGP HOLDING SE -	3,408.00	EUR	22.500	76,680.00		0.09	0.09
SGL CARBON AG -	13,841.00	EUR	6.510	90,104.91		0.11	0.11
SIXT AG (FRA)	3,734.00	EUR	101.200	377,880.80		0.47	0.46
STABILUS GMBH -	4,306.00	EUR	61.700	265,680.20		0.33	0.32
STEICO SE -	6,083.00	EUR	33.650	204,692.95		0.25	0.25
TAG IMMOBILIEN AG -	39,272.00	EUR	13.195	518,194.04		0.64	0.63
THYSSENKRUPP AG -	97,718.00	EUR	6.312	616,796.02		0.76	0.75
VERBIO AG -	6,770.00	EUR	29.880	202,287.60		0.25	0.25
VIB VERMOEGEN AG -	9,494.00	EUR	13.900	131,966.60		0.16	0.16
<u>Iceland</u>							
MAREL HF -	72,437.00	EUR	3.100	224,554.70		0.28	0.27
<u>Ireland</u>							
BANK OF IRELAND GROUP PLC -	208,962.00	EUR	8.218	1,717,249.72		2.12	2.09
GLANBIA PLC -	68,023.00	EUR	14.910	1,014,222.93		1.25	1.23
IRISH RESIDENTIAL PROPERTIES R -	221,469.00	EUR	1.108	245,387.65		0.30	0.30
<u>Italy</u>							
ACEA SPA (MIL)	34,257.00	EUR	13.830	473,774.31		0.58	0.57
ANIMA HOLDING SPA -	120,409.00	EUR	4.006	482,358.45		0.59	0.59
AZIMUT HOLDING SPA -	10,632.00	EUR	23.640	251,340.48		0.31	0.31
BANCA GENERALI SPA -	21,104.00	EUR	33.640	709,938.56		0.88	0.86
BREMBO SPA -	28,038.00	EUR	11.100	311,221.80		0.38	0.38
BUZZI UNICEM SPA -	24,099.00	EUR	27.540	663,686.46		0.82	0.81
INTERPUMP GROUP SPA -	21,278.00	EUR	46.870	997,299.86		1.23	1.21
IREN SPA -	160,759.00	EUR	1.973	317,177.51		0.39	0.39
ITALGAS ITALGAS SPA	143,318.00	EUR	5.180	742,387.24		0.92	0.90
ITALIAN SEA GROUP SPA/THE -	55,713.00	EUR	8.230	458,517.99		0.56	0.56
PIAGGIO & C SPA -	59,277.00	EUR	2.978	176,526.91		0.22	0.21
PIRELLI & C SPA -	80,693.00	EUR	4.927	397,574.41		0.49	0.48
REPLY SPA -	3,523.00	EUR	119.500	420,998.50		0.52	0.51
SESA SPA -	3,426.00	EUR	123.000	421,398.00		0.52	0.51
TAMBURI INVESTMENT PARTNERS SP -	45,067.00	EUR	9.300	419,123.10		0.52	0.51
TECHNOGYM SPA -	30,520.00	EUR	9.065	276,663.80		0.34	0.34
UNIPOL GRUPPO FINANZIARIO -	115,799.00	EUR	5.162	597,754.44		0.74	0.73
<u>Netherlands</u>							
AALBERTS NV (AMS)	29,789.00	EUR	39.260	1,169,516.14		1.44	1.42
ADVANCED METALLURGICAL GROUP -	8,769.00	EUR	22.820	200,108.58		0.25	0.24
ADYEN BV -	326.00	EUR	1,166.600	380,311.60		0.47	0.46
ALFEN BEHEER BV -	4,050.00	EUR	60.280	244,134.00		0.30	0.30
ASR NEDERLAND NV -	25,584.00	EUR	42.700	1,092,436.80		1.35	1.33
BE SEMICONDUCTOR -	16,549.00	EUR	136.450	2,258,111.05		2.78	2.74
CORBION NV (AMS)NRC	8,393.00	EUR	19.380	162,656.34		0.20	0.20
EURONEXT NV -	7,283.00	EUR	78.650	572,807.95		0.71	0.70
FUGRO NV CVA	26,774.00	EUR	17.340	464,261.16		0.57	0.56
IMCD GROUP NV -	3,391.00	EUR	157.550	534,252.05		0.66	0.65
OCI NV -	2,365.00	EUR	26.240	62,057.60		0.08	0.08
SBM OFFSHORE NV (AMS)	37,997.00	EUR	12.450	473,062.65		0.58	0.57
SIGNIFY NV -	24,600.00	EUR	30.320	745,872.00		0.92	0.91
TKH GROUP NV -	15,222.00	EUR	39.500	601,269.00		0.74	0.73

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
VAN LANSCHOT KEMPEN NV -	13,339.00	EUR	28.150	375,492.85		0.46	0.46
<u>Portugal</u>							
CORTICEIRA AMORIM SGPS SA (LIS)	12,898.00	EUR	9.140	117,887.72		0.14	0.14
NOS SPGS (LIS)	217,937.00	EUR	3.200	697,398.40		0.86	0.85
<u>Spain</u>							
ALMIRALL SA -	31,067.00	EUR	8.425	261,739.48		0.32	0.32
APPLUS SERVICES SA -	50,780.00	EUR	10.000	507,800.00		0.63	0.62
BANCO SABADELL -	1,343,537.00	EUR	1.113	1,495,356.68		1.84	1.82
BANKINTER S.A. (MAD)	181,143.00	EUR	5.796	1,049,904.83		1.29	1.27
CIE AUTOMOTIVE SA -	8,092.00	EUR	25.720	208,126.24		0.26	0.25
EBRO FOODS SA (MAD)	24,121.00	EUR	15.520	374,357.92		0.46	0.46
ENCE ENERGIA Y CELULOSA SA (MAD)	206,393.00	EUR	2.832	584,504.98		0.72	0.71
FABRICA ESP. DE PROD. QUIMICOS Y FAR (MAD)	83,382.00	EUR	3.160	263,487.12		0.33	0.32
GESTAMP AUTOMOCION SA -	44,391.00	EUR	3.508	155,723.63		0.19	0.19
INMOBILIARIA COLONIAL SOCIMI SA -	70,738.00	EUR	6.550	463,333.90		0.57	0.56
LINEA DIRECTA ASEGURADORA SA -	467,510.00	EUR	0.851	397,851.01		0.49	0.48
PHARMA MAR SA -	4,977.00	EUR	41.080	204,455.16		0.25	0.25
SOLARIA ENERGIA Y MEDIO AMBIENTE SA -	27,050.00	EUR	18.610	503,400.50		0.62	0.61
UNICAJA BANCO SA -	500,763.00	EUR	0.890	445,679.07		0.55	0.54
VIDRALA SA -	7,317.00	EUR	93.800	686,334.60		0.85	0.83
VISCOFAN IND.NAVARRA DE ENV.CEL.S.A. (MAD)	10,917.00	EUR	53.600	585,151.20		0.72	0.71
Total shares				81,132,954.50		99.97	98.50
<b>Rights</b>							
<u>Belgium</u>							
AEDIFICA -	13,896.00	EUR	1.341	18,633.42		0.02	0.02
XIOR STUDENT HOUSING NV -	12,251.00	EUR	0.385	4,714.06		0.01	0.01
Total rights				23,347.48		0.03	0.03
TOTAL SECURITIES PORTFOLIO				81,156,301.98		100.00	98.53
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP CHF	313,949.21	CHF	1.000	337,678.31		0.00	0.41
KBC GROUP DKK	24,469.24	DKK	1.000	3,282.45		0.00	0.00
KBC GROUP EURO	802,186.31	EUR	1.000	802,186.31		0.00	0.97
KBC GROUP GBP	66,618.77	GBP	1.000	76,880.10		0.00	0.09
KBC GROUP SEK	474,113.87	SEK	1.000	42,588.28		0.00	0.05
KBC GROUP TRY	4,565.26	TRY	1.000	139.93		0.00	0.00
KBC GROUP USD	10,230.77	USD	1.000	9,261.55		0.00	0.01
Total demand accounts				1,272,016.93		0.00	1.54
TOTAL CASH AT BANK AND IN HAND				1,272,016.93		0.00	1.54
<b>OTHER</b>							
Expenses payable		EUR		-62,594.97		0.00	-0.08
TOTAL OTHER				-62,594.97		0.00	-0.08
TOTAL NET ASSETS				82,365,723.94		0.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Austria	2.70	2.98	3.10	3.26
Belgium	18.33	13.23	13.79	16.99
Germany	20.99	18.91	18.40	18.18
Spain	9.28	10.19	9.86	9.93
Finland	4.27	4.72	4.73	4.51
France	16.99	21.16	20.94	21.07
U.K.	0.12	0.07	0.00	0.00
Ireland	1.96	4.42	3.65	3.61
Iceland	0.51	0.39	0.34	0.27
Italy	11.04	12.04	13.28	9.85
Luxembourg	0.84	0.13	0.19	0.00
Netherlands	10.24	10.39	10.64	11.34
Portugal	2.73	1.37	1.08	0.99
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	33.54	31.90	29.91	
Consum(cycl)	13.55	14.74	15.43	
Cons.goods	6.37	8.16	8.17	
Pharma	4.96	4.78	4.53	
Financials	19.58	19.77	20.51	
Technology	10.66	13.00	14.19	
Telecomm.	2.03	1.60	1.76	
Utilities	2.18	2.01	2.00	
Real est.	6.56	3.60	3.21	
Various	0.57	0.44	0.29	
TOTAL	100.00	100.00	100.00	

	31/12/2023
Materials	12.41
Industrial Products	10.05
Tech Hardware & Semiconductors	8.99
Industrial Services	8.23
Banking	7.35
Real Estate	7.26
Software & Tech Services	5.73
Consumer Staple Products	4.97
Financial Services	4.93
Consumer Discretionary Products	4.87
Retail & Wholesale - Discretionary	4.39
Insurance	4.37
Health Care	4.19
Oil & Gas	2.69
Utilities	2.66
Consumer Discretionary Services	2.21
Telecommunications	2.04
Media	1.66
Renewable Energy	0.97
Not specified	0.03
TOTAL	100.00

*The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.*

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
SWISS FRANC	0.31	0.35	0.38	0.41
EURO	99.51	99.50	99.47	99.44
POUND STERLING	0.13	0.09	0.09	0.09
SWEDISH KRONA	0.04	0.05	0.05	0.05
US DOLLAR	0.01	0.01	0.01	0.01
TOTAL	100.00	100.00	100.00	100.00



## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Euro Equity Small & Medium Caps (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	541,716.59	2,726,003.40	3,267,719.99
<b>Sales</b>	10,839,645.83	7,836,306.94	18,675,952.77
<b>Total 1</b>	11,381,362.42	10,562,310.34	21,943,672.76
<b>Subscriptions</b>	3,416,997.82	2,823,632.23	6,240,630.05
<b>Redemptions</b>	14,016,289.46	7,947,649.43	21,963,938.89
<b>Total 2</b>	17,433,287.28	10,771,281.66	28,204,568.94
<b>Monthly average of total assets</b>	89,029,542.17	81,024,431.38	85,010,912.25
<b>Turnover rate</b>	-6.80%	-0.26%	-7.36%

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: 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

### Discretionary Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	2,980.30		141.78		4,305.90		4,305.90
2022 - 12	84.64		215.14		4,175.40		4,175.40
2023 - 12	15.00		132.63		4,057.77		4,057.77

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	33,647,536.17		1,531,265.88	
2022 - 12	947,090.25		2,101,385.27	
2023 - 12	157,628.99		1,416,606.92	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	52,409,302.37	12,171.51	
2022 - 12	41,339,034.82	9,900.63	
2023 - 12	44,941,347.94	11,075.38	

## Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	1,784.83		1,776.80		5,502.46		5,502.46
2022 - 12	930.45		1,718.76		4,714.14		4,714.14
2023 - 12	587.87		1,959.62		3,342.39		3,342.39

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	18,524,268.28		19,819,206.70	
2022 - 12	10,709,280.02		16,987,757.98	
2023 - 12	6,197,565.07		20,823,569.80	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	67,602,327.02	12,285.83	
2022 - 12	47,146,842.65	10,001.15	
2023 - 12	37,424,376.00	11,196.88	

## Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2022 - 12	0.00		0.00		0.00		0.00
2023 - 12	0.00		0.00		0.00		0.00

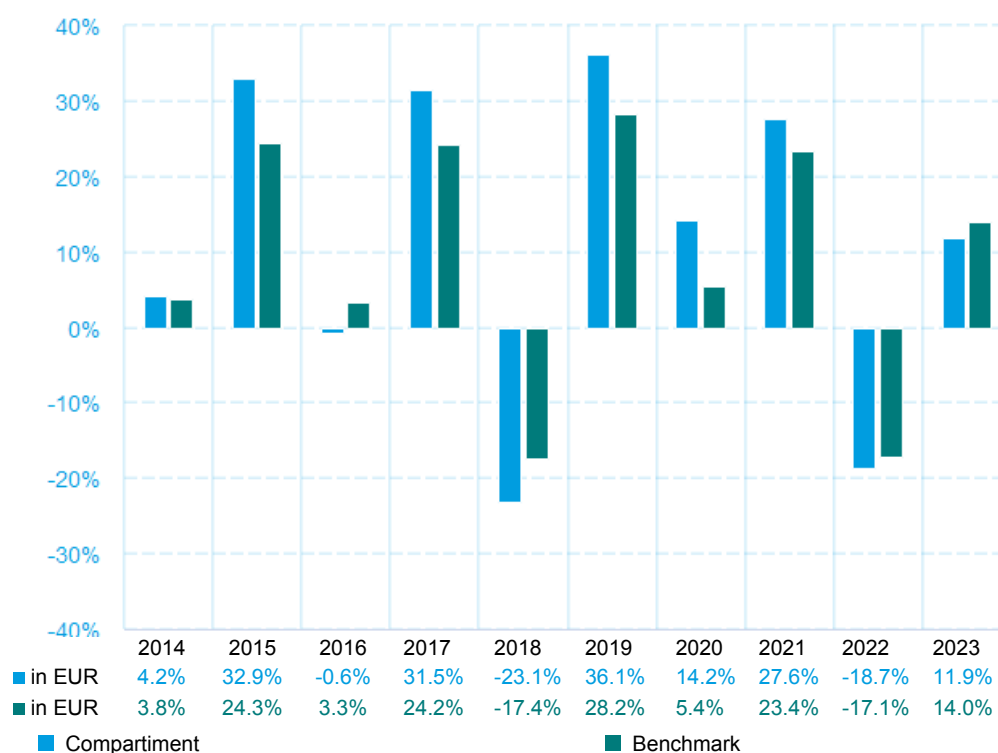
Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2022 - 12	0.00		0.00	
2023 - 12	0.00		0.00	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2022 - 12	0.00	0.00	
2023 - 12	0.00	0.00	

## 2.4.5. Performance figures

### Discretionary Shares

BE0945052786  
KBC Institutional Fund Euro Equity Small & Medium Caps Discretionary Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (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	BE0945052786	EUR	11.87%	14.02%	5.11%	5.25%	12.53%	9.53%	9.64%	7.97%	08/07/2005	8.39%

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

\* Return on annual basis.

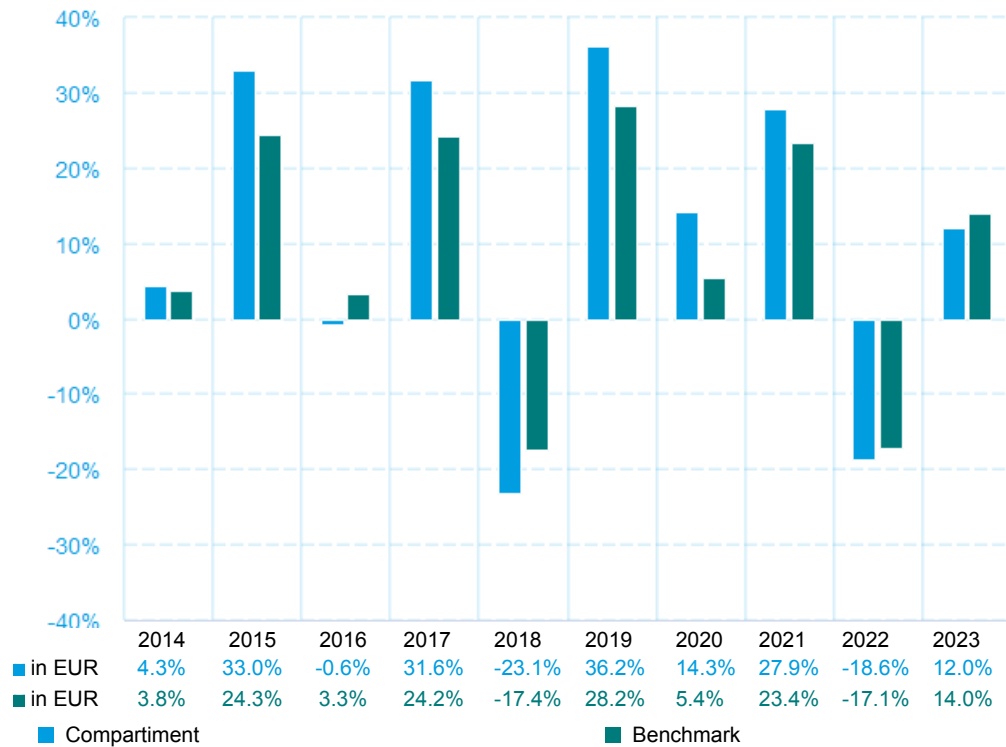
### Discretionary Shares

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\left[ \frac{NIW(D)}{NIW(Y)} \right]^{1/X} - 1$$
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.

## Institutional Shares

BE0947888047

KBC Institutional Fund Euro Equity Small & Medium Caps Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (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	BE0947888047	EUR	11.96%	14.02%	5.23%	5.25%	12.64%	9.53%	9.73%	7.97%	12/12/2007	

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

**Classic Shares**

BE6333605879

KBC Institutional Fund Euro Equity Small & Medium Caps Classic Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (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:

#### Discretionary Shares Capitalisation :

Ongoing charges : 0,687%  
Transaction costs: 0,012%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,606%  
Transaction costs: 0,012%

#### Classic Shares Capitalisation :

Ongoing charges : 0,000%  
Transaction costs: 0,012%

Percentage calculated at reporting date: 31 December 2023 .

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

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

### Existence of Commission Sharing Agreements

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

No CSA accrual during this period.

### Existence of fee sharing agreements and rebates

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

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Discretionary Shares

Fee for managing the investment portfolio	Max 0.45%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.035%	of the net assets of the sub-fund per year.

### Institutional Shares

Fee for managing the investment portfolio	Max 0.45%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.035%	of the net assets of the sub-fund per year.

### Classic Shares

Fee for managing the investment portfolio	Max 1.60%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.035%	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.

## Securities lending

Pursuant to the Royal Decree of 7 March 2006 on securities lending, the undertaking for collective investment in transferable securities(UCITS) has entered into securities lending transactions, whereby the title to the securities that have been lent has been transferred, without recognition of that transfer of ownership in the accounts. For the period from 01/01/2023 to 31/12/2023, the realised net income for the UCITS amounts to 23.780,71 EUR and for the Management Company 9.512,28 EUR. Direct and indirect costs and charges are deducted from the gross income. These are set at a flat rate of 35% of the fee received and consist 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 the sub-fund uses an agent, the fee paid to the agent. The undertaking for collective investment in transferable securities will thus receive 65% of the fee received for securities lent. The number of securities lent varied between 0 and 4, with a market value fluctuating between 0 and 1598990 EUR. The detailed list of securities lending transactions carried out may be obtained from the registered office of the undertaking for collective investment in transferable securities at Havenlaan 2, 1080 Brussels. During the reporting period, securities lending transactions were effected in relation to the following securities lending systems:

Manager of the securities lending system: Goldman Sachs

Type of securities lending transactions effected: the lending transactions are effected through the agency of a Lending Agent.

Nature of the lent securities: the securities lending applies only to the equity portion of the portfolio.

Nature of the financial collateral: government bonds issued by Austria, Belgium, Germany, the Netherlands, Luxembourg, the UK, France, the US and Switzerland and supranational bonds denominated in EUR, USD or GBP issued by the EIB or the KfW.

Reinvestment of the financial collateral received: no reinvestment takes place.

- Section II, entitled 'Income and expenditure relative to the investments', contains the net results of transactions in respect of the lending of securities including the result generated by reinvesting financial guarantees tendered in the context of lending bon.

## Transparency of securities financing transactions and of reuse

### Global data:

1) The amount of securities and commodities on loan as a proportion of total lendable assets defined as excluding cash and cash equivalents;	Nil	%
2) The amount of assets engaged in each type of SFT's and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency) and as a proportion of the collective investment undertaking's assets under management (AUM).		
The amount of assets engaged in each type of SFTs and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency)	0,00	EUR
proportion of the collective investment undertaking's assets under management (AUM)	Nil	%

### Concentration data:



1) Ten largest collateral issuers across all SFTs and total return swaps (break down of volumes of the collateral securities and commodities received per issuer's name)

name collateral issuer	Market value on a settled basis	currency
Nil	Nil	Nil

2) Top 10 counterparties of each type of SFTs and total return swaps separately (Name of counterparty and gross volume of outstanding transactions).

type SFT (lending program)	name counterparty	Country of counterparty	Market value on a settled basis	currency
Nil	Nil	Nil	Nil	Nil

Aggregate transaction data for each type of SFTs and total return swaps separately to be broken down according to the below categories:

1) Type and quality of collateral;	equity (Goldman Sachs)	equity(KBC Bank)	bonds (Société Générale)
type	Nil.	Nil.	Nil.
quality – Bloomberg composite rating: see table below			
2) Maturity tenor of the collateral broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open maturity: see table below;			
3) Currency of the collateral: see table below			
4) Maturity tenor of the SFTs and total return swaps broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open transactions;	Nil.	Nil.	Nil.
5) Country in which the counterparties are established: see table above			
6) Settlement and clearing (e.g., tri-party, Central Counterparty, bilateral).	Nil.	Nil.	Nil.

collateral	quality	currency	Maturity tenor
Nil	Nil	Nil	Nil

Data on reuse of collateral:

1) Share of collateral received that is reused, compared to the maximum amount specified in the prospectus or in the disclosure to investors;	Nil
2) Cash collateral reinvestment returns to the collective investment undertaking. (EUR)	Nil

Safekeeping of collateral received by the collective investment undertaking as part of SFTs and total return swaps:

1) Number and names of custodians and the amount of collateral assets safe-kept by each of the custodians.

<u>number</u>	<u>Name collateral custodian</u>	<u>Market value on a settled basis</u>	<u>currency</u>
Nil	Nil	Nil	Nil

Safekeeping of collateral granted by the collective investment undertaking as part of SFTs and total return swaps:

1) The proportion of collateral held in segregated accounts or in pooled accounts, or in any other accounts.	Nil
--	-----

Data on return and cost for each type of SFTs and total return swaps:

1) Data on return and cost for each type of SFTs and total return swaps broken down between the collective investment undertaking, the manager of the collective investment undertaking and third parties (e.g. agent lender) in absolute terms and as a percentage of overall returns generated by that type of SFTs and total return swaps.

Lending program: equity (Goldman Sachs)	collective investment undertaking	manager of the collective investment undertaking	agent lender
return EUR	36.585,70	9.512,28	3.292,71
percentage of overall returns	100,00 %	26,00%	9,00%
cost EUR	12.805,00		
percentage of overall returns	35,00 %		

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## 2. Information on KBC Institutional Fund Euro Satellite Equity

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

Launch date:	6 March 1998
Initial subscription price:	200 000 BEF
Currency:	EUR

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

Launch date:	12 December 2007
Initial subscription price:	5 848.06 EUR
Currency:	EUR

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

Launch date:	30 May 2017
Initial subscription price:	8 013.08 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 primarily in shares of companies from Member States of the European Union not participating in the euro and from The United Kingdom, Switzerland and Norway.

The fund is actively managed with reference to the following benchmark: MSCI Europe Ex EMU - Net Return Index. However, 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.

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

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

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

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

The longterm expected tracking error for this fund is 2.50%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

### **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors that were taken into account through the general exclusion policy, were exposure to controversial weapons ('indicator 14'), exposure to companies active in the fossil fuel sector ('indicator 4') and Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10').

The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy were greenhouse gas emissions ('indicator 1'), carbon footprint ('indicator 2'), greenhouse gas intensity of investee companies ('indicator 3'), exposure to companies active in the fossil fuel sector ('indicator 4'), gender diversity on the board of directors ('indicator 13').

### **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 NV, Havenlaan 2, 1080 Brussels.

## **2.1.6. Index and benchmark**

See 'Sub-fund's investment policy'.

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

Active positions in Euro Satellite stocks were taken based on quantitative analysis and a stringent risk framework. Approximately once a month, the fund was rebalanced to reflect recommendations originated by forementioned analysis.

## **2.1.8. Future policy**

The fund will continue its active stock selection strategy based on quantitative analysis within the limits defined by the stringent risk framework.

## **2.1.9. Summary risk indicator (SRI)**

Classic Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of concentration risk: there is a concentration of the investments in shares of companies from European Union member states outside the euro-area and from the United Kingdom, Switzerland and Norway.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

Institutional Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of concentration risk: there is a concentration of the investments in shares of companies from European Union member states outside the euro-area and from the United Kingdom, Switzerland and Norway.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.

- a high level of performance risk: the level of the risk reflects the volatility of the stock market.  
There is no capital protection.

Institutional B Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of concentration risk: there is a concentration of the investments in shares of companies from European Union member states outside the euro-area and from the United Kingdom, Switzerland and Norway.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.  
There is no capital protection.

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

The summary 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).

### **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 9.87 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

### **2.1.11. Value-at-Risk**

Not applicable



## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	62,846,251.38	56,870,120.15
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
a)	Shares	63,563,346.58	56,751,599.73
D.	Other securities	9.87	16.10
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
a)	Accounts receivable	0.01	0.01
B.	Payables		
c)	Borrowings (-)	-813,783.11	-8,522.13
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	58,071.08	97,657.52
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	71,204.32	57,224.66
C.	Accrued expense (-)	-32,597.37	-27,855.74
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	62,846,251.38	56,870,120.15
<b>A.</b>	<b>Capital</b>	54,979,359.52	67,473,421.18
<b>B.</b>	<b>Income equalization</b>	-210,362.40	-484,488.05
<b>D.</b>	<b>Result of the bookyear</b>	8,077,254.26	-10,118,812.98
<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments		
I.A.b.	Cash at bank and in hand/deposits		
III.	Notional amounts of futures and forward contracts (+)		
III.B.	Written futures and forward contracts		
IX.	Financial instruments lent		

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	4,529,669.73	-10,539,075.62
D.	Other securities	1.42	4,112.90
F.	Derivative financial instruments		
	l) Financial indices		
	Futures and forward contracts	-9,786.77	62,805.13
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	1,951,217.80	-1,296,993.18
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	7,432,218.11	9,906,520.70
	Unrealised gains on investments	2,777,599.03	-10,657,521.89
	Realised losses on investments	-5,426,674.55	-11,299,512.59
	Unrealised losses on investments	1,687,959.59	281,363.01
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	2,040,205.03	2,153,580.55
B.	Interests		
	a) Securities and money market instruments	22,211.30	50,313.08
	b) Cash at bank and in hand and deposits	24,250.39	581.23
C.	Interest on borrowings (-)	-8,867.60	-4,702.43
<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	99,190.03	83,229.77
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-231,616.25	-271,357.37
B.	Financial expenses (-)	-1,945.43	-2,943.18
C.	Custodian's fee (-)	-25,619.80	-29,962.97
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-5,885.90	-5,562.71
	Institutional Shares	-175,185.92	-205,632.21
	Institutional B Shares	-38,061.50	-39,064.04
	b) Administration and accounting management	-64,421.96	-73,362.72
	c) Commercial fee	-625.00	-625.00
F.	Formation and organisation expenses (-)	-256.14	-121.65
G.	Remuneration, social security charges and pension	-9.71	-8.52
H.	Services and sundry goods (-)	-1,543.71	-2,645.43
J.	Taxes		
	Classic Shares	-1,711.34	-1,522.85
	Institutional Shares	-6,878.40	-6,992.96
	Institutional B Shares	-987.27	-1,134.57
L.	Other expenses (-)	-16,088.74	8,271.77
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	1,606,152.08	1,650,337.80
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	8,077,254.26	-10,118,812.98
<b>VII.</b>	<b>Result of the bookyear</b>	8,077,254.26	-10,118,812.98

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	7,866,891.86	-10,603,301.03
	Profit for the period available for appropriation	8,077,254.26	-10,118,812.98
	Income on the creation of shares (income on the cancellation of shares)	-210,362.40	-484,488.05
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-7,866,891.86	10,603,301.03

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Euro Satellite Equity

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Denmark</u>							
CARLSBERG A/S B	8,523.00	DKK	846.800	968,168.71		1.52	1.54
COLOPLAST A/S B	1,426.00	DKK	772.000	147,677.57		0.23	0.24
DANSKE BK AS -	21,980.00	DKK	180.400	531,914.62		0.84	0.85
DEMANT A/S -	1,222.00	DKK	296.000	48,522.22		0.08	0.08
DSV PANALPINA A S -	285.00	DKK	1,185.500	45,323.57		0.07	0.07
GENMAB A/S -	599.00	DKK	2,155.000	173,161.68		0.27	0.28
NOVO NORDISK A/S B	40,813.00	DKK	698.100	3,822,027.97		6.01	6.08
PANDORA A/S -	1,389.00	DKK	933.200	173,882.02		0.27	0.28
ROCKWOOL INTERNATIONAL A/S -	102.00	DKK	1,976.000	27,037.39		0.04	0.04
VESTAS WINDS SYSTEMS -	4,149.00	DKK	214.300	119,273.32		0.19	0.19
<u>Ireland</u>							
C.R.H. PLC (LON)	2,759.00	GBP	54.100	172,252.81		0.27	0.27
DCC PLC -	483.00	GBP	57.780	32,206.39		0.05	0.05
<u>Netherlands</u>							
CNH INDUSTRIAL NV -	9,062.00	USD	12.180	99,918.67		0.16	0.16
SHELL PLC -	85,248.00	GBP	25.715	2,529,811.05		3.98	4.03
<u>Norway</u>							
DNB BANK ASA -	1,826.00	NOK	216.000	35,157.66		0.06	0.06
ORKLA ASA A	4,539.00	NOK	78.840	31,898.65		0.05	0.05
STATOILHYDRO ASA -	25,444.00	NOK	68.400	155,133.98		0.24	0.25
<u>Spain</u>							
INTERNAT CONSOLIDATED AIRLINES GROUP -	16,254.00	EUR	1.781	28,948.37		0.05	0.05
<u>Sweden</u>							
ASSA ABLOY AB B	14,643.00	SEK	290.300	381,842.72		0.60	0.61
ATLAS COPCO AB A	7,195.00	SEK	173.550	112,166.41		0.18	0.18
ATLAS COPCO AB AB B FRIA	15,329.00	SEK	149.400	205,717.78		0.32	0.33
BOLIDEN AB -	6,190.00	SEK	314.500	174,871.37		0.28	0.28
EPIROC AB -A	1,806.00	SEK	202.200	32,802.45		0.05	0.05
ERICSSON B	100,323.00	SEK	63.110	568,729.96		0.90	0.91
ESSITY AB -	36,528.00	SEK	250.000	820,301.14		1.29	1.31
FASTIGHETS AB BALDER -B-	5,703.00	SEK	71.520	36,638.55		0.06	0.06
GETINGE AB B	6,375.00	SEK	224.300	128,444.90		0.20	0.20
HEXAGON AB -B-	32,921.00	SEK	120.950	357,673.12		0.56	0.57
HOLMEN AB -	807.00	SEK	425.700	30,859.20		0.05	0.05
HUSQVARNA AB -B-	3,589.00	SEK	82.980	26,751.88		0.04	0.04
INDUSTRIVARDEN AB -	15,879.00	SEK	328.300	468,275.51		0.74	0.75
INVESTOR AB B	24,322.00	SEK	233.500	510,144.94		0.80	0.81
KINNEVIK AB -B-	11,154.00	SEK	108.100	108,308.80		0.17	0.17
S.K.F. B FRIA	6,700.00	SEK	201.300	121,150.72		0.19	0.19
SAGAX AB -	1,506.00	SEK	277.400	37,526.57		0.06	0.06
SANDVIK FRIA -	13,630.00	SEK	218.100	267,029.31		0.42	0.43
SECURITAS AB B	6,015.00	SEK	98.580	53,263.76		0.08	0.09
SKANDINAVISKA ENSKILDA A	28,903.00	SEK	138.800	360,362.68		0.57	0.57
SKANSKA AB B	2,162.00	SEK	182.350	35,413.50		0.06	0.06
SSAB AB B	12,681.00	SEK	77.080	87,801.64		0.14	0.14
SVENSKA HANDBK A	35,896.00	SEK	109.450	352,914.28		0.56	0.56
SWEDBANK -	12,181.00	SEK	203.300	222,447.61		0.35	0.35
TELE2 AB B	5,432.00	SEK	86.540	42,226.40		0.07	0.07
TELIA CO AB -	26,980.00	SEK	25.730	62,357.56		0.10	0.10
TRELLEBORG AB B	951.00	SEK	337.600	28,839.68		0.05	0.05
VOLVO TREASURY AB B	23,957.00	SEK	261.700	563,175.26		0.89	0.90
<u>Switzerland</u>							
ABB LTD -	26,408.00	CHF	37.300	1,059,468.67		1.67	1.69
ADECCO GROUP AG REG	888.00	CHF	41.270	39,417.69		0.06	0.06
ALCON INC -	13,816.00	CHF	65.640	975,426.77		1.54	1.55
CHOCOLADEFABRIKEN LINDT-REG -	48.00	CHF	10,090.000	520,926.17		0.82	0.83
CLARIANT AG (NOM)	23,584.00	CHF	12.420	315,052.43		0.50	0.50

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
EMS-CHEMIE HOLDING AG -	151.00	CHF	681.000	110,603.24		0.17	0.18
FLUGHAFEN ZUERICH AG -	129.00	CHF	175.600	24,364.53		0.04	0.04
GIVAUDAN (NOM)	249.00	CHF	3,484.000	933,085.13		1.47	1.49
HOLCIM LTD (NOM)	21,997.00	CHF	66.020	1,562,006.19		2.46	2.49
JULIUS BAER HOLDING B	7,553.00	CHF	47.150	383,040.73		0.60	0.61
LOGITECH INTERNATIONAL SA REG	3,406.00	CHF	79.760	292,195.53		0.46	0.47
LONZA AG -	87.00	CHF	353.700	33,097.72		0.05	0.05
NESTLE AG REG	53,350.00	CHF	97.510	5,595,351.26		8.81	8.91
NOVARTIS AG REG	38,990.00	CHF	84.870	3,559,190.33		5.60	5.66
PARTNERS GROUP AG -	152.00	CHF	1,213.000	198,311.62		0.31	0.32
PSP SWISS PROPERTY AG -	775.00	CHF	117.600	98,028.60		0.15	0.16
ROCHE HOLDING GENOTS	12,117.00	CHF	244.500	3,186,528.05		5.01	5.07
SANDOZ GROUP AG -	5,323.00	CHF	27.060	154,927.33		0.24	0.25
SCHINDLER-HLDG PART.BON	301.00	CHF	210.300	68,084.70		0.11	0.11
SGS SA (REG)	1,732.00	CHF	72.540	135,135.43		0.21	0.22
SIG COMBIBLOC SERVICES AG -	3,592.00	CHF	19.350	74,758.58		0.12	0.12
SIKA FINANZ AG -	2,319.00	CHF	273.700	682,683.37		1.07	1.09
SONOVA HOLDING AG -	1,856.00	CHF	274.400	547,779.60		0.86	0.87
STRAUMANN HOLDING AG REG	872.00	CHF	135.600	127,180.33		0.20	0.20
SWISS LIFE HOLDING -	201.00	CHF	584.000	126,256.19		0.20	0.20
SWISS RE -	6,835.00	CHF	94.560	695,167.98		1.09	1.11
SWISSCOM AG -	614.00	CHF	506.000	334,166.31		0.53	0.53
TEMENOS GROUP AG-REG -	2,514.00	CHF	78.220	211,508.03		0.33	0.34
THE SWATCH GROUP AG REG	4,410.00	CHF	44.050	208,943.22		0.33	0.33
UBS GROUP AG -	33,553.00	CHF	26.100	941,923.52		1.48	1.50
ZURICH INSURANCE GROUP AG -	3,012.00	CHF	439.600	1,424,152.27		2.24	2.27
<b>U.K.</b>							
ABRDN PLC -	175,009.00	GBP	1.787	360,811.82		0.57	0.57
ANGLO AMERICAN PLC PLC	12,414.00	GBP	19.706	282,310.86		0.44	0.45
ASSOCIATED BRITISH FOODS PLC -	21,908.00	GBP	23.670	598,436.88		0.94	0.95
ASTRAZENECA PLC -	17,915.00	GBP	106.000	2,191,492.74		3.45	3.49
BARCLAYS BANK PLC -	419,920.00	GBP	1.538	745,218.75		1.17	1.19
BERKELEY GROUP (THE) PLC -	4,120.00	GBP	46.880	222,895.95		0.35	0.36
BP PLC -	373,999.00	GBP	4.662	2,011,932.88		3.17	3.20
BT GROUP PLC -	102,992.00	GBP	1.236	146,905.93		0.23	0.23
BURBERRY GROUP PLC -	6,167.00	GBP	14.160	100,775.41		0.16	0.16
CENTRICA -	147,915.00	GBP	1.407	240,087.37		0.38	0.38
DIAGEO -	26,985.00	GBP	28.560	889,401.76		1.40	1.42
DS SMITH PLC -	50,743.00	GBP	3.073	179,951.74		0.28	0.29
GLAXOSMITHKLINE PLC -	93,764.00	GBP	14.502	1,569,211.15		2.47	2.50
HALEON PLC -	54,096.00	GBP	3.217	200,801.09		0.32	0.32
HALMA PLC -	8,486.00	GBP	22.840	223,674.50		0.35	0.36
HSBC HOLDING PLC -	224,600.00	GBP	6.355	1,647,186.08		2.59	2.62
INFORMA PLC -	3,635.00	GBP	7.812	32,770.57		0.05	0.05
JOHNSON MATTHEY PLC -	16,895.00	GBP	16.975	330,967.49		0.52	0.53
KINGFISHER PLC -	22,691.00	GBP	2.433	63,710.81		0.10	0.10
LAND SECURITIES GROUP PLC -	30,985.00	GBP	7.048	252,019.85		0.40	0.40
LEGAL & GENERAL GROUP PLC -	88,307.00	GBP	2.511	255,893.47		0.40	0.41
LLOYDS BANKING GROUP PLC -	1,889,602.00	GBP	0.477	1,040,392.26		1.64	1.66
LONDON STOCK EXCHANGE GRP PLC -	2,840.00	GBP	92.740	303,950.45		0.48	0.48
NAT. GRID PLC -	53,189.00	GBP	10.580	649,418.79		1.02	1.03
PEARSON PLC -	4,686.00	GBP	9.642	52,141.89		0.08	0.08
PERSIMMON -	2,084.00	GBP	13.890	33,405.45		0.05	0.05
PHOENIX GROUP HOLDINGS PLC -	107,213.00	GBP	5.352	662,187.40		1.04	1.05
PRUDENTIAL PLC -	13,693.00	GBP	8.872	140,196.61		0.22	0.22
RECKITT BENCKISER PLC -	14,003.00	GBP	54.200	875,866.13		1.38	1.39
RELX PLC -	5,896.00	GBP	31.100	211,609.53		0.33	0.34
RENTOKIL INITIAL PLC -	7,513.00	GBP	4.408	38,218.39		0.06	0.06
RIO TINTO PLC -	20,838.00	GBP	58.420	1,404,866.14		2.21	2.24
ROLLS ROYCE GROUP PLC -	27,895.00	GBP	2.997	96,478.48		0.15	0.15
ROYAL BANK OF SCOTLAND GROUP PLC -	244,846.00	GBP	2.194	619,936.20		0.98	0.99
SAGE GROUP -	15,242.00	GBP	11.725	206,239.65		0.32	0.33
SEGRO PLC -	16,597.00	GBP	8.864	169,776.16		0.27	0.27
SMITH&NEPHEW PLC -	15,106.00	GBP	10.785	188,012.61		0.30	0.30
SMITHS GROUP PLC -	15,848.00	GBP	17.635	322,527.90		0.51	0.51
SPECTRIS PLC -	633.00	GBP	37.790	27,605.65		0.04	0.04
SSE PLC -	37,720.00	GBP	18.560	807,917.50		1.27	1.29
TATE&LYLE PLC -	51,822.00	GBP	6.590	394,109.54		0.62	0.63
TAYLOR WIMPEY PLC -	113,626.00	GBP	1.471	192,823.56		0.30	0.31
TESCO -	31,032.00	GBP	2.905	104,033.51		0.16	0.17
UNILEVER PLC -	36,570.00	GBP	38.000	1,603,710.29		2.52	2.55
UNITED UTILITIES WATER PLC -	5,546.00	GBP	10.595	67,810.69		0.11	0.11
VODAFONE GROUP PLC -	256,988.00	GBP	0.686	203,329.79		0.32	0.32
WHITBREAD HOLDINGS PLC -	1,576.00	GBP	36.560	66,493.59		0.11	0.11
WPP GROUP PLC -	18,099.00	GBP	7.530	157,277.61		0.25	0.25
3IGROUP -	14,941.00	GBP	24.210	417,437.84		0.66	0.66
Total shares				63,563,346.58		100.00	101.14
<b>Rights</b>							

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
<b>Denmark</b>							
NKT A/S -	1.00	DKK	35.000	4.70		0.00	0.00
<b>Sweden</b>							
SWEDISH ORPHAN BIOVITRUM AB -	5.00	SEK	11.500	5.17		0.00	0.00
Total rights				9.87		0.00	0.00
TOTAL SECURITIES PORTFOLIO				63,563,356.45		100.00	101.14
<b>CASH AT BANK AND IN HAND</b>							
<b>Demand accounts</b>							
<b>Belgium</b>							
KBC GROUP AUD	0.97	AUD	1.000	0.60		0.00	0.00
KBC GROUP CAD	781.41	CAD	1.000	536.46		0.00	0.00
KBC GROUP CHF	-1,887.11	CHF	1.000	-2,029.74		0.00	-0.00
KBC GROUP DKK	60,030.13	DKK	1.000	8,052.80		0.00	0.01
KBC GROUP EURO	-772,536.66	EUR	1.000	-772,536.66		0.00	-1.23
KBC GROUP GBP	29,288.76	GBP	1.000	33,800.13		0.00	0.05
KBC GROUP NOK	-214,621.11	NOK	1.000	-19,131.01		0.00	-0.03
KBC GROUP SEK	-223,603.95	SEK	1.000	-20,085.70		0.00	-0.03
KBC GROUP TRY	2.53	TRY	1.000	0.08		0.00	0.00
KBC GROUP USD	17,249.29	USD	1.000	15,615.16		0.00	0.03
KBC GROUP ZAR	1,330.26	ZAR	1.000	65.85		0.00	0.00
Total demand accounts				-755,712.03		0.00	-1.20
TOTAL CASH AT BANK AND IN HAND				-755,712.03		0.00	-1.20
<b>OTHER RECEIVABLES AND PAYABLES</b>							
<b>Receivables</b>							
<b>Belgium</b>							
KBC GROUP EUR RECEIVABLE	0.01	EUR	1.000	0.01		0.00	0.00
Total receivables				0.01		0.00	0.00
TOTAL RECEIVABLES AND PAYABLES				0.01		0.00	0.00
<b>OTHER</b>							
Interest receivable		EUR		71,204.32		0.00	0.11
Expenses payable		EUR		-32,597.37		0.00	-0.05
TOTAL OTHER				38,606.95		0.00	0.06
TOTAL NET ASSETS				62,846,251.38		0.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Austria	0.00	0.10	0.00	0.00
Belgium	0.02	0.16	3.59	-1.21
Bermuda	0.13	0.54	0.63	0.00
Switzerland	32.98	34.84	33.68	39.17
Denmark	9.90	10.26	10.87	9.64
Spain	0.00	0.00	0.00	0.05
Finland	1.33	0.58	0.53	0.00
U.K.	36.11	35.48	35.53	37.61
Ireland	0.87	2.07	1.19	0.33
Jersey/The Channel Islands	1.07	0.29	0.49	0.00
Luxembourg	0.00	0.11	0.14	0.00
Netherlands	5.10	4.06	3.89	4.18
Norway	4.70	3.41	1.81	0.36
Sweden	7.61	7.99	7.38	9.87
U.S.A.	0.18	0.00	0.27	0.00
South Africa	0.00	0.11	0.00	0.00
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	22.58	23.54	24.12	
Consum(cycl)	9.46	8.93	9.96	
Cons.goods	17.96	16.51	16.01	
Pharma	24.10	25.33	24.04	
Financials	18.04	18.85	19.94	
Technology	1.36	2.12	1.70	
Telecomm.	3.22	2.38	1.98	
Utilities	1.47	1.20	1.36	
Real est.	1.81	1.14	0.89	
TOTAL	100.00	100.00	100.00	

	31/12/2023
Health Care	26.79
Consumer Staple Products	18.93
Materials	10.38
Banking	8.84
Oil & Gas	7.27
Industrial Products	6.35
Insurance	5.25
Financial Services	4.78
Utilities	2.81
Tech Hardware & Semiconductors	1.37
Retail & Wholesale - Discretionary	1.33
Telecommunications	1.25
Consumer Discretionary Products	1.21
Software & Tech Services	1.00
Real Estate	0.94
Industrial Services	0.64
Media	0.39
Renewable Energy	0.19
Retail & Wholesale - Staples	0.17
Consumer Discretionary Services	0.11
TOTAL	100.00

*The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.*

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
SWISS FRANC	30.96	32.53	33.79	39.17
DANISH KRONE	9.91	10.26	10.87	9.65
EURO	1.05	0.74	0.27	-1.18
POUND STERLING	45.55	44.77	45.46	42.01
NORWEGIAN KRONE	4.76	3.52	1.95	0.33
SWEDISH KRONA	7.67	8.19	7.66	9.84
US DOLLAR	0.10	-0.01	0.00	0.18
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Euro Satellite Equity (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	34,347,248.51	42,562,301.05	76,909,549.56
<b>Sales</b>	28,577,402.23	48,000,838.26	76,578,240.49
<b>Total 1</b>	62,924,650.74	90,563,139.31	153,487,790.05
<b>Subscriptions</b>	20,720,679.58	19,208,682.51	39,929,362.09
<b>Redemptions</b>	13,585,909.51	28,199,044.26	41,784,953.77
<b>Total 2</b>	34,306,589.09	47,407,726.77	81,714,315.86
<b>Monthly average of total assets</b>	66,396,646.90	62,644,864.67	64.513.099.08
<b>Turnover rate</b>	43.10%	68.89%	111.25%

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: 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
2021 - 12	2.87		217.00		156.87		156.87
2022 - 12	1.74		0.00		158.61		158.61
2023 - 12	2.09		1.00		159.70		159.70

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	29,850.75		2,154,563.27	
2022 - 12	18,589.61		0.00	
2023 - 12	22,058.37		10,676.99	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	1,721,670.47	10,975.07	
2022 - 12	1,552,287.92	9,787.07	
2023 - 12	1,780,908.02	11,151.58	



## Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	2,317.82		1,342.21		5,383.56		5,383.56
2022 - 12	1,978.02		2,266.41		5,095.17		5,095.17
2023 - 12	1,257.30		2,354.46		3,998.01		3,998.01

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	22,877,954.24		13,503,274.63	
2022 - 12	20,981,532.75		23,046,027.99	
2023 - 12	13,397,252.91		25,127,134.19	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	59,629,564.89	11,076.24	
2022 - 12	50,362,822.73	9,884.43	
2023 - 12	45,063,011.04	11,271.37	

## Institutional B Shares

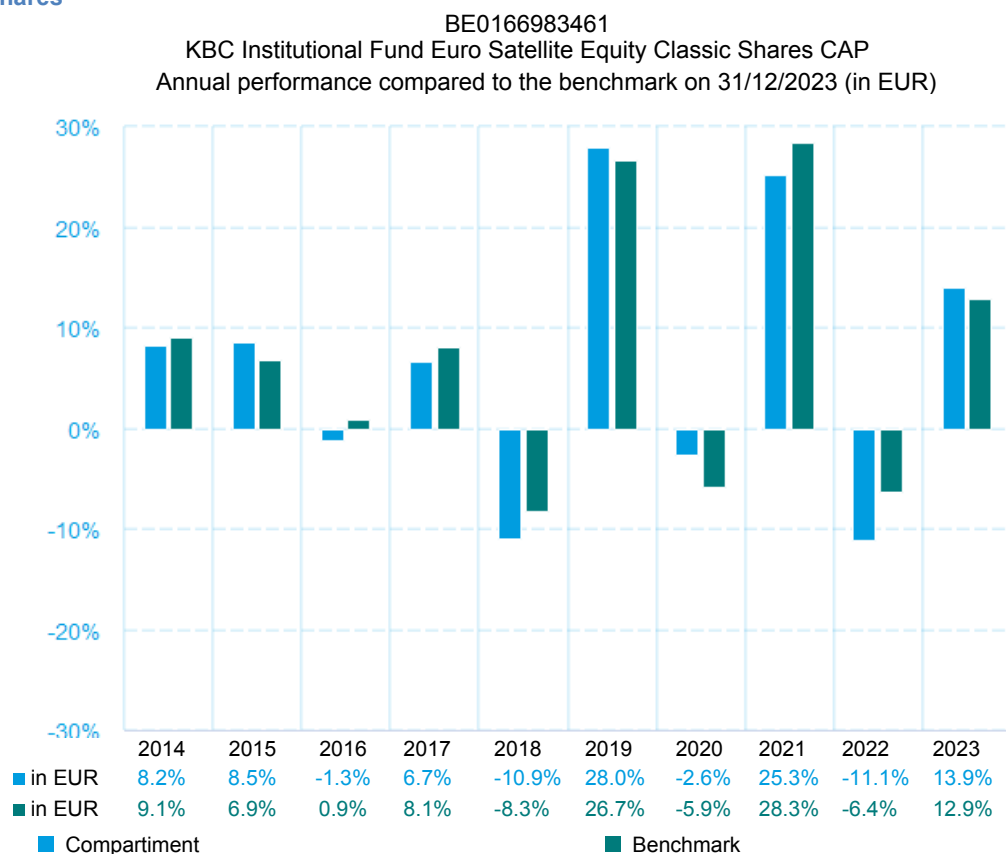
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	5,717.00		3,671.00		3,580.00		3,580.00
2022 - 12	1,260.00		4,339.00		501.00		501.00
2023 - 12	2,566.00		1,648.00		1,419.00		1,419.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	56,260,524.74		36,527,189.46	
2022 - 12	12,812,176.38		44,793,243.92	
2023 - 12	27,201,852.59		17,584,475.71	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	39,664,670.94	11,079.52	
2022 - 12	4,955,009.50	9,890.24	
2023 - 12	16,002,332.32	11,277.19	

## 2.4.5. Performance figures

### 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
CAP	BE0166983461	EUR	13.94%	12.95%	8.28%	10.71%	9.61%	10.10%	5.71%	6.55%	06/03/1998	3.19%

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

\* Return on annual basis.

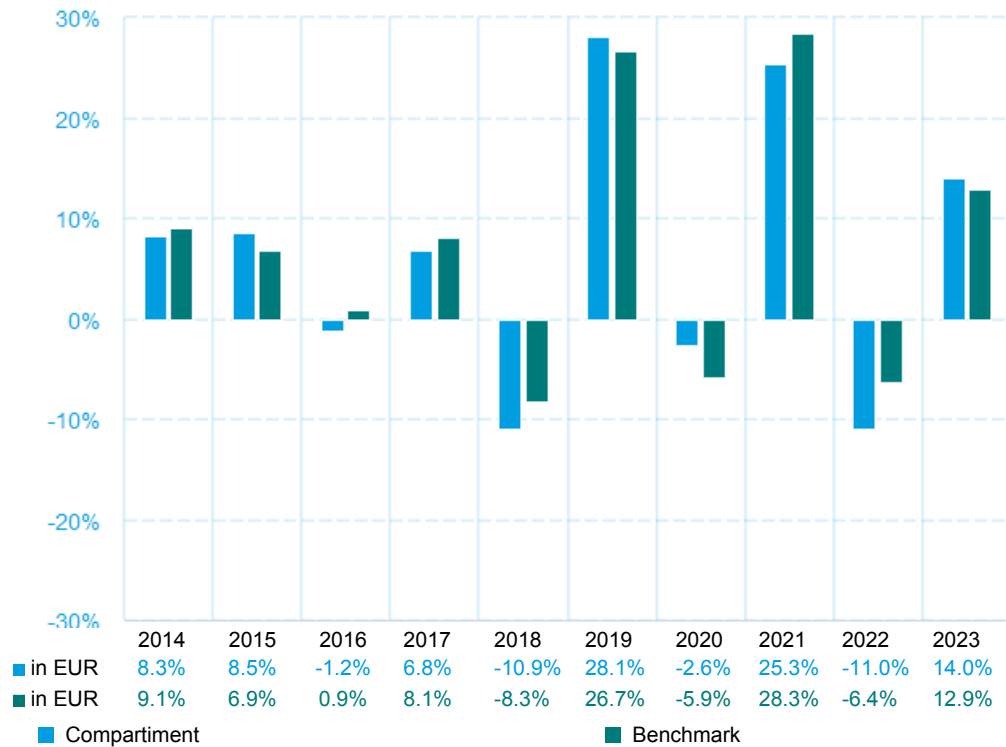
### Classic Shares

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\left[ \frac{NIW(D)}{NIW(Y)} \right]^{1/X} - 1$$
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.

## Institutional Shares

BE0947889052

KBC Institutional Fund Euro Satellite Equity Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (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	BE0947889052	EUR	14.03%	12.95%	8.34%	10.71%	9.68%	10.10%	5.77%	6.55%	12/12/2007	4.20%

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

\* Return on annual basis.

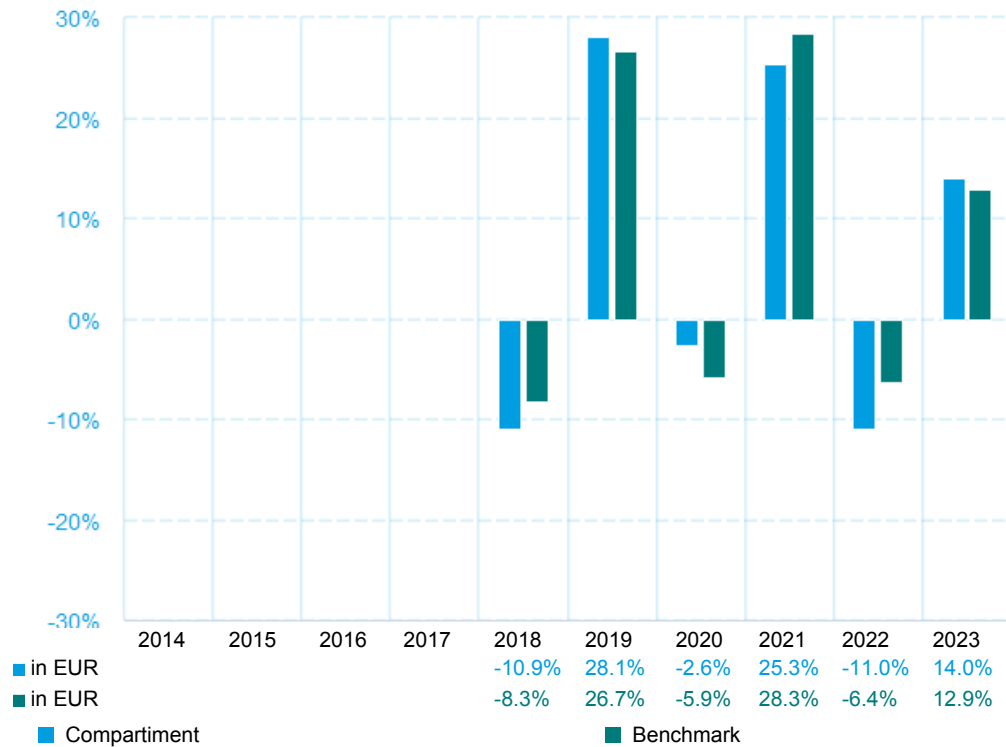
## Institutional Shares

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$[(NIW(D) / NIW(Y))^{1/X}] - 1$$
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 B Shares

BE6295242398

KBC Institutional Fund Euro Satellite Equity Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (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	BE6295242398	EUR	14.02%	12.95%	8.36%	10.71%	9.68%	10.10%			30/05/2017	5.32%

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

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Classic Shares Capitalisation :

Ongoing charges : 0,596%  
Transaction costs: 0,360%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,515%  
Transaction costs: 0,360%

#### Institutional B Shares Capitalisation :

Ongoing charges : 0,547%  
Transaction costs: 0,360%

Percentage calculated at reporting date: 31 December 2023 .

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.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.35%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	of the net assets of the sub-fund per year.

### Institutional Shares

Fee for managing the investment portfolio	Max 0.35%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	of the net assets of the sub-fund per year.

### Institutional B Shares

Fee for managing the investment portfolio	Max 0.35%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	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.

## Securities lending

Pursuant to the Royal Decree of 7 March 2006 on securities lending, the undertaking for collective investment in transferable securities(UCITS) has entered into securities lending transactions, whereby the title to the securities that have been lent has been transferred, without recognition of that transfer of ownership in the accounts. For the period from 01/01/2023 to 31/12/2023, the realised net income for the UCITS amounts to 14.437,34 EUR and for the Management Company 5.774,94 EUR. Direct and indirect costs and charges are deducted from the gross income. These are set at a flat rate of 35% of the fee received and consist 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 the sub-fund uses an agent, the fee paid to the agent. The undertaking for collective investment in transferable securities will thus receive 65% of the fee received for securities lent. The number of securities lent varied between 0 and 4, with a market value fluctuating between 0 and 6257791.77 EUR. The detailed list of securities lending transactions carried out may be obtained from the registered office of the undertaking for collective investment in transferable securities at Havenlaan 2, 1080 Brussels. During the reporting period, securities lending transactions were effected in relation to the following securities lending systems:

Manager of the securities lending system: Goldman Sachs

Type of securities lending transactions effected: the lending transactions are effected through the agency of a Lending Agent.

Nature of the lent securities: the securities lending applies only to the equity portion of the portfolio.

Nature of the financial collateral: government bonds issued by Austria, Belgium, Germany, the Netherlands, Luxembourg, the UK, France, the US and Switzerland and supranational bonds denominated in EUR, USD or GBP issued by the EIB or the KFW.

Reinvestment of the financial collateral received: no reinvestment takes place.

- Section II, entitled 'Income and expenditure relative to the investments', contains the net results of transactions in respect of the lending of securities including the result generated by reinvesting financial guarantees tendered in the context of lending bon.

## Transparency of securities financing transactions and of reuse

### Global data:

1) The amount of securities and commodities on loan as a proportion of total lendable assets defined as excluding cash and cash equivalents;	Nil	%
2) The amount of assets engaged in each type of SFT's and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency) and as a proportion of the collective investment undertaking's assets under management (AUM).		
The amount of assets engaged in each type of SFTs and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency)	0,00	EUR
proportion of the collective investment undertaking's assets under management (AUM)	Nil	%

### Concentration data:

1) Ten largest collateral issuers across all SFTs and total return swaps (break down of volumes of the collateral securities and commodities received per issuer's name)

name collateral issuer	Market value on a settled basis	currency
Nil	Nil	Nil

2) Top 10 counterparties of each type of SFTs and total return swaps separately (Name of counterparty and gross volume of outstanding transactions).

type SFT (lending program)	name counterparty	Country of counterparty	Market value on a settled basis	currency
Nil	Nil	Nil	Nil	Nil

Aggregate transaction data for each type of SFTs and total return swaps separately to be broken down according to the below categories:

1) Type and quality of collateral;	equity (Goldman Sachs)	equity(KBC Bank)	bonds (Société Générale)
type	Nil.	Nil.	Nil.
quality – Bloomberg composite rating: see table below			
2) Maturity tenor of the collateral broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open maturity: see table below;			
3) Currency of the collateral: see table below			
4) Maturity tenor of the SFTs and total return swaps broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open transactions;	Nil.	Nil.	Nil.
5) Country in which the counterparties are established: see table above			
6) Settlement and clearing (e.g., tri-party, Central Counterparty, bilateral).	Nil.	Nil.	Nil.

collateral	quality	currency	Maturity tenor
Nil	Nil	Nil	Nil

Data on reuse of collateral:

1) Share of collateral received that is reused, compared to the maximum amount specified in the prospectus or in the disclosure to investors;	Nil
2) Cash collateral reinvestment returns to the collective investment undertaking. (EUR)	Nil

Safekeeping of collateral received by the collective investment undertaking as part of SFTs and total return swaps:



1) Number and names of custodians and the amount of collateral assets safe-kept by each of the custodians.

<u>number</u>	<u>Name collateral custodian</u>	<u>Market value on a settled basis</u>	<u>currency</u>
Nil	Nil	Nil	Nil

Safekeeping of collateral granted by the collective investment undertaking as part of SFTs and total return swaps:

1) The proportion of collateral held in segregated accounts or in pooled accounts, or in any other accounts.	Nil
--	-----

Data on return and cost for each type of SFTs and total return swaps:

1) Data on return and cost for each type of SFTs and total return swaps broken down between the collective investment undertaking, the manager of the collective investment undertaking and third parties (e.g. agent lender) in absolute terms and as a percentage of overall returns generated by that type of SFTs and total return swaps.

Lending program: equity (Goldman Sachs)	collective investment undertaking	manager of the collective investment undertaking	agent lender
return EUR	22.211,29	5.774,94	1.999,02
percentage of overall returns	100,00 %	26,00%	9,00%
cost EUR	7.773,95		
percentage of overall returns	35,00 %		

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## 2. Information on KBC Institutional Fund European Real Estate

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

Launch date: 5 August 1998  
Initial subscription price: 200 000 BEF  
Currency: EUR

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

Launch date: 5 August 1998  
Initial subscription price: 200 000 BEF  
Currency: EUR

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

Launch date: 24 December 2010  
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 real estate certificates, shares in real estate companies and UCIs that invest in real estate.

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

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

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

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

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

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

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

## Permitted derivatives transactions

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

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

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

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

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

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

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

## Strategy selected

The sub-fund's portfolio is managed passively. More information with respect to this can be found under the 'Benchmark-tracking' title.

The assets are invested primarily in shares figuring in the FTSE EPRA/NAREIT Developed Europe - Net Return Index.

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

### **Transparency of adverse sustainability impacts:**

The sub-fund considered the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'), within the limited limits inherent to passive management, through the general exclusion policy and the Proxy Voting and Engagement Policy.

In particular, the sub-fund took into account exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems.

The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy were greenhouse gas emissions ('indicator 1'), carbon footprint ('indicator 2'), greenhouse gas intensity of investee companies ('indicator 3'), exposure to companies active in the fossil fuel sector ('indicator 4'), gender diversity on the board of directors ('indicator 13').

## Benchmark-tracking

**The object of the sub-fund is to track the composition of a benchmark within the meaning and limits of Article 63 of the Royal Decree of 12 November 2012 with respect to collective investment that meet the conditions of Directive 2009/65/EC.**

Benchmark(s) in question: FTSE EPRA/NAREIT Developed Europe - Net Return Index. Additional information on this benchmark and its composition is available at: [www.ftserussel.com/products/indices/epra-nareit](http://www.ftserussel.com/products/indices/epra-nareit).

Method used to track the benchmark(s): physical replication based on full replication: The manager aims to include each share that forms a part of the benchmark in the sub-fund's investment portfolio, whereby each share is given

the same weighting as it has in the benchmark. However, the manager retains the freedom to deviate slightly from the benchmark. Reasons for this may include: regulatory restrictions, limited liquidity of shares included in the benchmark, the restrictions mentioned in the 'Information concerning the Bevek – E. Social, ethical and environmental aspects'. The sub-fund may also make limited use of synthetic replication by way of futures, primarily in order to cushion the effects of buying and selling, and to avoid the attendant transaction charges.

The benchmark is re-balanced quarterly basis. The more often the sub-fund is re-balanced, the greater the potential impact on transaction charges within the sub-fund.

The anticipated tracking error under normal market conditions is between 0% and 0.5%. Other possible causes of tracking error may be: the method used to track the benchmark, transaction charges, reinvestment of dividends, general costs borne by the sub-fund, any income from loans of financial instruments.

**Where the benchmark's composition is not sufficiently diversified, where the benchmark is insufficiently representative of the market to which it relates or where the benchmark's value and composition are no longer adequately communicated, the management company must immediately notify the Board of Directors. They will examine what measures to take in investors' interests and may, if required, call a General Meeting to change the investment policy.**

### **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 NV, Havenlaan 2, 1080 Brussels.

## **2.1.6. Index and benchmark**

Tracking error and annual tracking difference for the Capitalisation share (ISIN-code: BE0168584952) calculated in the currency of the share.

Annual tracking difference: -0.30%

The annual tracking difference is the difference between the return of the unit in question and the return of its benchmark index over the financial year.

Tracking error: 0,52%

The tracking error is the annualised volatility of the differences between the daily returns of the unit in question and those of the benchmark index.

Tracking error exceeds the limit due to differences in booking date between fund and benchmark.

Tracking error and annual tracking difference for the Distribution share (ISIN-code: BE0947127198) calculated in the currency of the share.

Annual tracking difference: % is shown where it relates to a period of at least one year.

The annual tracking difference is the difference between the return of the unit in question and the return of its benchmark index over the financial year.

Tracking error: % is shown where it relates to a period of at least one year.

The tracking error is the annualised volatility of the differences between the daily returns of the unit in question and those of the benchmark index.

The Tracking error does not exceed the threshold.

Tracking error and annual tracking difference for the Capitalisation share (ISIN-code: BE6213915950) calculated in the currency of the share.

Annual tracking difference: -0.22%

The annual tracking difference is the difference between the return of the unit in question and the return of its benchmark index over the financial year.

Tracking error: 0,52%

The tracking error is the annualised volatility of the differences between the daily returns of the unit in question and those of the benchmark index.

Tracking error exceeds the limit due to differences in booking date between fund and benchmark.

## 2.1.7. Policy pursued during the financial year

As defined by the prospectus, the fund was invested in a European selection of real estate stocks.

## 2.1.8. Future policy

As defined by the prospectus, the fund will continue investing in a European selection of real estate stocks.

## 2.1.9. Summary risk indicator (SRI)

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

Moreover, an investment in this fund involves:

- a moderate level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a real chance that the value of an investment will be affected by movements in exchange rates.
- a high level of concentration risk: there is a concentration of investments in equities included in the FTSE EPRA/ NAREIT Developed Europe Net Return Index.
- a moderate level of liquidity risk: since there will be invested in the real estate sector, there is a risk that a position cannot be sold quickly at a reasonable price.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

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

Moreover, an investment in this fund involves:

- a moderate level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a real chance that the value of an investment will be affected by movements in exchange rates.
- a high level of concentration risk: there is a concentration of investments in equities included in the FTSE EPRA/ NAREIT Developed Europe Net Return Index.
- a moderate level of liquidity risk: since there will be invested in the real estate sector, there is a risk that a position cannot be sold quickly at a reasonable price.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

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

The summary 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).

## 2.1.10. Leveraged finance

The total amount of leveraged finance used by the sub-fund is 12 347.87 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

## 2.1.11. Value-at-Risk

Not applicable

## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	40,689,335.86	31,408,949.88
<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	108,250.00	326,340.01
C.	Shares and similar instruments		
	a) Shares	40,607,267.64	31,265,120.36
	Of which securities lent	96,435.48	325,006.70
	b) Closed-end undertakings for collective investment		39,444.00
D.	Other securities	12,347.87	10,701.93
<b>IV.</b>	<b>Receivables and payables within one year</b>		
B.	Payables		
	c) Borrowings (-)	-7,987.92	-233,645.06
	d) Collateral (-)	-108,250.00	-326,340.01
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	15,477.34	254,560.19
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	75,744.78	84,890.90
C.	Accrued expense (-)	-13,513.85	-12,122.44
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	40,689,335.86	31,408,949.88
<b>A.</b>	<b>Capital</b>	34,992,875.45	48,085,174.31
<b>B.</b>	<b>Income equalization</b>	43,570.09	127,324.03
<b>D.</b>	<b>Result of the bookyear</b>	5,652,890.32	-16,803,548.46
<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments	108,250.00	326,340.01
IX.	Financial instruments lent	96,435.48	325,006.70



## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	4,341,366.07	-16,952,239.87
	b) Closed-end undertakings for collective investment	-10,108.00	-17,935.20
D.	Other securities	2.73	5,502.13
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	464,372.98	-866,943.74
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	286,878.56	1,411,574.44
	Unrealised gains on investments	2,508,210.91	-11,016,440.92
	Realised losses on investments	-1,438,225.63	-2,032,345.16
	Unrealised losses on investments	3,438,769.94	-6,194,405.04
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	991,062.60	1,218,022.45
B.	Interests		
	a) Securities and money market instruments	28,503.14	9,925.10
	b) Cash at bank and in hand and deposits	492.48	145.39
C.	Interest on borrowings (-)	-2,381.54	-915.37
F.	Other investment income	73,448.29	53,761.75
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-31,994.86	-39,305.95
B.	Financial expenses (-)	-56.15	-56.17
C.	Custodian's fee (-)	-13,116.21	-14,657.08
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-3,729.29	-4,053.64
	Institutional Shares	-131,735.51	-140,710.85
	b) Administration and accounting management	-33,866.21	-36,191.13
	c) Commercial fee	-625.00	-625.00
F.	Formation and organisation expenses (-)	-199.18	-62.17
G.	Remuneration, social security charges and pension	-6.06	-4.63
H.	Services and sundry goods (-)	-1,521.77	-2,596.55
J.	Taxes		
	Classic Shares	-1,055.60	-787.26
	Institutional Shares	-4,238.90	-3,137.05
L.	Other expenses (-)	-11,723.69	-10,683.62
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	857,256.54	1,028,068.22
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	5,652,890.32	-16,803,548.46
<b>VII.</b>	<b>Result of the bookyear</b>	5,652,890.32	-16,803,548.46

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	5,696,460.41	-16,676,224.43
	Profit for the period available for appropriation	5,652,890.32	-16,803,548.46
	Income on the creation of shares (income on the cancellation of shares)	43,570.09	127,324.03
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-5,694,105.93	16,676,224.43
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-2,354.48	

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund European Real Estate

Name	Quantity on 31/12/2023	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>							
CA IMMOBILIEN ANLAGEN AG -	6,972.00	EUR	32.450	226,241.40		0.56	0.56
<u>Belgium</u>							
AEDIFICA -	9,673.00	EUR	63.650	615,686.45		1.52	1.51
ASCENCIO -	968.00	EUR	49.700	48,109.60		0.12	0.12
COFINIMMO -	6,962.00	EUR	71.400	497,086.80		1.22	1.22
HOME INVEST BELGIUM -	1,827.00	EUR	15.500	28,318.50		0.07	0.07
INTERVEST -	5,474.00	EUR	20.700	113,311.80		0.28	0.28
MONTEA SCA M	3,334.00	EUR	86.200	287,390.80		0.71	0.71
RETAIL ESTATES -	2,454.00	EUR	64.600	158,528.40		0.39	0.39
SHURGARD SELF STORAGE EUROPE S -	5,128.00	EUR	44.860	230,042.08		0.57	0.56
VGP NV -	2,055.00	EUR	105.000	215,775.00		0.53	0.53
WAREHOUSE DISTR. DE PAUW -	34,138.00	EUR	28.500	972,933.00		2.40	2.39
XIOR STUDENT HOUSING NV -	6,296.00	EUR	29.700	186,991.20		0.46	0.46
<u>Cyprus</u>							
AROUNDTOWN PROPERTY HOLD SA -	139,229.00	EUR	2.475	344,591.78		0.85	0.85
<u>Finland</u>							
CITYCON OYJ (HEL)	14,636.00	EUR	5.200	76,107.20		0.19	0.19
KOJAMO OYJ -	33,732.00	EUR	11.900	401,410.80		0.99	0.99
<u>France</u>							
ARGAN SA -	1,979.00	EUR	85.200	168,610.80		0.42	0.41
CARMILA -	11,590.00	EUR	15.580	180,572.20		0.45	0.44
COVIVIO -	10,892.00	EUR	48.680	530,222.56		1.31	1.30
GECINA REG	10,515.00	EUR	110.100	1,157,701.50		2.85	2.85
ICADE EMGP -	6,632.00	EUR	35.540	235,701.28		0.58	0.58
KLEPIERRE (CIE FONCIERE) -	41,914.00	EUR	24.680	1,034,437.52		2.55	2.54
MERCIALYS SA -	18,141.00	EUR	9.945	180,412.25		0.44	0.44
UNIBAIL-RODAMCO SE -	20,976.00	EUR	66.920	1,403,713.92		3.46	3.45
<u>Germany</u>							
DEUTSCHE EUROSHOP AG -	2,398.00	EUR	22.550	54,074.90		0.13	0.13
DEUTSCHE WOHNEN AG -	10,011.00	EUR	23.940	239,663.34		0.59	0.59
DIC ASSET AG -	10,821.00	EUR	3.375	36,520.88		0.09	0.09
HAMBORNER AG -	14,425.00	EUR	6.810	98,234.25		0.24	0.24
LEG IMMOBILIEN AG -	15,140.00	EUR	79.320	1,200,904.80		2.96	2.95
SIRIUS REAL ESTATE LTD -	236,550.00	GBP	0.943	257,425.76		0.63	0.63
TAG IMMOBILIEN AG -	30,674.00	EUR	13.195	404,743.43		1.00	1.00
VONOVIA SE -	142,663.00	EUR	28.540	4,071,602.02		10.03	10.01
<u>Ireland</u>							
IRISH RESIDENTIAL PROPERTIES R -	91,549.00	EUR	1.108	101,436.29		0.25	0.25
<u>Italy</u>							
IMMOBILIARE GRANDE DISTRIBUZIONE -	12,251.00	EUR	2.305	28,238.56		0.07	0.07
<u>Luxembourg</u>							
GRAND CITY PROPERTIES SA -	20,293.00	EUR	10.180	206,582.74		0.51	0.51
<u>Netherlands</u>							
EUROCOMMERCIAL PROPERTIES NV -	8,625.00	EUR	22.200	191,475.00		0.47	0.47
NSI NV -	3,800.00	EUR	18.760	71,288.00		0.18	0.18
VASTNED-RETAIL -	3,363.00	EUR	20.100	67,596.30		0.17	0.17
WERELDHAVE NV (AMS)	8,190.00	EUR	14.460	118,427.40		0.29	0.29
<u>Norway</u>							
ENTRA ASA -	14,430.00	NOK	115.400	148,435.43		0.37	0.37
<u>Spain</u>							
IMMOBILIARIA COLONIAL SOCIMI SA -	65,126.00	EUR	6.550	426,575.30		1.05	1.05
LAR ESPANA REAL ESTATE SOCIMI -	12,216.00	EUR	6.150	75,128.40		0.19	0.19
MERLIN PROPERTIES SOCIMI SA -	68,343.00	EUR	10.060	687,530.58		1.69	1.69

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
<u>Sweden</u>							
ATRIUM LJUNGBERG AB -B-	8,988.00	SEK	231.200	186,663.03		0.46	0.46
CASTELLUM AB -	87,123.00	SEK	143.300	1,121,466.81		2.76	2.76
CATENA AB -	6,870.00	SEK	471.400	290,906.70		0.72	0.72
CIBUS NORDIC REAL ESTATE AB -	11,734.00	SEK	133.900	141,134.79		0.35	0.35
COREM PROPERTY GROUP AB B-SHARE	137,317.00	SEK	10.620	130,995.46		0.32	0.32
DIOS FASTIGHETER AB -	17,688.00	SEK	86.600	137,595.44		0.34	0.34
FABEGE AB -	51,266.00	SEK	108.200	498,269.27		1.23	1.23
FASTIGHETS AB BALDER -B-	127,948.00	SEK	71.520	821,993.57		2.02	2.02
HUFVUDSTADEN AB A	21,903.00	SEK	142.100	279,579.35		0.69	0.69
NP3 FASTIGHETER AB -	5,807.00	SEK	233.000	121,538.86		0.30	0.30
NYFOSA AB -	36,909.00	SEK	95.850	317,783.84		0.78	0.78
PANDOX AB -	17,737.00	SEK	150.400	239,626.82		0.59	0.59
PLATZER FASTIGHETER HOLDING AB -	11,154.00	SEK	84.200	84,362.64		0.21	0.21
SAGAX AB -	36,255.00	SEK	277.400	903,403.52		2.22	2.22
SAMHALLSBYGGNADSBOLAGET I-D -	223,471.00	SEK	5.064	101,653.49		0.25	0.25
WALLENSTAM AB -B-	67,729.00	SEK	54.700	332,789.34		0.82	0.82
WIHLBORGS FASTIGHETER -	54,605.00	SEK	94.250	462,297.12		1.14	1.14
<u>Switzerland</u>							
ALLREAL HOLDING AG-REG -	2,974.00	CHF	150.400	481,096.92		1.18	1.18
HIAG IMMOBILIEN HOLDING AG -	944.00	CHF	79.800	81,024.93		0.20	0.20
INTERSHOP HOLDINGS -	214.00	CHF	615.000	141,557.43		0.35	0.35
MOBIMO HOLDING AG REG	1,430.00	CHF	261.000	401,439.70		0.99	0.99
PEACH PROPERTY GROUP AG -	2,490.00	CHF	11.480	30,745.74		0.08	0.08
PSP SWISS PROPERTY AG -	9,181.00	CHF	117.600	1,161,291.06		2.86	2.85
SWISS PRIME SITE -	15,533.00	CHF	89.850	1,501,126.18		3.70	3.69
<u>U.K.</u>							
ABERDEEN STANDARD EUROPEAN LOG -	82,127.00	GBP	0.616	58,382.68		0.14	0.14
AEW UK REIT PLC -	30,780.00	GBP	1.010	35,876.28		0.09	0.09
ASSURA PLC -	592,307.00	GBP	0.481	328,919.67		0.81	0.81
BIG YELLOW GROUP PLC -	38,285.00	GBP	12.220	539,904.83		1.33	1.33
BMO COMMERCIAL PROPERTY TRUST -	111,494.00	GBP	0.725	93,283.94		0.23	0.23
BRITISH LAND CO PLC -	188,627.00	GBP	3.996	869,854.66		2.14	2.14
CAPITAL & COUNTIES PROPERTIES -	279,118.00	GBP	1.381	444,834.93		1.10	1.09
CLS HOLDING PLC -	31,487.00	GBP	1.020	37,063.70		0.09	0.09
CUSTODIAN REIT PLC -	83,567.00	GBP	0.876	84,480.46		0.21	0.21
DERWENT LONDON PLC -	22,742.00	GBP	23.600	619,381.20		1.53	1.52
EMPIRIC STUDENT PROPERTY PLC -	117,584.00	GBP	0.948	128,639.38		0.32	0.32
GRAINGER TRUST PLC -	148,543.00	GBP	2.644	453,242.89		1.12	1.11
GREAT PORTLAND ESTATES -	43,378.00	GBP	4.200	210,250.08		0.52	0.52
HAMMERSON PLC -	787,268.00	GBP	0.284	258,022.93		0.64	0.63
HELICAL PLC -	21,476.00	GBP	2.215	54,896.48		0.14	0.14
HOME REIT PLC -	143,126.00	GBP	0.191	31,547.81		0.08	0.08
IMPACT HEALTHCARE REIT PLC -	59,939.00	GBP	0.901	62,323.47		0.15	0.15
LAND SECURITIES GROUP PLC -	150,169.00	GBP	7.048	1,221,415.82		3.01	3.00
LIFE SCIENCE REIT PLC -	73,705.00	GBP	0.632	53,756.55		0.13	0.13
LONDON METRIC PROPERTY PLC -	213,050.00	GBP	1.915	470,833.85		1.16	1.16
LXI REIT PLC -	307,124.00	GBP	1.048	371,443.19		0.91	0.91
NEWRIVER REIT PLC -	64,187.00	GBP	0.823	60,962.71		0.15	0.15
PHOENIX SPREE DEUTSCHLAND LTD -	19,210.00	GBP	1.705	37,798.02		0.09	0.09
PICTON PROPERTY INCOME LTD -	110,387.00	GBP	0.692	88,153.87		0.22	0.22
PRIMARY HEALTH PROPERTIES PLC -	269,117.00	GBP	1.038	322,370.91		0.79	0.79
PRS REIT PLC/THE -	103,312.00	GBP	0.862	102,772.14		0.25	0.25
REGIONAL REIT LTD -	82,504.00	GBP	0.352	33,514.68		0.08	0.08
RESIDENTIAL SECURE INCOME PLC -	34,768.00	GBP	0.590	23,672.77		0.06	0.06
SAFESTORE HOLDINGS PLC -	43,245.00	GBP	8.840	441,169.54		1.09	1.08
SCHRODER REAL ESTATE INVEST TRUST -	92,276.00	GBP	0.445	47,387.75		0.12	0.12
SEGRO PLC -	250,573.00	GBP	8.864	2,563,193.41		6.31	6.30
STANDARD LIFE INVESTMENT PROP -	71,603.00	GBP	0.530	43,794.99		0.11	0.11
SUPERMARKET INCOME REIT PLC -	251,701.00	GBP	0.869	252,419.02		0.62	0.62
TARGET HEALTHCARE REIT PLC -	124,376.00	GBP	0.863	123,869.60		0.31	0.30
TRIPLE POINT SOCIAL HOUSING RE -	72,968.00	GBP	0.632	53,219.02		0.13	0.13
TRITAX BIG BOX REIT PLC -	389,905.00	GBP	1.689	759,986.38		1.87	1.87
TRITAX EUROBOX PLC -	159,278.00	GBP	0.598	109,919.40		0.27	0.27
UK COMMERCIAL PROPERTY REIT -	151,074.00	GBP	0.620	108,093.30		0.27	0.27
UNITE GROUP PLC -	70,212.00	GBP	10.440	845,919.82		2.08	2.08
URBAN LOGISTICS REIT PLC -	92,867.00	GBP	1.274	136,536.32		0.34	0.34
WAREHOUSE REIT PLC -	81,196.00	GBP	0.920	86,206.46		0.21	0.21
WORKSPACE GROUP PLC -	28,655.00	GBP	5.680	187,830.50		0.46	0.46
Total shares				40,607,267.64		99.97	99.80
<b>Rights</b>							
<u>Belgium</u>							
AEDIFICA -	7,708.00	EUR	1.341	10,335.81		0.03	0.03
XIOR STUDENT HOUSING NV -	5,224.00	EUR	0.385	2,010.14		0.01	0.01
<u>Sweden</u>							

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
CASTELLUM AB -	1.00	SEK	21.400	1.92		0.00	0.00
Total rights				12,347.87		0.03	0.03
<b>TOTAL SECURITIES PORTFOLIO</b>				<b>40,619,615.51</b>		<b>100.00</b>	<b>99.83</b>
<b>COLLATERAL RECEIVED</b>							
<u>Belgium</u>							
COLLATERAL ONTVANGEN SECURITIES LENDING	108,250.00	EUR	1.000	108,250.00		0.00	0.27
<b>TOTAL RECEIVED COLLATERAL</b>				<b>108,250.00</b>		<b>0.00</b>	<b>0.27</b>
<b>CASH AT BANK AND IN HAND</b>							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP CHF	30.18	CHF	1.000	32.46		0.00	0.00
KBC GROUP EURO	-7,962.80	EUR	1.000	-7,962.80		0.00	-0.02
KBC GROUP GBP	13,383.42	GBP	1.000	15,444.88		0.00	0.04
KBC GROUP NOK	-165.80	NOK	1.000	-14.78		0.00	0.00
KBC GROUP SEK	-113.16	SEK	1.000	-10.16		0.00	0.00
KBC GROUP USD	-0.20	USD	1.000	-0.18		0.00	0.00
Total demand accounts				7,489.42		0.00	0.02
<b>TOTAL CASH AT BANK AND IN HAND</b>				<b>7,489.42</b>		<b>0.00</b>	<b>0.02</b>
<b>OTHER RECEIVABLES AND PAYABLES</b>							
<b>Payables</b>							
<u>Belgium</u>							
COLLATERAL ONTVANGEN SECURITIES LENDING TEGENP	-108,250.00	EUR	1.000	-108,250.00		0.00	-0.27
Payables				-108,250.00		0.00	-0.27
<b>TOTAL RECEIVABLES AND PAYABLES</b>				<b>-108,250.00</b>		<b>0.00</b>	<b>-0.27</b>
<b>OTHER</b>							
Interest receivable		EUR		75,744.78		0.00	0.19
Expenses payable		EUR		-13,513.85		0.00	-0.03
<b>TOTAL OTHER</b>				<b>62,230.93</b>		<b>0.00</b>	<b>0.15</b>
<b>TOTAL NET ASSETS</b>				<b>40,689,335.86</b>		<b>0.00</b>	<b>100.00</b>

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Austria	0.62	0.68	0.69	0.56
Belgium	8.99	8.91	8.52	8.30
Switzerland	8.07	9.33	10.00	9.33
Cyprus	1.82	0.87	0.45	0.85
Germany	17.04	13.69	13.01	15.65
Spain	2.71	3.01	3.05	2.92
Finland	1.84	1.82	1.34	1.17
France	9.18	11.34	12.87	12.01
U.K.	35.11	33.54	34.23	31.71
Ireland	0.27	0.29	0.27	0.25
Italy	0.11	0.12	0.10	0.07
Luxembourg	0.63	0.50	0.46	0.51
Netherlands	1.30	1.40	1.51	1.10
Norway	0.33	0.32	0.30	0.36
Sweden	11.98	14.18	13.20	15.21
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Consum(cycl)	0.56	0.62	0.68	
Financials	0.80	0.78	0.44	
Real est.	98.64	98.60	98.88	
Various	0.00	0.00	0.00	
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	

	31/12/2023
Real Estate	99.80
Financial Services	0.17
Not specified	0.03
TOTAL	100.00

The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
SWISS FRANC	8.07	9.12	10.00	9.33
EURO	43.90	42.82	41.64	42.70
POUND STERLING	35.71	33.69	34.85	32.40
NORWEGIAN KRONE	0.33	0.34	0.30	0.36
SWEDISH KRONA	11.99	14.03	13.21	15.21
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund European Real Estate (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	6,040,865.35	3,093,861.08	9,134,726.44
<b>Sales</b>	3,218,285.96	1,403,571.79	4,621,857.75
<b>Total 1</b>	9,259,151.31	4,497,432.87	13,756,584.18
<b>Subscriptions</b>	4,583,541.73	3,212,229.82	7,795,771.55
<b>Redemptions</b>	2,496,839.33	1,715,006.65	4,211,845.98
<b>Total 2</b>	7,080,381.06	4,927,236.47	12,007,617.53
<b>Monthly average of total assets</b>	33,215,377.60	34,759,224.08	33,993,576.63
<b>Turnover rate</b>	6.56%	-1.24%	5.14%

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: 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
2021 - 12	11.50	0.00	98.19	4.02	90.45	0.00	90.45
2022 - 12	7.00	0.00	30.80	0.00	66.65	0.00	66.65
2023 - 12	4.25	38.00	17.00	0.00	53.90	38.00	91.90

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	197,664.83	0.00	1,677,917.19	43,328.59
2022 - 12	103,058.14	0.00	566,570.53	0.00
2023 - 12	49,219.61	267,906.76	189,475.09	0.00

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	1,742,680.70	19,265.93	0.00
2022 - 12	807,669.24	12,117.70	0.00
2023 - 12	1,091,864.76	14,065.03	8,783.51

## Institutional Shares

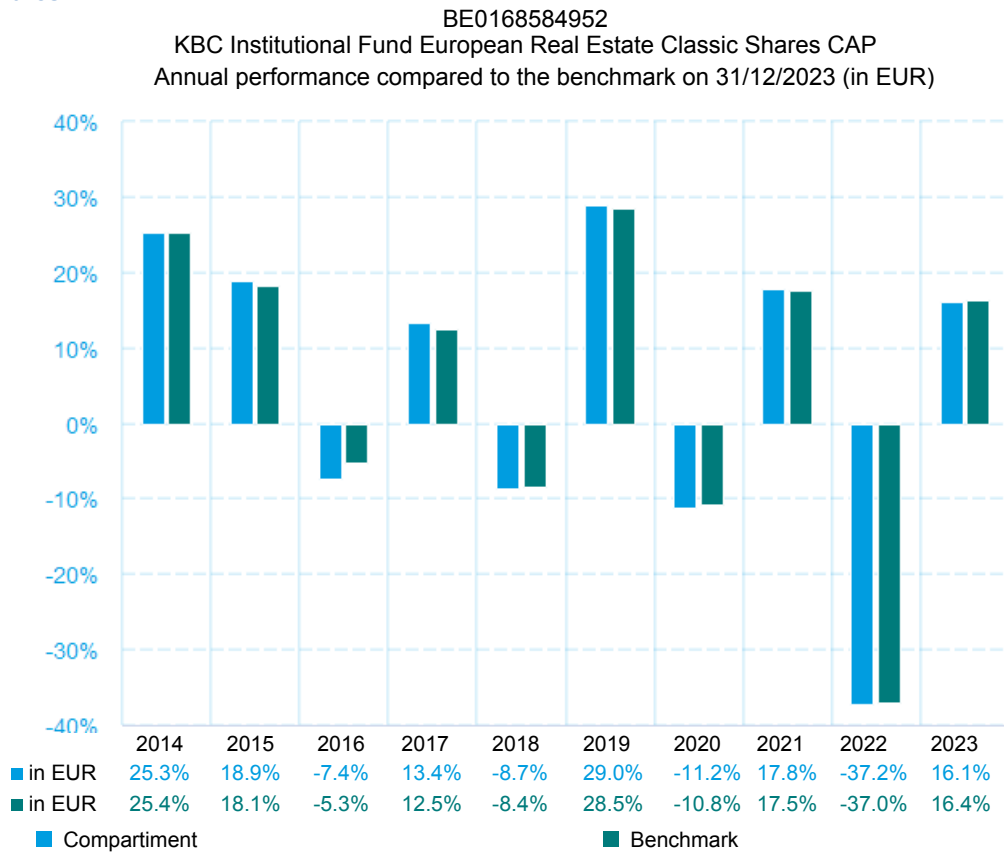
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	1,299.72		14,456.24		17,525.01		17,525.01
2022 - 12	5,430.82		2,517.00		20,438.82		20,438.82
2023 - 12	5,104.01		2,772.35		22,770.48		22,770.48

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	2,660,511.01		33,903,424.53	
2022 - 12	10,318,052.65		5,078,087.60	
2023 - 12	7,584,814.37		4,084,969.99	

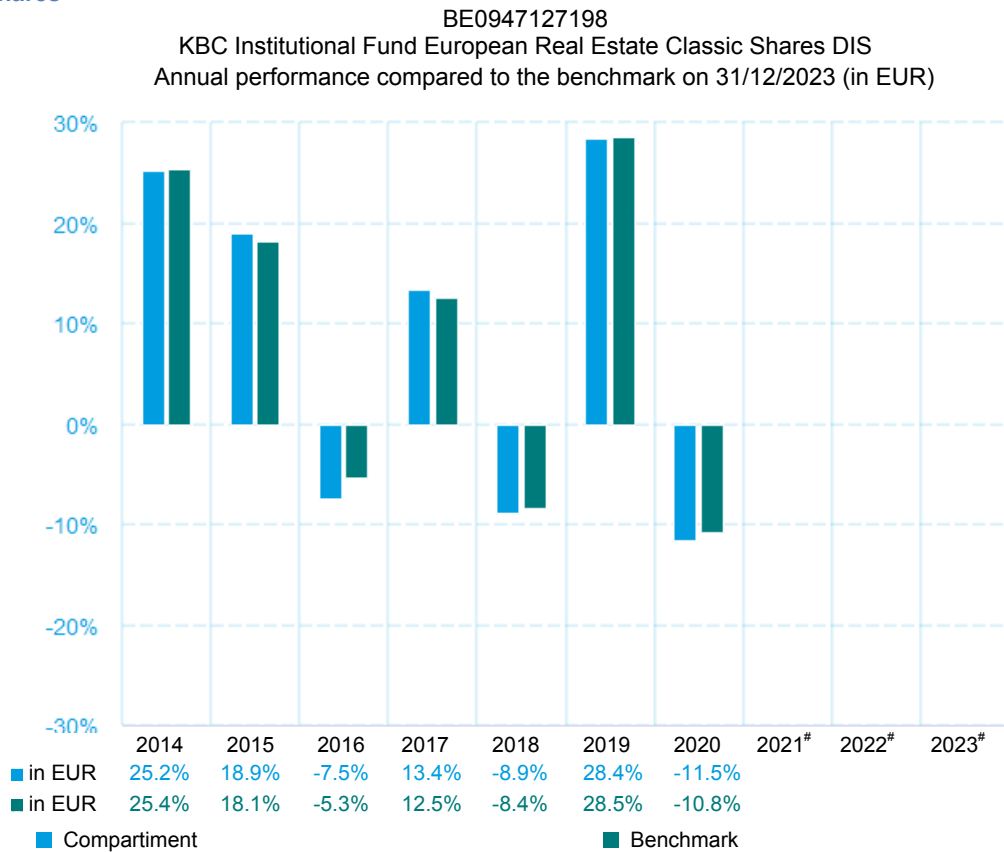
Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	41,693,364.98	2,379.08	
2022 - 12	30,601,280.64	1,497.21	
2023 - 12	39,597,471.10	1,738.98	

## 2.4.5. Performance figures

### Classic Shares



### Classic Shares



# 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	BE0168584952	EUR	16.07%	16.37%	-4.94%	-4.86%	-0.33%	-0.25%	3.47%	3.63%	05/08/1998	4.19%

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.
- 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

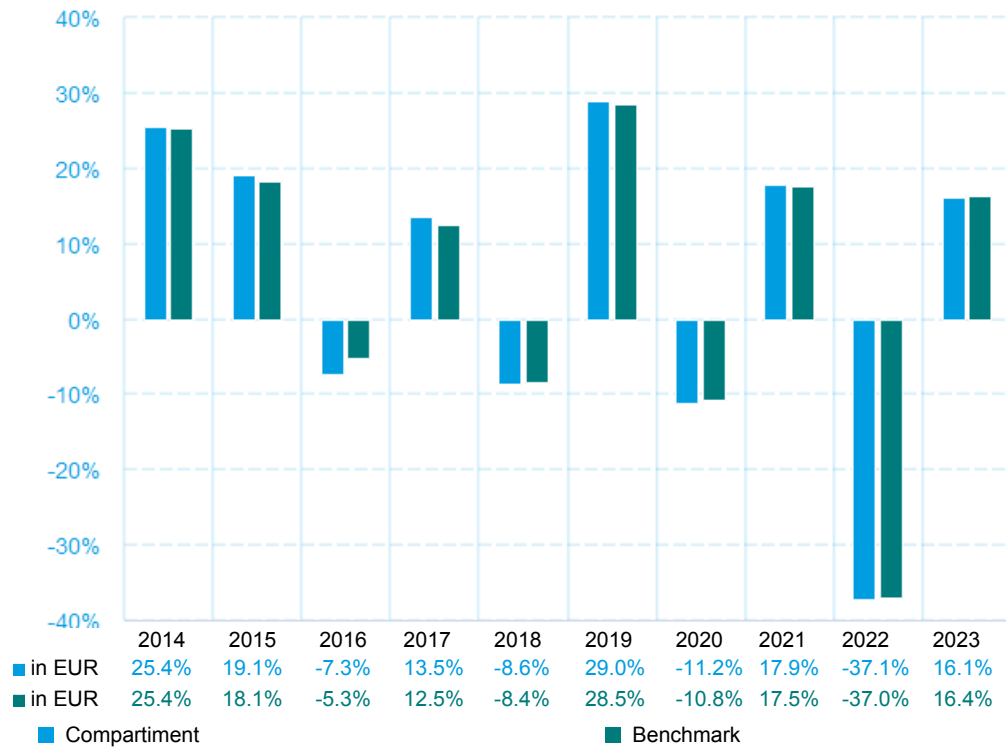
Dividend on ex-dividend date 28/03/2024: 43,3720 net (61,9600 gross).

## Institutional Shares

BE6213915950

KBC Institutional Fund European Real Estate Institutional Shares CAP

Annual performance compared to the benchmark on 31/12/2023 (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	BE6213915950	EUR	16.15%	16.37%	-4.88%	-4.86%	-0.27%	-0.25%	3.54%	3.63%	24/12/2010	4.34%

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.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
 Return on date D over a period of X years :  

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

## 2.4.6. Costs

### **Ongoing Charges and Transaction costs:**

#### *Classic Shares Capitalisation :*

Ongoing charges : 0,664%

Transaction costs: 0,086%

#### *Classic Shares Distribution :*

Ongoing charges : 0,406%

Transaction costs: 0,086%

#### *Institutional Shares Capitalisation :*

Ongoing charges : 0,591%

Transaction costs: 0,086%

Percentage calculated at reporting date: 31 December 2023 .

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**

Not applicable

### **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.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.40%	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.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.005%	of the net assets of the sub-fund per year.

### Institutional Shares

Fee for managing the investment portfolio	Max 0.40%	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.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.005%	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.

## Securities lending

Pursuant to the Royal Decree of 7 March 2006 on securities lending, the undertaking for collective investment in transferable securities(UCITS) has entered into securities lending transactions, whereby the title to the securities that have been lent has been transferred, without recognition of that transfer of ownership in the accounts. For the period from 01/01/2023 to 31/12/2023, the realised net income for the UCITS amounts to 18.527,04 EUR and for the Management Company 7.410,82 EUR. Direct and indirect costs and charges are deducted from the gross income. These are set at a flat rate of 35% of the fee received and consist 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 the sub-fund uses an agent, the fee paid to the agent. The undertaking for collective investment in transferable securities will thus receive 65% of the fee received for securities lent. The number of securities lent varied between 0 and 6, with a market value fluctuating between 0 and 1945120.54 EUR. The detailed list of securities lending transactions carried out may be obtained from the registered office of the undertaking for collective investment in transferable securities at Havenlaan 2, 1080 Brussels. During the reporting period, securities lending transactions were effected in relation to the following securities lending systems:

Manager of the securities lending system: Goldman Sachs

Type of securities lending transactions effected: the lending transactions are effected through the agency of a Lending Agent.

Nature of the lent securities: the securities lending applies only to the equity portion of the portfolio.

Nature of the financial collateral: government bonds issued by Austria, Belgium, Germany, the Netherlands, Luxembourg, the UK, France, the US and Switzerland and supranational bonds denominated in EUR, USD or GBP issued by the EIB or the KFW.

Reinvestment of the financial collateral received: no reinvestment takes place.

- Section II, entitled 'Income and expenditure relative to the investments', contains the net results of transactions in respect of the lending of securities including the result generated by reinvesting financial guarantees tendered in the context of lending bon.

<b>Overview of securities lent as at 29/12/2023</b>				
Name	Currency	Quantity	Price	Value in currency of the portfolio
SAMHALLSBYGGNADSBOLAGET I NO	SEK	212 000	5,06	96 435,48
Total				96 435,48
<b>Details of collateral received for securities lent</b>				
Name	Currency	Nominal Value	Currency Fund	Value in currency of the portfolio
BELGIUM OLO 1997 5.5% 28/03/28	EUR	12 070	EUR	14 070,03
BELGIE OLO73 14 3,000 220634	EUR	10	EUR	10,22
FRENCH REPUBLIC GO 1.5 25MAY50 144A	EUR	127 893	EUR	94 169,75
Total				108 250,00

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

The amount in securities lent on a traded basis, as given in the annual report, can differ from the amount in securities lent on a settled basis.

The position held as collateral is determined on the basis of the settled positions.

## Transparency of securities financing transactions and of reuse

### Global data:

1) The amount of securities and commodities on loan as a proportion of total lendable assets defined as excluding cash and cash equivalents;	0,24	%
2) The amount of assets engaged in each type of SFT's and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency) and as a proportion of the collective investment undertaking's assets under management (AUM).		
The amount of assets engaged in each type of SFTs and total return swaps expressed as an absolute amount (in the collective investment undertaking's currency)	96.435,48	EUR
proportion of the collective investment undertaking's assets under management (AUM)	0,24	%

Concentration data:

1) Ten largest collateral issuers across all SFTs and total return swaps (break down of volumes of the collateral securities and commodities received per issuer's name)

name collateral issuer	Market value on a settled basis	currency
French Republic	94.169,75	EUR
Kingdom of Belgium	14.080,25	EUR

2) Top 10 counterparties of each type of SFTs and total return swaps separately (Name of counterparty and gross volume of outstanding transactions).

type SFT (lending program)	name counterparty	Country of counterparty	Market value on a settled basis	currency
equity (Goldman Sachs)	Citigroup Global Markets Limited	UK	0,00	EUR

Aggregate transaction data for each type of SFTs and total return swaps separately to be broken down according to the below categories:

1) Type and quality of collateral;	equity (Goldman Sachs)	equity(KBC Bank)	bonds (Société Générale)
type	bonds	Nil.	Nil.
quality – Bloomberg composite rating: see table below			
2) Maturity tenor of the collateral broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open maturity: see table below;			
3) Currency of the collateral: see table below			
4) Maturity tenor of the SFTs and total return swaps broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one to three months, three months to one year, above one year, open transactions;	open maturity	Nil.	Nil.
5) Country in which the counterparties are established: see table above			
6) Settlement and clearing (e.g., tri-party, Central Counterparty, bilateral).	tri-party	Nil.	Nil.

collateral	quality	currency	Maturity tenor
BELGIE OLO73 14 3,000 220634	NR	EUR	above one year
BELGIUM OLO 1997 5.5% 28/03/28	AA-	EUR	above one year
FRENCH REPUBLIC GO 1.5 25MAY50 144A	NR	EUR	above one year

Data on reuse of collateral:

1) Share of collateral received that is reused, compared to the maximum amounts specified in the prospectus or in the disclosure to investors;	Nil
2) Cash collateral reinvestment returns to the collective investment undertaking. (EUR)	Nil

Safekeeping of collateral received by the collective investment undertaking as part of SFTs and total return swaps:

1) Number and names of custodians and the amount of collateral assets safe-kept by each of the custodians.

<u>number</u>	<u>Name collateral custodian</u>	<u>Market value on a settled basis</u>	<u>currency</u>
1	Bank of New York	108.250,00	EUR

Safekeeping of collateral granted by the collective investment undertaking as part of SFTs and total return swaps:

1) The proportion of collateral held in segregated accounts or in pooled accounts, or in any other accounts.	Nil
--	-----

Data on return and cost for each type of SFTs and total return swaps:

1) Data on return and cost for each type of SFTs and total return swaps broken down between the collective investment undertaking, the manager of the collective investment undertaking and third parties (e.g. agent lender) in absolute terms and as a percentage of overall returns generated by that type of SFTs and total return swaps.

Lending program: equity (Goldman Sachs)	collective investment undertaking	manager of the collective investment undertaking	agent lender
return EUR	28.503,14	7.410,82	2.565,28
percentage of overall returns	100,00 %	26,00%	9,00%
cost EUR	9.976,10		
percentage of overall returns	35,00 %		



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## 2. Information on KBC Institutional Fund Global Defensive

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

##### **Capitalisation**

Launch date: 14 February 2006

Initial subscription price: 1 000 EUR

Currency: EUR

##### **Distribution**

Launch date: 25 March 2015

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 and bonds.

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

###### *Permitted asset classes*

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

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

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

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

## Permitted derivatives transactions

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

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

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

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

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

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

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

## Strategy selected

The sub-fund invests directly or indirectly in various asset classes, such as shares and/or share-related investments, bonds and/or bond-related investments, money market instruments, cash and/or alternative investments (including real estate and financial instruments that are linked to price movements on the commodity market).

The target allocation for the asset classes is 30% shares and/or share-related investments ('the stock component') and 70% bonds and/or bond-related investments ('the bond component'). It is permitted to deviate from the target allocation. It is therefore possible for the sub-fund to invest in asset classes that are not included in the target allocation. The portfolio systematically contains more bonds than shares.

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.

The fund is actively managed with reference to the following benchmark: 35% iBoxx Euro Corporate bonds Total Return Index, 35% JP Morgan EMU Government Bonds Investment Grade ALL Maturities - Total Return Index, 30% MSCI All Countries 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.

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

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

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

The longterm expected tracking error for this fund is 1.50%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

### **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors that were taken into account through the general exclusion policy, were exposure to controversial weapons ('indicator 14'), exposure to companies active in the fossil fuel sector ('indicator 4') and Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10').

The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy were greenhouse gas emissions ('indicator 1'), carbon footprint ('indicator 2'), greenhouse gas intensity of investee companies ('indicator 3'), exposure to companies active in the fossil fuel sector ('indicator 4'), gender diversity on the board of directors ('indicator 13').

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### **Characteristics of the bonds and debt instruments**

The sub-fund invests in bonds and debt instruments issued by both companies and public authorities.

The sub-fund invests directly and/or indirectly at least 90% of its assets in bonds and debt instruments

- in securities rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies: Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or
- in government bonds issued in local currency or non-subordinated corporate bonds\* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has an investment grade rating by at least one of the rating agencies mentioned above, and/or
- in money market instruments whose issuer has an investment grade rating (minimum A3/F3/P3 for short-term debt) from at least one of the above rating agencies.

This means that the sub-fund may invest up to 10% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or which do not comply with the above-mentioned credit requirements.

All maturities are taken into consideration in the selection of bonds and debt instruments.

\*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

### **Investments in assets other than securities or money market instruments**

**The sub-fund may invest primarily in permitted assets other than securities and money market instruments.**

### **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**

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

## **2.1.5. Distributors**

KBC Asset Management NV, Havenlaan 2, 1080 Brussels.

## **2.1.6. Index and benchmark**

See 'Sub-fund's investment policy'.

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

The investment objective of the fund is to generate the highest possible return while adapting to changing market environments, using a fundamental 'hold-to-grow' approach. The asset allocation is derived from the main KBC AM strategy, tailored accordingly to meet the preferences and requirements of institutional clients.

## **2.1.8. Future policy**

Future investment and the allocation to risky assets will be determined based on the KBC AM main strategy.

## **2.1.9. Summary risk indicator (SRI)**

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

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: the bond component does not provide any protection against an increase in inflation.
- a moderate level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a real chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of credit risk: the bond component invests primarily - but not exclusively- in bonds with an investment grade rating. Consequently, the risk that an issuer can no longer meet its obligations is higher than in an investment that consists only of bonds with an investment grade rating. If investors are in doubt about the creditworthiness of the issuers of the bonds, the value of those bonds can fall.
- a moderate level of market risk: the level of the risk reflects the volatility of the equity component.
- a moderate level of performance risk: the level of the risk reflects the volatility of the equity component.

There is no capital protection.

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

The summary 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).

## **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 0.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

## **2.1.11. Value-at-Risk**

Not applicable

## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	102,653,227.95	98,879,936.95
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds		34,698,134.18
B.	Money market instruments		2,374,571.45
E.	Open-end undertakings for collective investment	101,141,330.53	60,444,859.62
F.	Derivative financial instruments		
	j) Foreign exchange		
	Futures and forward contracts (+/-)	85.52	
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable		110,925.71
B.	Payables		
	a) Accounts payable (-)		-79,848.31
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	1,525,787.71	1,380,101.54
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-13,975.81	-48,807.24
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	102,653,227.95	98,879,936.95
<b>A.</b>	<b>Capital</b>	93,875,393.80	115,716,864.26
<b>B.</b>	<b>Income equalization</b>	-5,195.78	-27,480.28
<b>D.</b>	<b>Result of the bookyear</b>	8,783,029.93	-16,809,447.03
<b>Off-balance-sheet headings</b>			
III.	Notional amounts of futures and forward contracts (+)		
III.B.	Written futures and forward contracts	-72,421.13	

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	1,347,899.20	-6,330,164.64
B.	Money market instruments	151.24	-5,484.69
E.	Open-end undertakings for collective investment	7,704,995.04	-11,067,831.31
F.	Derivative financial instruments		
	l) Financial indices		
	Futures and forward contracts	70,063.71	283,415.16
H.	Foreign exchange positions and transactions		
	a) Derivative financial instruments		
	Futures and forward contracts	85.52	
	b) Other foreign exchange positions and transactions	-55,562.20	1,242.90
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	1,328,794.72	3,139,974.36
	Unrealised gains on investments	5,213,853.67	-9,237,761.06
	Realised losses on investments	-5,860,299.41	-3,118,990.97
	Unrealised losses on investments	8,385,283.53	-7,902,044.91
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	a) Securities and money market instruments	50,109.12	706,732.20
	b) Cash at bank and in hand and deposits	42,330.48	7,215.80
C.	Interest on borrowings (-)	-742.90	-1,600.88
<b>III.</b>	<b>Other income</b>		
B.	Other	18,542.92	19,720.82
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-202,605.40	-92,311.74
B.	Financial expenses (-)	-453.44	-748.65
C.	Custodian's fee (-)	-1,200.36	-13,220.74
D.	Manager's fee (-)		
	a) Financial management	-71,332.77	-170,540.97
	b) Administration and accounting management	-102,330.96	-109,602.21
	c) Commercial fee	-625.00	-625.00
E.	Administrative expenses (-)	0.16	0.13
F.	Formation and organisation expenses (-)	-409.15	-427.49
G.	Remuneration, social security charges and pension	-16.77	-14.46
H.	Services and sundry goods (-)	-1,065.79	-2,204.65
J.	Taxes	-10,900.20	-35,596.87
L.	Other expenses (-)	-3,902.52	2,600.26
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-284,602.58	309,375.55
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	8,783,029.93	-16,809,447.03
<b>VII.</b>	<b>Result of the bookyear</b>	8,783,029.93	-16,809,447.03



<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	8,777,834.15	-16,836,927.31
	Profit for the period available for appropriation	8,783,029.93	-16,809,447.03
	Income on the creation of shares (income on the cancellation of shares)	-5,195.78	-27,480.28
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-8,727,453.14	16,881,810.18
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-50,381.01	-44,882.87

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Global Defensive

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Open-end funds							
UCITS registered with the FSMA							
<b>Bond funds</b>							
KBC INSTITUTIONAL FUND EURO BONDS INSTITUTIONAL B SHARES CA	19,543.00	EUR	1,025.620	20,043,691.66	1.33	19.82	19.53
KBC INSTITUTIONAL FUND EURO CORPO BONDS INSTIT B SHARES CAP	19,129.00	EUR	1,040.370	19,901,237.73	2.44	19.68	19.39
KBC BONDS EMERG MKTS IS B KAP	322.00	USD	2,562.150	746,854.03	0.30	0.74	0.73
KBC BONDS HIGH INTEREST IS B KAP	2,711.00	EUR	1,969.880	5,340,344.68	1.85	5.28	5.20
KBC BONDS STRAT BROAD 25-75 RI IB CAP	8,805.00	EUR	927.760	8,168,926.80	0.30	8.08	7.96
KBC BONDS STRAT BROAD 50-50 RI IB CAP	8,858.00	EUR	921.260	8,160,521.08	0.30	8.07	7.95
KBC BONDS STRAT BROAD 75-25 RI IB CAP	9,023.00	EUR	905.480	8,170,146.04	0.30	8.08	7.96
KBC RENTA DOLLARENTA IS B KAP	1,044.00	USD	1,134.010	1,071,748.01	0.41	1.06	1.04
<b>Equity funds</b>							
KBC ECO FUND ALT. ENERGY RESPONSIBLE INVEST IB C	2,614.00	EUR	593.670	1,551,853.38	0.53	1.53	1.51
KBC EQUITY FUND EMU SMALL & MEDIUM CAPS IS B	291.00	EUR	2,544.380	740,414.58	0.42	0.73	0.72
KBC INSTITUTIONAL FUND EURO SATELLITE EQUITY INST B SHARES	230.00	EUR	11,277.190	2,593,753.70	4.13	2.56	2.53
KBC INSTITUTIONAL FUND KBC IF EURO EQUITY INST B SHARES	158.00	EUR	12,807.420	2,023,572.36	2.09	2.00	1.97
PLATO INSTITUTIONAL INDEX FUND EMERGING MARKETS EQUITIES INST B SHA	2,813.00	EUR	1,047.470	2,946,533.11	0.99	2.91	2.87
PLATO INSTITUTIONAL INDEX FUND NORTH AMERICAN EQUITY INST B SHARES	1,074.00	EUR	15,777.150	16,944,659.10	1.01	16.75	16.51
PLATO INSTITUTIONAL INDEX FUND PACIFIC EQUITY INST B SHARES	301.00	EUR	9,093.270	2,737,074.27	1.30	2.71	2.67
Total investment funds				101,141,330.53		100.00	98.53
Forward contracts		EUR		85.52		0.00	0.00
TOTAL SECURITIES PORTFOLIO				101,141,416.05		100.00	98.53
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<b>Belgium</b>							
KBC GROUP EURO	1,405,586.81	EUR	1.000	1,405,586.81		0.00	1.37
KBC GROUP GBP	21,083.87	GBP	1.000	24,331.43		0.00	0.02
KBC GROUP JPY	2,972,666.00	JPY	1.000	19,088.15		0.00	0.02
KBC GROUP TRY	1.16	TRY	1.000	0.04		0.00	0.00
KBC GROUP USD	84,816.44	USD	1.000	76,781.28		0.00	0.08
Total demand accounts				1,525,787.71		0.00	1.49
TOTAL CASH AT BANK AND IN HAND				1,525,787.71		0.00	1.49
OTHER							
Expenses payable		EUR		-13,975.81		0.00	-0.01
TOTAL OTHER				-13,975.81		0.00	-0.01
TOTAL NET ASSETS				102,653,227.95		0.00	100.00

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

The geographical distribution of the sub-fund's investments is calculated based on the geographical distribution of the underlying investments of the UCIs in which the sub-fund invests (look through).

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Angola	0.00	0.00	0.02	0.01
United Arab Emirates	0.14	0.07	0.03	0.02
Argentina	0.02	0.02	0.03	0.04
Armenia	0.00	0.00	0.01	0.00
Australia	1.47	0.99	0.95	1.23
Austria	1.52	2.13	2.59	2.23
Asia	0.01	0.01	0.02	0.00
Belgium	5.58	6.70	5.17	4.67

Bulgaria	0.00	0.00	0.00	0.05
Bahrain	0.00	0.00	0.03	0.02
Bermuda	0.07	0.08	0.09	0.07
Brazil	0.17	0.16	0.36	0.18
Canada	1.52	1.49	1.13	1.18
Switzerland	1.37	1.42	1.94	2.36
Chile	0.01	0.00	0.05	0.03
China	0.99	0.78	0.80	0.68
Ivory Coast	0.00	0.00	0.01	0.01
Colombia	0.01	0.00	0.05	0.03
Costa Rica	0.00	0.00	0.01	0.01
Czech Republic	0.15	0.15	0.16	0.09
Cayman Islands	0.29	0.17	0.19	0.09
Cyprus	0.15	0.08	0.03	0.03
Germany	10.01	10.09	9.02	9.29
Denmark	0.45	0.52	0.79	0.69
Dominican Republic	0.00	0.00	0.04	0.03
Ecuador	0.00	0.00	0.01	0.01
Egypt	0.01	0.01	0.01	0.02
Spain	5.67	6.39	4.97	5.46
Europe	0.19	0.04	-0.23	0.14
Finland	1.01	1.06	0.85	1.04
France	17.96	17.99	13.79	13.83
U.K.	4.21	4.00	5.55	4.45
GHANA	0.00	0.00	0.01	0.01
Greece	0.07	0.06	0.09	0.03
Guatemala	0.00	0.00	0.01	0.01
Hong Kong	0.44	0.33	0.36	0.26
Hungary	0.10	0.00	0.06	0.10
India	0.49	0.43	0.48	0.47
Indonesia	0.23	0.24	0.31	0.20
Ireland	1.79	1.87	2.23	2.04
Italy	7.26	8.97	6.80	7.82
Jersey/The Channel Islands	0.03	0.01	0.02	0.00
Jordan	0.00	0.00	0.01	0.01
Japan	2.12	2.19	2.59	2.57
Kazakhstan	0.00	0.00	0.02	0.02
Kenya	0.00	0.00	0.01	0.01
South Korea	0.45	0.61	0.48	0.42
Lithuania	0.00	0.00	0.08	0.11
Sri Lanka	0.00	0.00	0.00	0.01
Luxembourg	1.53	0.62	0.65	0.56
Morocco	0.00	0.00	0.01	0.01
Mexico	0.86	0.71	0.59	0.39
Malaysia	0.28	0.28	0.34	0.22
Nigeria	0.00	0.00	0.02	0.01
Netherlands	5.97	5.65	7.63	7.11
Norway	0.67	0.51	0.54	0.41
New Zealand	0.01	0.01	0.02	0.03
OMAN	0.00	0.00	0.03	0.02
Pakistan	0.00	0.00	0.01	0.00
Panama	0.00	0.00	0.03	0.01
Peru	0.01	0.02	0.06	0.02
Philippines	0.03	0.02	0.07	0.02
Poland	0.11	0.00	0.17	0.03
Portugal	0.86	0.84	0.33	0.34
Paraguay	0.00	0.00	0.01	0.01
Qatar	0.00	0.00	0.04	0.02
Supranational	0.77	0.78	0.84	0.87
Romania	0.05	0.04	0.13	0.12

Saudi Arabia	0.00	0.00	0.04	0.03
Senegal	0.00	0.00	0.01	0.01
Singapore	0.06	0.07	0.10	0.09
Slovenia	0.00	0.00	0.03	0.04
El Salvador	0.00	0.00	0.01	0.01
REPUBLIC OF SERBIA	0.00	0.00	0.01	0.01
Slovakia	0.00	0.00	0.14	0.16
Sweden	0.96	0.92	0.75	0.79
Thailand	0.09	0.13	0.29	0.15
Trinidad & Tobago	0.00	0.00	0.01	0.00
Turkey	0.01	0.00	0.05	0.03
Taiwan	0.55	0.39	0.56	0.50
Uruguay	0.00	0.00	0.03	0.01
U.S.A.	20.93	19.63	23.16	24.95
Uzbekistan	0.00	0.00	0.00	0.01
British Virgin Islands	0.00	0.00	0.00	0.02
Outside BLEU territory-(belgo-Lux ec	0.10	0.11	0.24	0.20
EU institutions outside BLEU terr.	0.08	0.12	0.81	0.60
South Africa	0.11	0.09	0.21	0.11
TOTAL	100.00	100.00	100.00	100.00

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

The sectoral distribution of the sub-fund's investments is calculated based on the sectoral distribution of the underlying investments of the UCIs in which the sub-fund invests (look through).

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	8.18	7.31	8.34	
Consum(cycl)	6.72	5.37	8.18	
Cons.goods	4.77	4.31	4.64	
Pharma	4.91	4.40	5.20	
Financials	20.74	20.81	26.40	
Technology	7.58	6.77	8.68	
Telecomm.	2.57	1.84	2.70	
Utilities	1.93	1.54	2.10	
Real est.	1.91	1.43	1.77	
Governm.	39.79	45.29	30.00	
Various	0.90	0.93	1.99	
TOTAL	100.00	100.00	100.00	

	31/12/2023
National	29.12
Banking	9.06
Financial Services	8.34
Health Care	5.71
Materials	5.62
Tech Hardware & Semiconductors	3.92
Software & Tech Services	3.85
Utilities	3.76
Insurance	3.38
Supranationals	3.23
Media	3.12
Telecommunications	3.03
Consumer Staple Products	3.00
Oil & Gas	2.51
Consumer Discretionary Products	2.51
Real Estate	2.33
Retail & Wholesale - Discretionary	2.06
Industrial Products	1.52
Consumer Discretionary Services	1.15
Industrial Services	0.99
Retail & Wholesale - Staples	0.65
Renewable Energy	0.63
Regional & Local	0.53
Unclassifiable	-0.02
Not specified	0.00
TOTAL	100.00

*The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.*

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

The currency distribution of the sub-fund's investments is calculated based on the currency distribution of the underlying investments of the UCIs in which the sub-fund invests (look through).

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
AUSTRALIAN DOLLAR	0.45	0.45	0.60	0.65
BRASILIAN REAL	0.34	0.40	0.63	0.42
CANADIAN DOLLAR	0.94	0.88	0.84	0.90
SWISS FRANC	0.87	0.87	0.89	1.02
CHILEAN PESO	0.05	0.04	0.07	0.05
YUAN CHINA	0.34	0.20	0.32	0.27
PESO COLUMBIA	0.07	0.00	0.12	0.06
CZECH KORUNA	0.14	0.14	0.16	0.09
DANISH KRONE	0.28	0.26	0.31	0.32
EURO	72.24	73.58	68.80	68.66
POUND STERLING	1.23	1.06	1.36	1.46
HONG KONG DOLLAR	0.96	0.66	0.73	0.59
HUNGARIAN FORINT	0.10	0.00	0.03	0.07
INDONESIAN RUPIAH	0.27	0.37	0.50	0.30
INDIE RUPEE	0.49	0.43	0.57	0.60
JAPANESE YEN	1.52	1.70	2.34	2.50
KOREAN WON	0.31	0.25	0.35	0.35
MEXICAN PESO	0.28	0.38	0.44	0.27
MALAYSIAN RINGGIT	0.28	0.28	0.33	0.22
NORWEGIAN KRONE	0.25	0.14	0.19	0.16
NEW ZEALAND DOLLAR	0.01	0.01	0.01	0.02
PERUVIAN INTI	0.00	0.00	0.03	0.00
PESO	0.03	0.02	0.03	0.00
POLISH ZLOTY	0.17	0.07	0.20	0.10
ROMANIAN LEU NEW	0.00	0.00	0.04	0.00
SWEDISH KRONA	0.22	0.24	0.19	0.25
SINGAPORE DOLLAR	0.05	0.06	0.08	0.09
THAI BATH	0.09	0.13	0.29	0.15
NEW TURKISH LIRA	0.02	0.02	0.02	0.01
NEW TAIWAN DOLLAR	0.55	0.39	0.56	0.50
US DOLLAR	17.14	16.67	18.62	19.69
SOUTH AFRICAN RAND	0.31	0.30	0.35	0.23
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Global Defensive (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	69,185,859.47	9,073,604.73	78,259,464.20
<b>Sales</b>	66,825,456.03	15,883,507.32	82,708,963.35
<b>Total 1</b>	136,011,315.50	24,957,112.05	160,968,427.54
<b>Subscriptions</b>	2,531,171.23	1,584,072.45	4,115,243.68
<b>Redemptions</b>	628,749.12	8,446,248.95	9,074,998.07
<b>Total 2</b>	3,159,920.35	10,030,321.40	13,190,241.75
<b>Monthly average of total assets</b>	101,601,841.18	103,604,391.30	102,619,397.13
<b>Turnover rate</b>	130.76%	14.41%	144.01%

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

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

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

Active asset management may result in high turnover rates (monthly percentage >50%), reason: The high turnover is due to the transformation of the fund from mixed fund (direct lines and fund certificates) to fully FOF structure. The weekly strategy implementations and managing the daily subscriptions and redemptions also contributed to the high turnover.

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
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 Euro	Lot-size	Transaction date
KBC VK-AK 231229-231222 1.103347	USD-EUR USD	-80,000.00	-72,421.13	N/A	22.12.2023

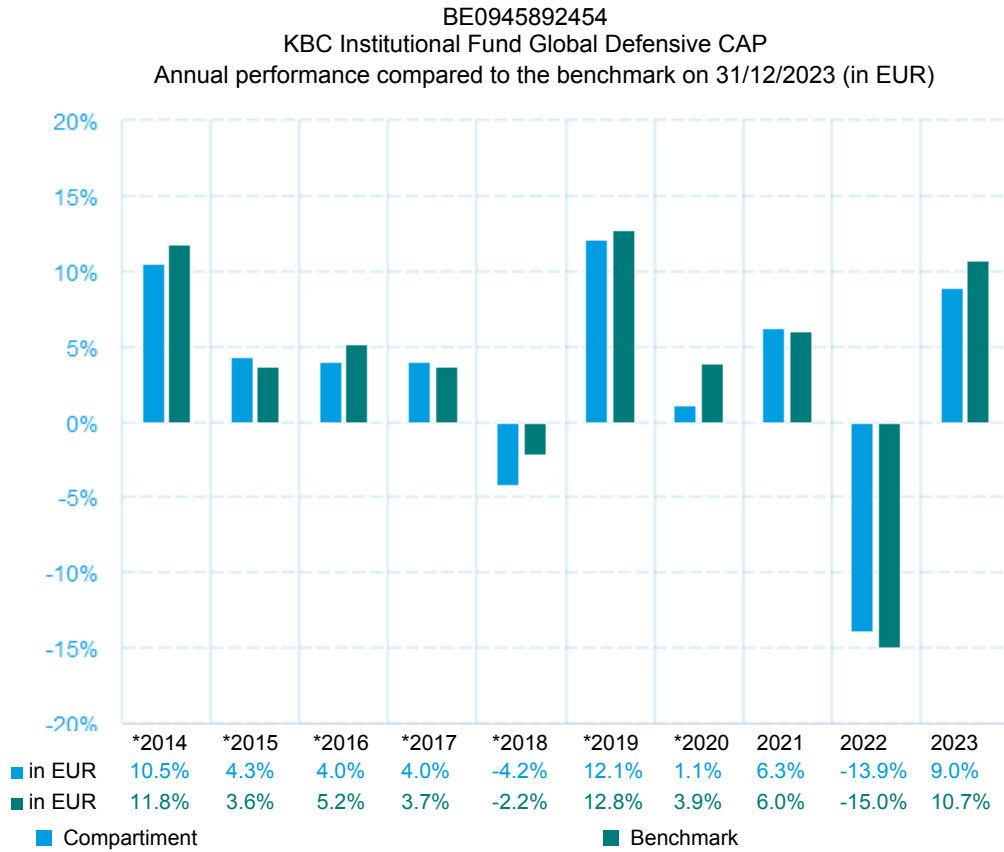
### 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	4,575.97	1,639.11	1,213.00	905.00	65,370.63	2,982.66	68,353.29
2022 - 12	566.13	306.88	4,542.00	1,075.56	61,394.76	2,213.98	63,608.74
2023 - 12	1,940.30	960.72	5,104.00	536.64	58,231.06	2,638.05	60,869.11

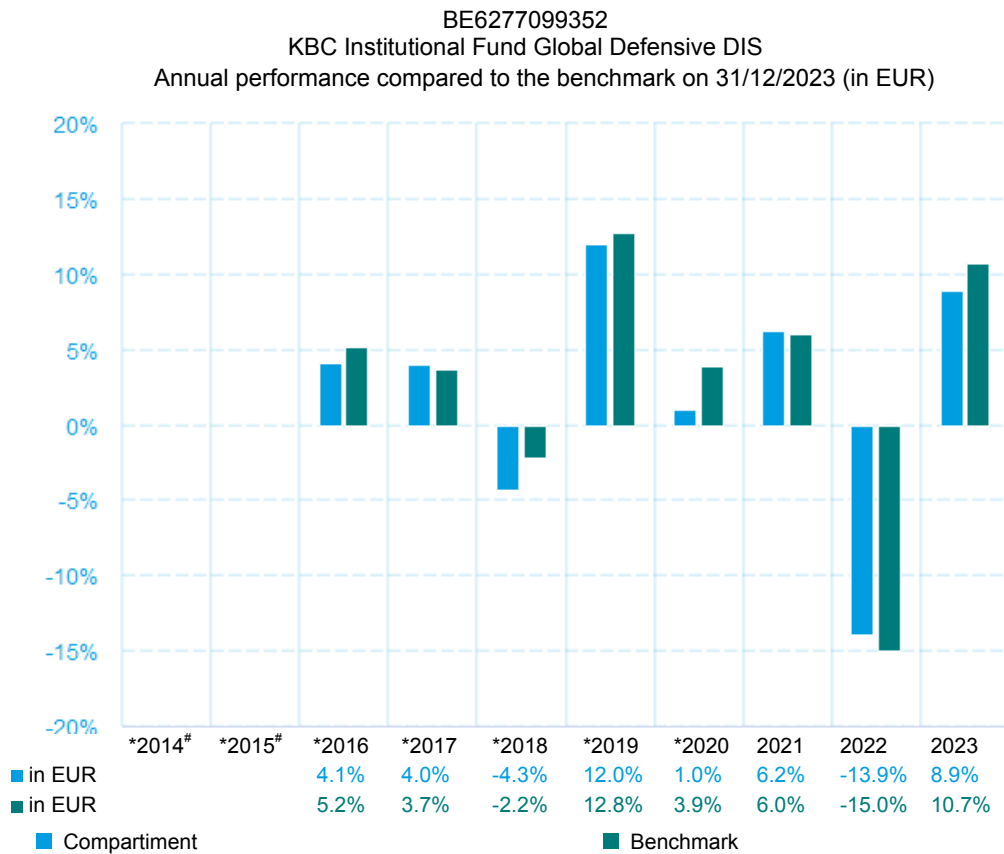
Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	8,039,624.42	1,719,841.98	2,160,071.97	943,586.56
2022 - 12	989,581.32	307,506.11	7,544,714.83	1,026,142.79
2023 - 12	3,238,181.53	880,356.00	8,577,041.06	506,446.64

Period	Net asset value End of period (in Euro)		
	Of the sub-fund	Of one share	
		Capitalization	Distribution
2021 - 12	123,017,910.29	1,832.93	1,072.27
2022 - 12	98,879,936.95	1,577.85	906.95
2023 - 12	102,653,227.95	1,719.08	966.46

## 2.4.5. Performance figures



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



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

\* 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
CAP	BE0945892454	EUR	8.95%	10.75%	-0.11%	-0.08%	2.46%	3.17%	3.04%	3.74%	14/02/2006	3.08%
DIS	BE6277099352	EUR	8.94%	10.75%	-0.13%	-0.08%	2.42%	3.17%			25/03/2015	1.39%

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

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

$$[\text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D  
Distribution units (DIV)  
Return on date D over a period of X years :  

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

$$[C * \text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D  
where C is a factor that is determined for all N dividends between the calculation date D and the reference date.  
For dividend i on date Di with value Wi:  

$$C_i = [W_i / \text{NIW}(D_i)] + 1$$
i = 1 ... N  
from which C = C0 \* ... \* CN.
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation and distribution shares

Dividend on ex-dividend date 28/03/2024: 13,3685 net (19,0978 gross).

## 2.4.6. Costs

### **Ongoing Charges and Transaction costs:**

#### *Capitalisation :*

Ongoing charges : 0,837%  
Transaction costs: 0,016%

#### *Distribution :*

Ongoing charges : 0,855%  
Transaction costs: 0,016%

Percentage calculated at reporting date: 31 December 2023 .

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**

Not applicable

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

The management company has shared 52,84% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

Fee for managing the investment portfolio	Max 0.46%	<p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>KBC Fund Management Limited receives a fee from the management company of max. 0,46% per year calculated on the basis of the average total net assets of the sub-fund, without the total fees and charges received by the management company being exceeded.</p> <p>(*) 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.</p>
	Max 0.01%	<p>per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.</p>
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.040%	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.

## Management fees

Name	Maximum management fee
KBC Institutional Fund - Euro Bonds - Institutional B Shares	0.40%
KBC Institutional Fund - Euro Corporate Bonds - Institutional B Shares	0.30%
KBC Bonds - Emerging Markets - Institutional B Shares Capitalisation	1.30%
KBC Bonds - High Interest - Institutional B Shares Capitalisation	1.10%
KBC Bonds - Strategic Broad 25/75 Responsible Investing - Institutional B Shares Capitalisation	1.10%
KBC Bonds - Strategic Broad 50/50 Responsible Investing - Institutional B Shares Capitalisation	1.10%
KBC Bonds - Strategic Broad 75/25 Responsible Investing - Institutional B Shares Capitalisation	1.10%
KBC Renta - Dollarenta - Institutional B Shares Capitalisation	1.10%
KBC Eco Fund - Alternative Energy Responsible Investing - Institutional B Shares	1.50%
KBC Equity Fund - EMU Small & Medium Caps - Institutional B Shares	1.60%
KBC Institutional Fund - Euro Satellite Equity - Institutional B Shares	0.35%
KBC Institutional Fund - Euro Equity - Institutional B Shares	0.35%
Plato Institutional Index Fund - Emerging Markets Equities - Institutional B Shares	0.80%
Plato Institutional Index Fund - North American Equity - Institutional B Shares EUR	0.50%
Plato Institutional Index Fund - Pacific Equity - Institutional B Shares EUR	0.50%

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# 2. Information on KBC Institutional Fund Global Defensive 1 Responsible Investing

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### **Classic Shares Capitalisation**

Launch date: 15 November 2002

Initial subscription price: 1 000 EUR

Currency: EUR

#### **Classic Shares Distribution**

Launch date: 15 November 2002

Initial subscription price: 1 000 EUR

Currency: EUR

#### **Institutional Shares Capitalisation**

Launch date: 6 September 2011

Initial subscription price: 1 393.38 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 and bonds.

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

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

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

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

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

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

## Permitted derivatives transactions

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

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

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

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

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

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

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

## Strategy selected

The sub-fund will invest directly or indirectly in bonds denominated in euros and in international shares of companies. In addition, at least 60% of the net assets will be invested in bonds and at least 15% in shares. 30% of the benchmark portfolio is composed of shares and 70% of euro bonds. Investment decisions are taken based on macroeconomic and business-economic criteria by the fund manager, KBC Asset Management NV.

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

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

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

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

The sub-fund is compliant with the transparency obligations of article 11 (1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Institutional Fund Global Defensive 1 Responsible Investing’ of this annual report. This annex specifically covers the periodic reports for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

### Negative screening

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

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

These negative screening principles are not exhaustive and may be adapted from time to time under the supervision



of the Responsible Investing Advisory Board.

### Positive selection methodology

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

- (1) promote the integration of sustainability into the policy decisions of issuers (companies, governments, supranational debtors and/or agencies linked to governments), by preferring issuers with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and
- (2) promote climate change mitigation, by preferring issuers with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;
- (3) support sustainable development, by including issuers that contribute to the **UN Sustainable Development Goals** and
- (4) support sustainable development by encouraging the transition to a more sustainable world via **bonds financing green and/or social projects**.

The sub-fund's targets are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

### (1) ESG-score

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

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

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

- In the case of instruments issued by national governments, supranational debtors and/or agencies linked to governments, the following five pillars are used
  - overall economic performance and stability (e.g., quality of institutions and government);
  - socio-economic development and health of the population (e.g., education and employment);
  - equality, freedom and the rights of all citizens;
  - environmental policy (e.g., climate change); and
  - security, peace and international relations.

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

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmarks: MSCI All Countries World - Net Return Index en iBoxx Euro Corporate bonds Total Return Index.

The ESG score for countries of the portfolio is compared to a reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).

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

The targets can be revised upwards or downwards.

### (2) Carbon Intensity

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

The contribution of issuers to climate change mitigation is measured based on their carbon intensity. For companies, carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO<sub>2</sub> equivalent), divided by revenues (in mln USD). For countries, it is defined as the greenhouse gas emissions (in tonnes CO<sub>2</sub> equivalent), divided by the Gross Domestic Product (in current prices, in mln USD).

The targets for instruments issued by companies are different from those for instruments issued by national governments, supranational debtors and/or government-linked agencies.

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

The targets may be revised upwards or downwards.

### (3) UN Sustainable Development Goals

To support sustainable development, the sub-fund commits to investing a minimum proportion of the portfolio in issuers that contribute to the UN Sustainable Development Goals. The UN Sustainable Development Goals include

both social and environmental objectives. Instruments of issuers that meet these requirements are designated as "sustainable investments," according to Article 2.17 of the SFDR.

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

Governments are assessed on the five pillars as described in the ESG score, which contain indicators that can be linked to the 17 UN Sustainable Development Goals. If a government scores sufficiently well on one of these pillars and not significantly poor on the other pillars, the bonds of this government and its sub-governments and agencies are considered to be instruments that contribute to sustainable development. Bonds of supranational governments contribute to the UN's Sustainable development goals if one of the two criteria is met:

- at least half of its members contribute to the UN Sustainable Development Goals (weighted by voting power/full paid-in capital/percentage of population (in order of availability)).
- the mission statement of the supranational institution has a sustainable objective and less than half of its members fall in the worst half of the screening for controversial regimes.

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

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

The targets may be revised upwards or downwards.

#### **(4) Bonds financing green and/or social projects**

To encourage the transition to a more sustainable world, the sub-fund commits to invest a minimum proportion of the portfolio in bonds financing green and/or social projects. Bonds whose proceeds will be used exclusively to finance (a combination of) green and social projects that are aligned with the International Capital Market Association (ICMA) Green Bond Principles and Social Bond Principles on the Use of Proceeds are considered bonds financing green and/or social projects. Instruments that meet these requirements are labelled 'sustainable investments', in line with article 2(17) SFDR.

More information on bonds financing green and/or social projects and the concrete goals of the sub-fund can be found at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

#### **Potential Exceptions**

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

- Developments as a result of which an issuer can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible issuer based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

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

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

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.

The fund is actively managed with reference to the following benchmark: 35% iBoxx Euro Corporate bonds ALL Maturities - Total Return Index, 35% JP Morgan EMU Government Bonds Investment Grade ALL Maturities - Total Return Index, 30% MSCI All Countries 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 responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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

The longterm expected tracking error for this fund is 1.50%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

### **Taxonomy related information**

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

### **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors were explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. The principal adverse impacts on sustainability factors that were taken into account through the exclusion policies can be found in the 'Annex for KBC Institutional Fund Global Defensive 1 Responsible Investing'.

The principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy. The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy can be found in the 'Annex for KBC Institutional Fund Global Defensive 1 Responsible Investing'.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Institutional Fund Global Defensive 1 Responsible Investing'.

### **Required disclaimers for benchmark providers:**

#### **Information regarding the JP Morgan EMU Government Bonds Investment Grade ALL Maturities - Total Return Index:**

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 201(7), J.P. Morgan Chase & Co. All rights reserved.

#### **Information regarding the iBoxx Euro Corporate bonds ALL Maturities - Total Return Index:**

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#### **Information regarding the MSCI All Countries World - Net Return Index:**

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.

## **Characteristics of the bonds and debt instruments**

The sub-fund invests in bonds and debt instruments issued by both companies and public authorities.

The sub-fund invests directly and/or indirectly at least 90% of its assets in bonds and debt instruments

- in securities rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies: Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or
- in government bonds issued in local currency or non-subordinated corporate bonds\* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has an investment grade rating by at least one of the rating agencies mentioned above, and/or
- in money market instruments whose issuer has an investment grade rating (minimum A3/F3/P3 for short-term debt) from at least one of the above rating agencies.

This means that the sub-fund may invest up to 10% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or which do not comply with the above-mentioned credit requirements.

All maturities are taken into consideration in the selection of bonds and debt instruments.

\*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

## **Investments in assets other than securities or money market instruments**

**The sub-fund will invest primarily in units of undertakings for collective investment.**

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

The sub-fund may not lend any financial instruments.

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

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

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

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

## **2.1.4. Financial portfolio management**

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

## **2.1.5. Distributors**

KBC Asset Management NV, Havenlaan 2, 1080 Brussels.

## **2.1.6. Index and benchmark**

See 'Sub-fund's investment policy'.

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

The investment objective of the fund is to generate the highest possible return while adapting to changing market environments, using a fundamental 'hold-to-grow' approach. The asset allocation is derived from the main KBC AM strategy, tailored accordingly to meet the preferences and requirements of institutional clients.

## **2.1.8. Future policy**

Future investment and the allocation to risky assets will be determined based on the KBC AM main strategy.

## **2.1.9. Summary risk indicator (SRI)**

Classic Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)  
Moreover, an investment in this fund involves:

- a moderate level of inflation risk: the bond component does not provide any protection against an increase in inflation.
- a moderate level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a real chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of credit risk: the bond component invests primarily - but not exclusively- in bonds with an investment grade rating. Consequently, the risk that an issuer can no longer meet its obligations is higher than in an investment that consists only of bonds with an investment grade rating. If investors are in doubt about the creditworthiness of the issuers of the bonds, the value of those bonds can fall.
- a moderate level of market risk: the level of the risk reflects the volatility of the equity component.
- a moderate level of performance risk: the level of the risk reflects the volatility of the equity component.

There is no capital protection.

Institutional Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: the bond component does not provide any protection against an increase in inflation.
- a moderate level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a real chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of credit risk: the bond component invests primarily - but not exclusively- in bonds with an investment grade rating. Consequently, the risk that an issuer can no longer meet its obligations is higher than in an investment that consists only of bonds with an investment grade rating. If investors are in doubt about the creditworthiness of the issuers of the bonds, the value of those bonds can fall.
- a moderate level of market risk: the level of the risk reflects the volatility of the equity component.
- a moderate level of performance risk: the level of the risk reflects the volatility of the equity component.

There is no capital protection.

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

The summary 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).

## 2.1.10. Leveraged finance

The total amount of leveraged finance used by the sub-fund is 0.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

## 2.1.11. Value-at-Risk

Not applicable

## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	535,448,108.77	491,154,578.12
II.	<b>Securities, money market instruments, UCIs and derivatives</b>		
E.	Open-end undertakings for collective investment	527,693,898.91	483,995,617.05
IV.	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	301,178.20	
B.	Payables		
	a) Accounts payable (-)		-835,665.78
V.	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	7,559,867.07	8,105,641.33
VI.	<b>Accruals and deferrals</b>		
B.	Accrued income	-0.01	-0.01
C.	Accrued expense (-)	-106,835.40	-111,014.47
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	535,448,108.77	491,154,578.12
A.	<b>Capital</b>	492,365,369.07	570,739,215.61
B.	<b>Income equalization</b>	1,299.61	223,085.80
D.	<b>Result of the bookyear</b>	43,081,440.09	-79,807,723.29

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds		-52,378,375.14
B.	Money market instruments		-14,145.64
C.	Shares and similar instruments		
	a) Shares	416.65	-37,220,661.24
D.	Other securities		-13.63
E.	Open-end undertakings for collective investment	44,618,603.49	-5,450,421.14
F.	Derivative financial instruments		
	l) Financial indices		
	Futures and forward contracts	358,571.76	1,176,567.23
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	-33,680.85	12,719,508.45
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	4,440,488.75	27,251,288.96
	Unrealised gains on investments	37,109,432.61	-26,204,772.58
	Realised losses on investments	-728,173.60	-82,778,138.09
	Unrealised losses on investments	4,122,163.29	564,080.60
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	18,268.59	1,763,842.32
B.	Interests		
	a) Securities and money market instruments		3,369,458.34
	b) Cash at bank and in hand and deposits	215,479.57	41,174.66
C.	Interest on borrowings (-)	-849.44	-119,674.16
<b>III.</b>	<b>Other income</b>		
B.	Other	0.83	
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-394,123.11	-882,941.99
B.	Financial expenses (-)	-603.82	-629.49
C.	Custodian's fee (-)		-127,534.55
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-987,703.83	-1,842,497.79
	Institutional Shares	-178,969.84	-347,297.70
	b) Administration and accounting management	-505,039.72	-503,384.23
	c) Commercial fee	-625.00	-625.00
E.	Administrative expenses (-)	2.33	1.94
F.	Formation and organisation expenses (-)	-1,800.72	-1,728.14
G.	Remuneration, social security charges and pension	-84.80	-69.38
H.	Services and sundry goods (-)	-1,823.05	-3,310.50
J.	Taxes		
	Classic Shares	-6,719.41	-17,651.78
	Institutional Shares	-500.33	-2,770.31
L.	Other expenses (-)	-17,379.21	35,455.58
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-1,862,470.96	1,359,817.82
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	43,081,440.09	-79,807,723.29

**VII. Result of the bookyear**

43,081,440.09	-79,807,723.29
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<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	43,082,739.70	-79,584,637.49
	Profit for the period available for appropriation	43,081,440.09	-79,807,723.29
	Income on the creation of shares (income on the cancellation of shares)	1,299.61	223,085.80
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-42,434,441.44	80,164,617.23
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-648,298.26	-579,979.74

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Global Defensive 1 Responsible Investing

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Open-end funds							
UCITS registered with the FSMA							
<b>Bond funds</b>							
KBC INSTITUTIONAL FUND KBCIF EURO BONDS RI ISB_CAP	115,823.00	EUR	893.630	103,502,907.49	12.32	19.61	19.33
KBC PARTICIPATION SRI CORPORATE BONDS IS B KAP	82,739.00	EUR	1,256.580	103,968,172.62	1.96	19.70	19.42
KBC BONDS HIGH INTEREST RI IB CAP	40,741.00	EUR	915.340	37,291,866.94	11.01	7.07	6.97
KBC BONDS STRAT BROAD 25-75 RI IB CAP	45,976.00	EUR	927.760	42,654,693.76	1.56	8.08	7.97
KBC BONDS STRAT BROAD 50-50 RI IB CAP	46,288.00	EUR	921.260	42,643,282.88	1.56	8.08	7.96
KBC BONDS STRAT BROAD 75-25 RI IB CAP	47,044.00	EUR	905.480	42,597,401.12	1.56	8.07	7.96
<b>Equity funds</b>							
KBC ECO FUND ALT. ENERGY RESPONSIBLE INVEST IB C	13,196.00	EUR	593.670	7,834,069.32	2.67	1.49	1.46
KBC EQUITY FUND EM MARKETS RESPONSIBLE INVESTING IB	10,794.00	EUR	1,460.860	15,768,522.84	1.50	2.99	2.95
KBC EQUITY FUND EMU SMALL & MED CAPS RESPONSIBLE INV	2,951.00	EUR	1,306.670	3,855,983.17	3.53	0.73	0.72
KBC INSTITUTIONAL FUND KBCIF ASIA PACIFIC RI ISB_CAP	8,201.00	EUR	1,032.120	8,464,416.12	9.10	1.60	1.58
KBC INSTITUTIONAL FUND KBCIF EURO EQUITIES RI ISB_CAP	1,309.00	EUR	4,055.930	5,309,212.37	1.23	1.01	0.99
KBC INSTITUTIONAL FUND RI NORTH AMERICA IB C	42,080.00	EUR	1,058.670	44,548,833.60	9.60	8.44	8.32
KBC INSTITUTIONAL FUND RI REST OF EUROPE IB C	8,058.00	EUR	1,021.260	8,229,313.08	7.43	1.56	1.54
KBC INSTITUTIONAL FUND RI WORLD EQUITY INSTITUTIONAL B SHA	3,960.00	EUR	15,410.410	61,025,223.60	3.43	11.57	11.40
Total investment funds				527,693,898.91		100.00	98.55
TOTAL SECURITIES PORTFOLIO				527,693,898.91		100.00	98.55
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<b>Belgium</b>							
KBC GROUP AUD	7,844.03	AUD	1.000	4,845.31		0.00	0.00
KBC GROUP CAD	3,117.58	CAD	1.000	2,140.33		0.00	0.00
KBC GROUP CHF	486.27	CHF	1.000	523.02		0.00	0.00
KBC GROUP DKK	757.74	DKK	1.000	101.65		0.00	0.00
KBC GROUP EURO	7,369,360.01	EUR	1.000	7,369,360.01		0.00	1.38
KBC GROUP GBP	25,240.32	GBP	1.000	29,128.10		0.00	0.01
KBC GROUP HKD	18,715.71	HKD	1.000	2,169.76		0.00	0.00
KBC GROUP JPY	16,122,147.00	JPY	1.000	103,523.91		0.00	0.02
KBC GROUP NOK	2,964.04	NOK	1.000	264.21		0.00	0.00
KBC GROUP NZD	682.54	NZD	1.000	391.21		0.00	0.00
KBC GROUP SEK	2,128.21	SEK	1.000	191.17		0.00	0.00
KBC GROUP SGD	9,768.67	SGD	1.000	6,703.98		0.00	0.00
KBC GROUP USD	44,765.29	USD	1.000	40,524.41		0.00	0.01
Total demand accounts				7,559,867.07		0.00	1.41
TOTAL CASH AT BANK AND IN HAND				7,559,867.07		0.00	1.41
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<b>Belgium</b>							
KBC GROUP EUR RECEIVABLE	301,178.20	EUR	1.000	301,178.20		0.00	0.06
Total receivables				301,178.20		0.00	0.06
TOTAL RECEIVABLES AND PAYABLES				301,178.20		0.00	0.06
OTHER							
Interest receivable		EUR		-0.01		0.00	0.00
Expenses payable		EUR		-106,835.40		0.00	-0.02
TOTAL OTHER				-106,835.41		0.00	-0.02
TOTAL NET ASSETS				535,448,108.77		0.00	100.00

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

The geographical distribution of the sub-fund's investments is calculated based on the geographical distribution of

the underlying investments of the UCIs in which the sub-fund invests (look through).

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
United Arab Emirates	0.18	0.12	0.09	0.08
Argentina	0.06	0.05	0.05	0.03
Australia	1.00	1.06	1.22	1.17
Austria	2.10	2.06	2.46	1.76
Belgium	10.90	6.68	5.87	5.29
Bulgaria	0.00	0.00	0.00	0.09
Bermuda	0.01	0.05	0.07	0.09
Brazil	0.17	0.17	0.19	0.24
Canada	1.40	1.49	1.14	1.02
Switzerland	1.08	0.99	1.78	1.80
Chile	0.01	0.01	0.01	0.01
China	0.85	0.68	0.67	0.55
Colombia	0.02	0.02	0.02	0.01
Czech Republic	0.13	0.49	0.16	0.18
Cayman Islands	0.11	0.11	0.12	0.12
Cyprus	0.06	0.14	0.11	0.09
Germany	11.51	10.63	9.44	8.97
Denmark	0.70	0.61	0.78	0.81
Spain	4.99	6.07	5.62	5.69
Europe	0.14	0.30	-0.28	0.26
Finland	0.76	0.80	0.64	0.70
France	14.04	16.19	13.46	13.43
U.K.	3.35	4.58	6.17	5.95
Greece	0.02	0.04	0.04	0.03
Hong Kong	0.47	0.46	0.44	0.37
Hungary	0.16	0.06	0.03	0.15
India	0.41	0.38	0.51	0.52
Indonesia	0.08	0.06	0.06	0.05
Ireland	1.81	1.69	2.11	2.20
Israel	0.00	0.01	0.00	0.01
Italy	7.02	6.90	5.62	6.99
Japan	1.73	1.74	2.34	2.39
South Korea	0.37	0.52	0.38	0.36
Latvia	0.00	0.07	0.18	0.21
Lithuania	0.00	0.00	0.12	0.18
Luxembourg	0.83	1.66	1.40	1.20
Mexico	0.70	0.62	0.46	0.39
Malaysia	0.10	0.08	0.05	0.04
Netherlands	6.84	6.67	7.04	6.13
Norway	0.97	0.91	0.79	0.68
New Zealand	0.04	0.04	0.02	0.05
Philippines	0.04	0.04	0.04	0.02
Poland	0.10	0.01	0.11	0.09
Portugal	0.59	0.46	0.39	0.37
Supranational	2.22	2.70	3.13	2.78
Romania	0.00	0.08	0.09	0.10
Singapore	0.13	0.15	0.15	0.10
Slovenia	0.00	0.03	0.00	0.00
Slovakia	0.00	0.17	0.29	0.30
Sweden	1.02	1.13	0.80	0.97
Thailand	0.11	0.07	0.07	0.02
Turkey	0.03	0.04	0.03	0.02
Taiwan	0.55	0.42	0.73	0.74
U.S.A.	19.57	18.20	21.25	21.56
Outside BLEU territory-(belgo-Lux ec	0.19	0.21	0.30	0.44
EU institutions outside BLEU terr.	0.21	0.98	1.13	2.09
South Africa	0.12	0.10	0.11	0.11
TOTAL	100.00	100.00	100.00	100.00

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

The sectoral distribution of the sub-fund's investments is calculated based on the sectoral distribution of the underlying investments of the UCIs in which the sub-fund invests (look through).

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	6.11	5.73	5.67	
Consum(cycl)	7.52	7.20	8.53	
Cons.goods	5.31	5.10	5.23	
Pharma	5.42	5.12	5.64	
Financials	28.16	23.25	27.21	
Technology	7.41	6.92	9.69	
Telecomm.	2.96	2.80	3.20	
Utilities	0.76	1.24	1.25	
Real est.	1.63	2.13	2.74	
Governm.	34.14	39.25	29.26	
Various	0.58	1.26	1.58	
TOTAL	100.00	100.00	100.00	

	31/12/2023
National	24.61
Banking	11.38
Financial Services	8.53
Supranationals	7.43
Health Care	6.45
Software & Tech Services	5.20
Materials	4.89
Tech Hardware & Semiconductors	4.63
Real Estate	3.15
Consumer Staple Products	2.99
Telecommunications	2.93
Media	2.85
Retail & Wholesale - Discretionary	2.80
Insurance	2.71
Utilities	2.23
Consumer Discretionary Products	2.14
Consumer Discretionary Services	1.24
Industrial Products	1.06
Industrial Services	0.99
Retail & Wholesale - Staples	0.80
Renewable Energy	0.64
Regional & Local	0.37
Unclassifiable	-0.02
Not specified	0.00
TOTAL	100.00

*The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.*

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

The currency distribution of the sub-fund's investments is calculated based on the currency distribution of the underlying investments of the UCIs in which the sub-fund invests (look through).

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
AUSTRALIAN DOLLAR	0.55	0.49	0.58	0.58
BRASILIAN REAL	0.33	0.41	0.59	0.59
CANADIAN DOLLAR	1.13	0.96	0.81	0.74
SWISS FRANC	0.89	0.80	0.83	0.88
CHILEAN PESO	0.08	0.07	0.08	0.08
CHINESE RENMINBI OFFSHORE CURR	0.00	0.13	0.08	0.00
YUAN CHINA	0.40	0.22	0.30	0.39
PESO COLUMBIA	0.08	0.02	0.09	0.06
CZECH KORUNA	0.13	0.48	0.13	0.13
DANISH KRONE	0.24	0.25	0.32	0.39
EURO	71.48	72.63	69.37	68.76
POUND STERLING	1.18	1.09	1.29	1.49
HONG KONG DOLLAR	1.07	0.80	0.86	0.61
HUNGARIAN FORINT	0.10	0.00	0.03	0.07
INDONESIAN RUPIAH	0.40	0.48	0.47	0.37
SHEQUEL ISRAEL	0.00	0.00	0.00	0.01
INDIE RUPEE	0.40	0.37	0.61	0.67
JAPANESE YEN	1.67	1.73	2.53	2.70
KOREAN WON	0.33	0.25	0.22	0.26
MEXICAN PESO	0.30	0.38	0.45	0.34
MALAYSIAN RINGGIT	0.10	0.08	0.05	0.04
NORWEGIAN KRONE	0.17	0.49	0.26	0.22
NEW ZEALAND DOLLAR	0.03	0.04	0.02	0.04
PESO	0.04	0.04	0.04	0.02
POLISH ZLOTY	0.18	0.09	0.17	0.14
SWEDISH KRONA	0.27	0.24	0.15	0.24
SINGAPORE DOLLAR	0.12	0.14	0.13	0.10
THAI BATH	0.11	0.07	0.07	0.02
NEW TURKISH LIRA	0.06	0.07	0.04	0.05
NEW TAIWAN DOLLAR	0.57	0.43	0.73	0.74
US DOLLAR	17.30	16.44	18.36	18.96
SOUTH AFRICAN RAND	0.29	0.31	0.34	0.31
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Global Defensive 1 Responsible Investing (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	79,162,670.16	49,777,203.37	128,939,873.53
<b>Sales</b>	89,319,105.65	41,098,836.05	130,417,941.70
<b>Total 1</b>	168,481,775.81	90,876,039.42	259,357,815.23
<b>Subscriptions</b>	38,493,188.30	27,657,380.34	66,150,568.64
<b>Redemptions</b>	42,817,636.73	21,560,089.86	64,377,726.59
<b>Total 2</b>	81,310,825.03	49,217,470.20	130,528,295.23
<b>Monthly average of total assets</b>	503,641,407.72	509,246,218.64	506,501,475.84
<b>Turnover rate</b>	17.31%	8.18%	25.43%

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: 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
2021 - 12	84,317.00	14,424.75	12,728.52	3,054.94	182,132.00	32,955.50	215,087.50
2022 - 12	21,676.22	5,551.07	15,401.34	6,909.51	188,406.89	31,597.06	220,003.95
2023 - 12	26,107.03	2,280.02	22,635.23	5,863.88	191,878.68	28,013.20	219,891.88

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	177,232,708.94	18,842,191.06	26,684,646.61	3,951,863.07
2022 - 12	43,540,905.83	6,928,644.32	30,324,313.59	8,402,763.10
2023 - 12	49,903,027.31	2,651,095.80	43,057,549.45	6,680,857.61

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	436,866,395.10	2,158.40	1,327.61
2022 - 12	382,849,184.77	1,844.59	1,117.68
2023 - 12	418,288,450.97	2,005.40	1,195.70

### Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	25,885.47		506.00		39,341.94		39,341.94
2022 - 12	21,962.65		2,740.58		58,564.01		58,564.01
2023 - 12	7,072.38		7,424.23		58,212.15		58,212.15

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	54,736,807.27		1,073,048.22	
2022 - 12	43,469,014.57		5,514,331.51	
2023 - 12	13,608,498.82		14,650,073.21	

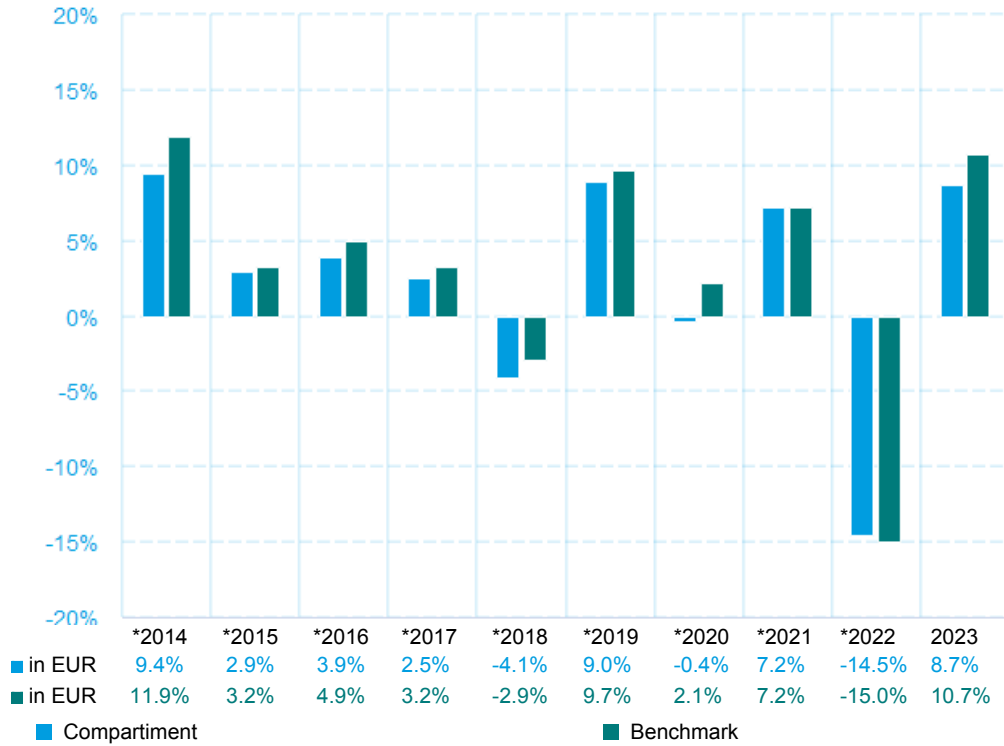
Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	85,068,533.62	2,162.29	
2022 - 12	108,305,393.40	1,849.35	
2023 - 12	117,159,657.80	2,012.63	

## 2.4.5. Performance figures

**Classic Shares**

BE0057773583

KBC Institutional Fund Global Defensive 1 Responsible Investing Classic Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)

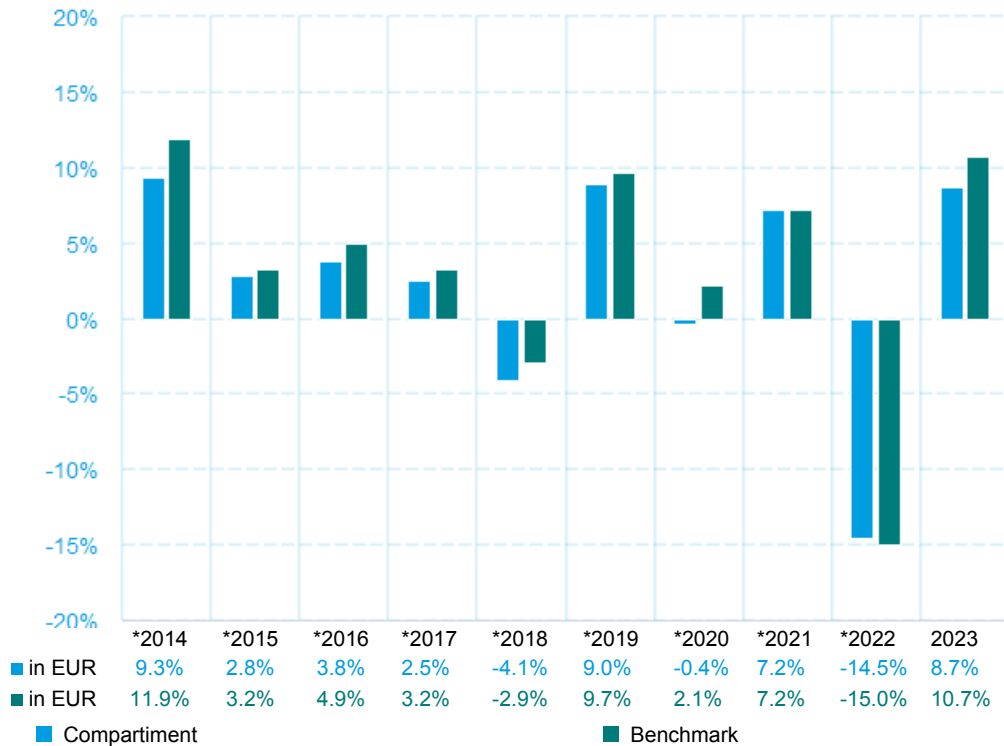


\* These performances were achieved under circumstances that no longer apply

**Classic Shares**

BE0057771561

KBC Institutional Fund Global Defensive 1 Responsible Investing Classic Shares DIS  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



\* 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
CAP	BE0057773583	EUR	8.72%	10.75%	-0.14%	0.29%	1.56%	2.48%	2.18%	3.21%	15/11/2002	3.35%
DIS	BE0057771561	EUR	8.72%	10.75%	-0.14%	0.29%	1.57%	2.48%	2.17%	3.21%	15/11/2002	3.33%

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.
- 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.

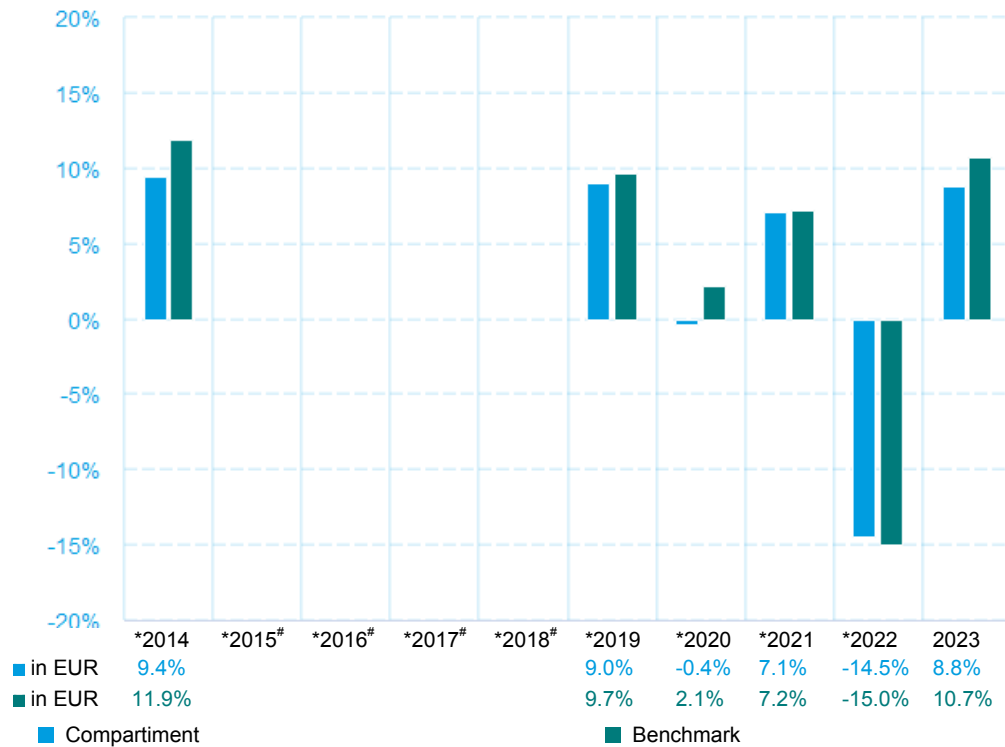
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the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

Dividend on ex-dividend date 28/03/2024: 16,1998 net (23,1426 gross).

## Institutional Shares

BE6225965209

KBC Institutional Fund Global Defensive 1 Responsible Investing Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

\* 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
CAP	BE6225965209	EUR	8.83%	10.75%	-0.09%	0.29%	1.60%	2.48%			06/09/2011	

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

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Classic Shares Capitalisation :

Ongoing charges : 0,875%  
Transaction costs: 0,018%

#### Classic Shares Distribution :

Ongoing charges : 0,872%  
Transaction costs: 0,018%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,772%  
Transaction costs: 0,018%

Percentage calculated at reporting date: 31 December 2023 .

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

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 52,89% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.55%	per yearcalculated on the basis of the average total net assets of the sub-fund.  For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.  KBC Fund Management Limited receives a fee from the management company of max. 0,55% per year calculated on the basis of the average total net assets of the sub-fund, without the total fees and charges received by the management company being exceeded.  (* ) 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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of

		the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.020%	of the net assets of the sub-fund per year.

### Institutional Shares

Fee for managing the investment portfolio	Max 0.45%	per year calculated on the basis of the average total net assets of the sub-fund.  For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.  KBC Fund Management Limited receives a fee from the management company of max. 0,55% per year calculated on the basis of the average total net assets of the sub-fund, without the total fees and charges received by the management company being exceeded.  (* ) 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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.020%	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.

### Management fees

Name	Maximum management fee
KBC Institutional Fund - Euro Bonds Responsible Investing - Institutional B Shares	0.55%
KBC Participation - Corporate Bonds Responsible Investing - Institutional B Shares	1.25%
KBC Bonds - High Interest Responsible Investing - Institutional B Shares Capitalisation	1.20%
KBC Bonds - Strategic Broad 25/75 Responsible Investing - Institutional B Shares Capitalisation	1.10%
KBC Bonds - Strategic Broad 50/50 Responsible Investing - Institutional B Shares Capitalisation	1.10%
KBC Bonds - Strategic Broad 75/25 Responsible Investing - Institutional B Shares Capitalisation	1.10%
KBC Eco Fund - Alternative Energy Responsible Investing - Institutional B Shares	1.50%
KBC Equity Fund - Emerging Markets Responsible Investing - Institutional B Shares	1.70%
KBC Equity Fund - EMU Small & Medium Caps Responsible Investing - Institutional B Shares	1.60%
KBC Institutional Fund - Asia Pacific Responsible Investing - Institutional B Shares	0.40%
KBC Institutional Fund - Euro Equities Responsible Investing - Institutional B Shares	0.55%
KBC Institutional Fund - North America Responsible Investing - Institutional B Shares EUR	0.40%
KBC Institutional Fund - Rest Of Europe Responsible Investing - Institutional B Shares	0.40%
KBC Institutional Fund - World Equity Responsible Investing - Institutional B Shares	0.55%

**Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**  
KBC Institutional Fund Global Defensive 1 Responsible Investing

**Legal entity identifier:**  
549300PIGFSIDS5XK389

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Did this financial product have a sustainable investment objective?**

Yes    No

<input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : %	<input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 76.68% of sustainable investments
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It made <b>sustainable investments with a social objective</b> : %	<input checked="" type="checkbox"/> with a social objective
	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

This sub-fund:

- has promoted the integration of sustainability into the policy decisions of issuers (companies, governments, supranational debtors and/or agencies linked to governments) by preferring issuers with a better ESG (risk)score;
- has promoted climate change mitigation by preferring issuers with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;
- has supported sustainable development by including issuers that contribute towards achieving the UN Sustainable Development Goals;
- has supported sustainable development by encouraging the transition to a more sustainable world via bonds financing green and/or social projects.

The specific objectives of the sub-fund can be found in the table under title 'How did the

sustainability indicators perform?' of this annex.

The sub-fund invested 76.68% of the assets in "sustainable investments" as defined by art. 2.17 SFDR and 20.68% in other investments aligned with environmental or social characteristics.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmarks MSCI All Countries World - Net Return Index en iBoxx Euro Corporate bonds Total Return Index are used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

For investments in instruments issued by governments, supranational debtors and/or government-linked agencies, the described reference portfolio of global government bonds is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

### How did the sustainability indicators perform?

**Sustainability indicators**  
measure how the environmental or social characteristics promoted by the financial product are attained.

	Target	Target applied	Actuals	Objective attained
<b>Instruments issued by companies</b>				
ESG risk score	10% better than the following benchmarks: MSCI All Countries World - Net Return Index and iBoxx Euro Corporate bonds Total Return Index.	18.8	18.01	Yes
Carbon Intensity	A reduction of 50% by 2030 based on the following benchmarks: MSCI All Countries World - Net Return Index and iBoxx Euro Corporate bonds Total Return Index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%.	116.5	52.94	Yes
Bonds financing green and/or social projects	A minimum of 10% of corporate bonds invested in should qualify as bonds financing green and/or social projects.	10	17.05	Yes
<b>Instruments issued by governments, supranational debtors and/or agencies linked to governments</b>				
ESG Score	10% better than the reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).	0.77	0.81	Yes
Carbon Intensity	25% better than the reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).	422.53	379.06	Yes
Bonds financing green and/or social projects	A minimum of 10% of the investments in bonds issued by governments, supranational debtors and/or agencies linked to governments should qualify as bonds financing green and/or social projects.	10	27.06	Yes
<b>Minimum % Sustainable Investments</b>	A minimum of 30% of sustainable investments.	30	76.68	Yes
<b>Other specific objectives</b>	not applicable			

As indicated in the table above, the sub-fund has reached all targets during the reference period.

The sub-fund pursued these objectives (directly or indirectly) based on a dualistic approach: the negative screening and the positive selection methodology. As of April 28, 2023, instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals were classified as "sustainable investments," which triggered a change in these objectives. The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the objectives and results achieved described in this chapter only reflect the situation at the end of sub-fund's financial year and, for this reason, are not a reliable indicator for future results.

All targets are also monitored by KBC Asset Management at month-end. Given the difference in the periodicity of the calculations, it cannot be excluded that the monitoring at month-end leads to different results than the situation at the end of the financial year as shown in the table above and section 2.1.7 of the general annual report.

No breaches at month-end have been identified for this sub-fund.

**... and compared to previous periods?**

<b>Sustainability indicators</b>	<b>Achieved result</b>	<b>Achieved result</b>
	<b>31/12/2022</b>	<b>31/12/2023</b>
<b>Instruments issued by companies</b>		
ESG risk score		18.01
Carbon Intensity		52.94
Bonds financing green and/or social projects		17.05
<b>Instruments issued by governments, supranational debtors and/or agencies linked to governments</b>		
ESG Score		0.81
Carbon Intensity		379.06
Bonds financing green and/or social projects		27.06
<b>Sustainable Investments</b>	<b>67.94</b>	<b>76.68</b>

For both reporting periods, the results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year. Therefore, they are not a reliable indicator of future results.

For the reporting period 01/01/2022 - 31/12/2022, the results achieved were not reported for each sustainability indicator separately (except for the percentage of sustainable investments).

For the year 2022, it was only described in a general way whether or not the targets were achieved.

***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The sub-fund promoted a combination of environmental and social characteristics and, even though it didn't have sustainable investments as an objective, the sub-fund invested 76.68% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this chapter only reflect the situation at the end of the financial year of the sub-fund and, for that reason, are not a reliable indicator for future results.

**(1) UN Sustainable Development Goals**

To support sustainable development, the sub-fund invested a part of its portfolio in issuers that contribute to the UN Sustainable Development Goals (including both social and environmental objectives).

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, were designated as 'sustainable investments'.

As of 28 April 2023, instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN Sustainable Development Goals, were also classified as "sustainable investments".

Governments were assessed on five pillars which contain indicators that can be linked to the 17 UN Sustainable Development Goals. If a government scored sufficiently well on one of these pillars and not significantly poor on the other pillars, the bonds of this government and its sub-governments and agencies were considered to be instruments that contribute to UN Sustainable Development Goals.

- The country is aligned with the ESG criteria: it has a score of at least 80 for one of the five pillars and does not score lower than 50 for any of the other pillars;
- The country is not excluded: it does not rank among the 50% most controversial regimes AND it does meet the criteria on respecting the sustainable principles AND it does not rank



among the 10% worst scoring countries of the universe.

Supranational government bonds were considered to contribute to the UN Sustainable Development Goals if either of the following criteria is met:

- at least half of its members contribute to the UN Sustainable Development Goals (weighted by voting power/full paid-in capital/percentage of population (in order of availability)).
- the mission statement of the supranational institution has a sustainable objective and less than half of its members fall in the worst-scoring half of the screening for controversial regimes.

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments of companies and governments.

## **(2) Bonds financing green and/or social projects**

To encourage the transition to a more sustainable world, the sub-fund invested a part of its portfolio in bonds financing green and/or social projects (that are aligned with the International Capital Market Association (ICMA) Green Bond Principles and Social Bond Principles on the Use of Proceeds). Instruments that meet these requirements were labelled 'sustainable investments'. The percentage of the portfolio invested in bonds financing green and/or social projects can be found in the table under the "How did the sustainability indicators perform" section of this annex.

### ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The sustainable investments that the sub-fund partially made did not cause significant harm to the sustainable investment objective through the negative screening. The sub-fund took into account the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 through the negative screening.

The negative screening amounts to the sub-fund's a priori exclusion of issuers from the Responsible Investment universe which fall foul the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, and companies active in the palm oil industry are subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These principles of negative screening are not exhaustive and may be modified on the advice of the Responsible Investing Advisory Board.

### ***How were the indicators for adverse impacts on sustainability factors taken into account?***

Through the exclusion policy for Responsible Investing funds and, in particular, the normative screening and ESG risk assessment, all indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account for instruments issued by companies. The sub-fund did not invest in companies that seriously violate the principles of the United Nations Global Compact and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, and any companies involved in serious controversies related to environmental, social or good governance issues are also excluded. Also excluded were companies that deviate significantly (score of -10) from any of the UN's first 15 Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk score of more than 40 according to data provider Sustainalytics.

For investments in instruments issued by countries, the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account by excluding countries in the worst 10%

according to the ESG score model, and by excluding countries that do not comply with sustainability principles and are exposed to controversial regimes.

In addition to the normative screening and ESG risk assessment, through the positive selection methodology on carbon intensity and the exclusions in the exclusion policy for Responsible Investment funds, the following indicators of principle adverse impacts on sustainability factors were also considered for all investments of this sub-fund:

- **Indicator 3:** greenhouse gas ('GHG') intensity of investee companies was taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector was taken into account as the sub-fund did not invest in companies that are active in the fossil fuel sector.
- **Indicator 10:** Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises was taken into account as the sub-fund did not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14:** exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) was taken into account as the sub-fund did not invest in companies that are active in controversial weapons.
- **Indicator 15:** GHG intensity of investee countries was taken into account through the carbon intensity reduction target for sovereign related investments.
- **Indicator 16:** Investee countries subject to social violations was taken into account as the sub-fund did not invest in (i) Countries that do not comply with sustainability principles and (ii) countries exposed to controversial regimes. More information can be found in the exclusion policy for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercised the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators of principal adverse impacts on sustainability factors that the sub-fund can take into account can be found in Annex I of Delegated Regulation (EU) 2022/1288.

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Yes.

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, were excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assessed the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures were taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?" of this annex.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do not significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



### How did this financial product consider principal adverse impacts on sustainability factors?

The principal adverse impacts on sustainability factors were explicitly taken into account for all investments of this sub-fund by the exclusion policies applied. In addition, the principle adverse impacts on sustainability factors were implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting. More information on the principal adverse impacts on sustainability factors can be found under the heading 'How were the indicators for adverse impacts on sustainability factors taken into account' of this Annex.



### What were the top investments of this financial product?

This list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 01/01/2023-31/12/2023

Largest investments	Sector	% assets	Country
KBC Part. Corporate Bds Responsible Investing -ISB	Financial Services	19.41%	Belgium
KBC Inst Fd Euro Bonds Responsible Investing -ISB	Financial Services	19.37%	Belgium
KBC Inst F World Eq Responsible Investing -ISB	Financial Services	11.01%	Belgium
KBC Bonds Strategic Broad 50/50 RI -ISB	Financial Services	8.30%	Luxembourg



### What was the proportion of sustainability-related investments?

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results. At the end of the year, the proportion of sustainable investments was 76.68%.

### What was the asset allocation?

Asset allocation describes the

The sub-fund could invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar

share of investments in specific assets.

as permitted by the applicable laws and regulations and consistent with the object as described in the prospectus under title "Information concerning the sub-fund Global Defensive 1 Responsible Investing".

Within these categories of eligible assets, the sub-fund invested 97.36% in assets that promote environmental or social characteristics and 2.64% in other investments. The category "other investments" contained technical items, such as cash and derivatives, and assets in which the sub-fund invests temporarily following a planned update of the eligible universe, which determines the assets that promote environmental and/or social characteristics, for which there are no environmental or social safeguards. The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.

Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Global Defensive 1 Responsible Investing' of the prospectus.

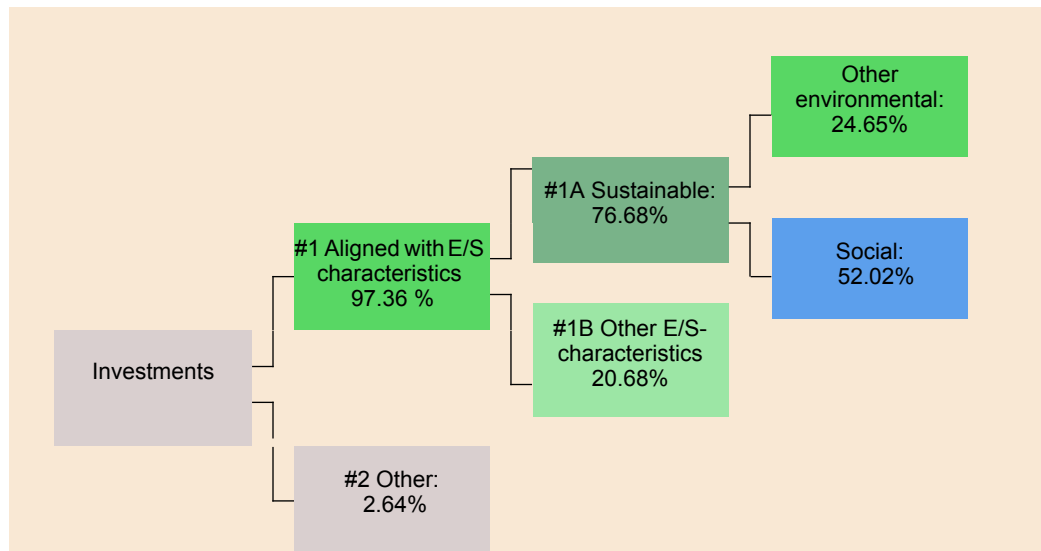
Investments in derivatives are not used to attain the environmental or social characteristics promoted by the financial product and will not affect them.

24.65% of the sustainable investments are environmentally sustainable investments and 52.02% are socially sustainable investments.

The sustainable investments are equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus investments in bonds that can be considered as bonds financing green and/or social projects, plus instruments that are considered "sustainable" by the Responsible Investing Advisory Board.

More information can be found at the section 'What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?' of this Annex.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

*In which economic sectors were the investments made?*

On 31/12/2023 the investments were made in the following sectors:

Sector	%Assets
National	24.61%
Banking	11.38%
Financial Services	8.53%
Supranationals	7.43%
Health Care	6.45%
Software & Tech Services	5.20%
Materials	4.89%
Tech Hardware & Semiconductors	4.63%
Real Estate	3.15%
Consumer Staple Products	2.99%
Telecommunications	2.93%
Media	2.85%
Retail & Wholesale - Discretionary	2.80%
Insurance	2.71%
Utilities	2.23%
Consumer Discretionary Products	2.14%
Consumer Discretionary Services	1.24%
Industrial Products	1.06%
Industrial Services	0.99%
Retail & Wholesale - Staples	0.80%
Renewable Energy	0.64%
Regional & Local	0.37%
Unclassifiable	0.02%
Not specified	0.00%

Sectors and sub-sectors of the economy that derive income from exploration, mining, extraction, production, processing, storage, refining or distribution - including transportation, storage and trading - in fossil fuels are excluded by the exclusion policy. Consequently, the sub-fund has not invested in these sectors and sub-sectors.

However, an exception is provided in the exclusion policy for investments in green bonds of these companies, which promote the energy transition. Consequently, for the portion invested in green bonds, there may be exposure to these sectors.



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework ("investments aligned with the EU Taxonomy"). Although the sub-fund does not aim to invest in investments aligned with the EU Taxonomy, it cannot be ruled out that the sub-fund does contain investments aligned with the EU Taxonomy. The percentage invested in EU Taxonomy-aligned investments was set at 31 December 2023. KBC Asset Management NV determined that insufficient reliable, timely and verifiable data from issuers or investee companies were available at that time for consistent reporting, and this based on its own research and services from data suppliers. The percentage invested in investments aligned with the EU Taxonomy was therefore set at 0%.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>(1)</sup>?**

Yes:

In fossil gas

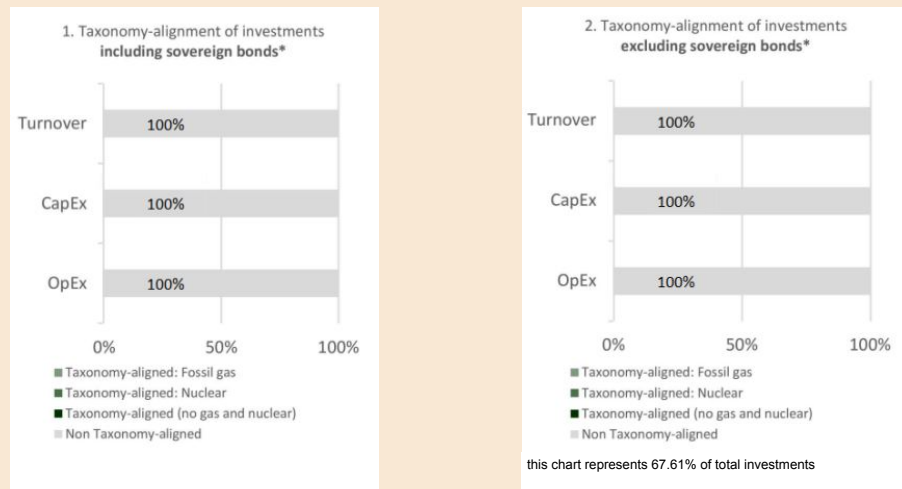
In nuclear energy



(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:  
 -turnover reflecting the share of revenue from green activities of investee companies.  
 -capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.  
 -operational expenditure (OpEx) reflecting green operational activities of investee companies.

**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy--alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\*For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

**What was the share of investments made in transitional and enabling activities?**

Not applicable.

**How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The previous reference period (which ran from 1 January 2022 tot 31 December 2022) also reported 0% on EU taxonomy-aligned investments.

KBC Asset Management NV determined, based on its own research and services from data suppliers, that insufficient reliable, timely and verifiable data of issuers in which investments were made were available for the previous and current financial year. The percentage of investments aligned with the EU taxonomy was therefore set at 0% for both reference periods.

**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

The sub-fund invested 76.68% in sustainable investments as defined by art. 2.17 SFDR. At the end of the financial year of the sub-fund, the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 24.65%.

Asset managers depend on available sustainability data relating to their investee companies. Currently, there is a lack of sustainability data available. This has created the risk that investment



are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities

funds currently report a very low percentage of investments that comply with the EU Taxonomy.



**What was the share of socially sustainable investments?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results. At the end of the financial year of the sub-fund, the share of socially sustainable investments was 52.02%,



**What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

At the end of the financial year, the "not sustainable" category may include the following investments:

Assets	Purpose of investments and presence of minimum environmental or social safeguards
Investments in cash	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in assets that no longer met screening criteria	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in derivatives	Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Global Defensive 1 Responsible Investing' of the prospectus. Investments in derivatives were not used to attain the environmental or social characteristics promoted by the sub-fund and did not affect them.

For investments included under "#2 not sustainable", there were no environmental or social safeguards.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The sub-fund

- promoted the integration of sustainability into the policy decisions of issuers (companies, governments, supranational debtors and/or agencies linked to governments), by preferring issuers with a better ESG (risk)score;
- promoted climate change mitigation, by preferring issuers with lower Carbon Intensity, with the objective of meeting a predetermined carbon intensity target;
- supported sustainable development , by including issuers that contribute to the UN Sustainable Development Goals;
- supported sustainable development by encouraging the transition to a more sustainable world via bonds financing green and/or social projects.

The sub-fund excluded issuers involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices were also excluded, and companies active in the palm oil industry were subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather were excluded. The negative screening also ensured that issuers based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) were excluded from the sub-fund's investment universe.

KBC Asset Management NV executed the voting rights of shares managed in the sub-fund according to the Proxy Voting and Engagement Policy. As such, KBC Asset Management monitored the companies in which the sub-fund is invested in, intervened with investee companies (avoiding insider information), took part in appropriate collective engagement

initiatives and exercised voting rights in a considered way. These responsibilities were executed in the exclusive concern of defending the interests of the investors of the funds.



### How did this financial product perform compared to the reference benchmark?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmarks MSCI All Countries World - Net Return Index en iBoxx Euro Corporate bonds Total Return Index were used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

For investments in instruments issued by governments, supranational debtors and/or government-linked agencies, the described reference portfolio of global government bonds was used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

More information can be found in the table under the "How did the sustainability indicators perform" section of this annex.

● ***How does the reference benchmark differ from a broad market index?***

Not applicable.

● ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

● ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

● ***How did this financial product perform compared with the broad market index?***

Not applicable.



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# 2. Information on KBC Institutional Fund Global Responsible Investing

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### **Classic Shares Capitalisation**

Launch date: 29 September 2000

Initial subscription price: 2 500 EUR

Currency: EUR

#### **Classic Shares Distribution**

Launch date: 29 September 2000

Initial subscription price: 2 500 EUR

Currency: EUR

#### **Institutional Shares Capitalisation**

Launch date: 6 September 2011

Initial subscription price: 2 905.92 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 and bonds.

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

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

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

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

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

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

## Permitted derivatives transactions

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

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

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

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

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

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

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

## Strategy selected

The sub-fund invests directly or indirectly in various asset classes, such as shares and/or share-related investments, bonds and/or bond-related investments, money market instruments, cash and/or alternative investments (including real estate and financial instruments that are linked to price movements on the commodity market).

The target allocation for the asset classes is 40% shares and/or share-related investments ('the stock component') and 60% bonds and/or bond-related investments ('the bond component'). It is permitted to deviate from the target allocation. It is therefore possible for the sub-fund to invest in asset classes that are not included in the target allocation.

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

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

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

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

The sub-fund is compliant with the transparency obligations of article 11 (1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'). More information on how the sub-fund promotes environmental and social characteristics can be found in the 'Annex for KBC Institutional Fund Global Responsible Investing' of this annual report. This annex specifically covers the periodic reports for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

### Negative screening

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

The application of these policies means that issuers involved in such activities like the tobacco industry, weapons,

gambling and adult entertainment are excluded from the sub-fund's investment universe. This screening also ensures that issuers who seriously violate fundamental principles of environmental protection, social responsibility and good governance are excluded from the sub-fund's investment universe.

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

#### Positive selection methodology

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

- (1) promote the integration of sustainability into the policy decisions of issuers (companies, governments, supranational debtors and/or agencies linked to governments), by preferring issuers with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and
- (2) promote climate change mitigation, by preferring issuers with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;
- (3) support sustainable development, by including issuers that contribute to the **UN Sustainable Development Goals** and
- (4) support sustainable development by encouraging the transition to a more sustainable world via **bonds financing green and/or social projects**.

The sub-fund's targets are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

#### (1) ESG-score

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

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

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

- In the case of instruments issued by national governments, supranational debtors and/or agencies linked to governments, the following five pillars are used
  - overall economic performance and stability (e.g., quality of institutions and government);
  - socio-economic development and health of the population (e.g., education and employment);
  - equality, freedom and the rights of all citizens;
  - environmental policy (e.g., climate change); and
  - security, peace and international relations.

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

To achieve this objective, the ESG score of the portfolio for companies is compared to following benchmarks: MSCI All Countries World - Net Return Index en iBoxx Euro Corporate bonds Total Return Index.

The ESG score for countries of the portfolio is compared to a reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).

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

The targets can be revised upwards or downwards.

#### (2) Carbon Intensity

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

The contribution of issuers to climate change mitigation is measured based on their carbon intensity. For companies, carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO<sub>2</sub> equivalent), divided by revenues (in mln USD). For countries, it is defined as the greenhouse gas emissions (in tonnes CO<sub>2</sub> equivalent), divided by the Gross Domestic Product (in current prices, in mln USD).

The targets for instruments issued by companies are different from those for instruments issued by national governments, supranational debtors and/or government-linked agencies.

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

The targets may be revised upwards or downwards.

### **(3) UN Sustainable Development Goals**

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

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

Governments are assessed on the five pillars as described in the ESG score, which contain indicators that can be linked to the 17 UN Sustainable Development Goals. If a government scores sufficiently well on one of these pillars and not significantly poor on the other pillars, the bonds of this government and its sub-governments and agencies are considered to be instruments that contribute to sustainable development. Bonds of supranational governments contribute to the UN's Sustainable development goals if one of the two criteria is met:

- at least half of its members contribute to the UN Sustainable Development Goals (weighted by voting power/full paid-in capital/percentage of population (in order of availability)).
- the mission statement of the supranational institution has a sustainable objective and less than half of its members fall in the worst half of the screening for controversial regimes.

In addition, the Responsible Investing Advisory Board can award the "sustainable development" label to instruments. More information about this and the concrete goals of the sub-fund can be found at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds .

The targets may be revised upwards or downwards.

### **(4) Bonds financing green and/or social projects**

To encourage the transition to a more sustainable world, the sub-fund commits to invest a minimum proportion of the portfolio in bonds financing green and/or social projects. Bonds whose proceeds will be used exclusively to finance (a combination of) green and social projects that are aligned with the International Capital Market Association (ICMA) Green Bond Principles and Social Bond Principles on the Use of Proceeds are considered bonds financing green and/or social projects. Instruments that meet these requirements are labelled 'sustainable investments', in line with article 2(17) SFDR.

More information on bonds financing green and/or social projects and the concrete goals of the sub-fund can be found at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

The targets may be revised upwards or downwards.

### **Potential Exceptions**

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

- Developments as a result of which an issuer can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible issuer based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

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

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

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.

The fund is actively managed with reference to the following benchmark: 30% iBoxx EURO corporate ALL Maturities - Total Return Index, 30% JP Morgan EMU Government Bonds Investment Grade ALL Maturities - Total Return Index, 40% MSCI All Countries 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 responsible character of the portfolio. The responsible character is guaranteed by the aforementioned Responsible Investing methodology.

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

The longterm expected tracking error for this fund is 1.50%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

### **Taxonomy related information**

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

### **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors were explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. The principal adverse impacts on sustainability factors that were taken into account through the exclusion policies can be found in the 'Annex for KBC Institutional Fund Global Responsible Investing'.

The principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy. The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy can be found in the 'Annex for KBC Institutional Fund Global Responsible Investing'.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Institutional Fund Global Responsible Investing'.

### **Required disclaimers for benchmark providers:**

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## Characteristics of the bonds and debt instruments

The sub-fund invests in bonds and debt instruments issued by both companies and public authorities.

The sub-fund invests directly and/or indirectly at least 90% of its assets in bonds and debt instruments

- in securities rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies: Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or
- in government bonds issued in local currency or non-subordinated corporate bonds\* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has an investment grade rating by at least one of the rating agencies mentioned above, and/or
- in money market instruments whose issuer has an investment grade rating (minimum A3/F3/P3 for short-term debt) from at least one of the above rating agencies.

This means that the sub-fund may invest up to 10% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or which do not comply with the above-mentioned credit requirements.

All maturities are taken into consideration in the selection of bonds and debt instruments.

\*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

## Investments in assets other than securities or money market instruments

**The sub-fund may invest primarily in permitted assets other than securities and money market instruments.**

### 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

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

## 2.1.5. Distributors

KBC Asset Management NV, Havenlaan 2, 1080 Brussels.

## 2.1.6. Index and benchmark

See 'Sub-fund's investment policy'.

## 2.1.7. Policy pursued during the financial year

The investment objective of the fund is to generate the highest possible return while adapting to changing market environments, using a fundamental 'hold-to-grow' approach. The asset allocation is derived from the main KBC AM strategy, tailored accordingly to meet the preferences and requirements of institutional clients.

## 2.1.8. Future policy

Future investment and the allocation to risky assets will be determined based on the KBC AM main strategy.

## 2.1.9. Summary risk indicator (SRI)



Classic Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: the bond component does not provide any protection against an increase in inflation.
- a moderate level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a real chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of credit risk: the bond component invests primarily - but not exclusively- in bonds with an investment grade rating. Consequently, the risk that an issuer can no longer meet its obligations is higher than in an investment that consists only of bonds with an investment grade rating. If investors are in doubt about the creditworthiness of the issuers of the bonds, the value of those bonds can fall.
- a moderate level of market risk: the level of the risk reflects the volatility of the equity component.
- a moderate level of performance risk: the level of the risk reflects the volatility of the equity component.

There is no capital protection.

Institutional Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: the bond component does not provide any protection against an increase in inflation.
- a moderate level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a real chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of credit risk: the bond component invests primarily - but not exclusively- in bonds with an investment grade rating. Consequently, the risk that an issuer can no longer meet its obligations is higher than in an investment that consists only of bonds with an investment grade rating. If investors are in doubt about the creditworthiness of the issuers of the bonds, the value of those bonds can fall.
- a moderate level of market risk: the level of the risk reflects the volatility of the equity component.
- a moderate level of performance risk: the level of the risk reflects the volatility of the equity component.

There is no capital protection.

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

The summary 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).

## 2.1.10. Leveraged finance

The total amount of leveraged finance used by the sub-fund is 0.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

## 2.1.11. Value-at-Risk

Not applicable

## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	271,454,080.46	156,294,672.10
II.	<b>Securities, money market instruments, UCIs and derivatives</b>		
E.	Open-end undertakings for collective investment	267,859,947.53	153,933,497.97
IV.	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	248.76	42,826.88
B.	Payables		
	a) Accounts payable (-)	-112,350.11	-755,671.85
V.	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	3,788,091.44	3,113,456.12
VI.	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-81,857.16	-39,437.02
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	271,454,080.46	156,294,672.10
A.	<b>Capital</b>	251,332,639.61	177,475,807.99
B.	<b>Income equalization</b>	20,199.23	61,853.03
D.	<b>Result of the bookyear</b>	20,101,241.62	-21,242,988.92

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds		-1,957,220.51
B.	Money market instruments		-496.98
E.	Open-end undertakings for collective investment	20,807,413.52	-19,068,794.15
F.	Derivative financial instruments		
	I) Financial indices		
	Futures and forward contracts	111,332.30	306,176.07
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	-12,344.45	-3,835.53
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	331,606.89	9,122,486.99
	Unrealised gains on investments	8,489,513.90	-12,233,571.55
	Realised losses on investments	-564,969.79	-5,453,199.23
	Unrealised losses on investments	12,650,250.37	-12,159,887.31
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	a) Securities and money market instruments		201,907.47
	b) Cash at bank and in hand and deposits	117,088.67	10,383.24
C.	Interest on borrowings (-)	-13.26	-4,469.66
<b>III.</b>	<b>Other income</b>		
B.	Other		15,005.07
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-254,028.06	-393,834.77
B.	Financial expenses (-)	-493.78	-762.03
C.	Custodian's fee (-)		-4,057.41
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-281,335.86	-105,160.96
	Institutional Shares	-126,423.30	-66,518.73
	b) Administration and accounting management	-210,593.61	-145,944.41
	c) Commercial fee	-625.00	-625.00
E.	Administrative expenses (-)	0.21	-0.43
F.	Formation and organisation expenses (-)	-1,058.68	-11,398.49
G.	Remuneration, social security charges and pension	-41.70	-22.19
H.	Services and sundry goods (-)	-1,626.12	-2,777.10
J.	Taxes		
	Classic Shares	-2,226.66	-1,317.40
	Institutional Shares	-319.40	-76.34
L.	Other expenses (-)	-43,463.20	-9,148.68
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-805,159.75	-518,817.82
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	20,101,241.62	-21,242,988.92
<b>VII.</b>	<b>Result of the bookyear</b>	20,101,241.62	-21,242,988.92

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	20,121,440.85	-21,181,135.89
	Profit for the period available for appropriation	20,101,241.62	-21,242,988.92
	Income on the creation of shares (income on the cancellation of shares)	20,199.23	61,853.03
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-19,974,343.77	21,305,688.69
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-147,097.08	-124,552.80

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Global Responsible Investing

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Open-end funds							
UCITS registered with the FSMA							
<u>Bond funds</u>							
KBC INSTITUTIONAL FUND KBCIF EURO BONDS RI ISB_CAP	50,450.00	EUR	893.630	45,083,633.50	5.37	16.83	16.61
KBC PARTICIPATION SRI CORPORATE BONDS IS B KAP	35,893.00	EUR	1,256.580	45,102,425.94	0.85	16.84	16.62
KBC BONDS HIGH INTEREST RI IB CAP	17,516.00	EUR	915.340	16,033,095.44	4.73	5.99	5.91
KBC BONDS STRAT BROAD 25-75 RI IB CAP	19,958.00	EUR	927.760	18,516,234.08	0.68	6.91	6.82
KBC BONDS STRAT BROAD 50-50 RI IB CAP	20,083.00	EUR	921.260	18,501,664.58	0.68	6.91	6.82
KBC BONDS STRAT BROAD 75-25 RI IB CAP	20,417.00	EUR	905.480	18,487,185.16	0.68	6.90	6.81
<u>Equity funds</u>							
KBC ECO FUND ALT. ENERGY RESPONSIBLE INVEST IB C	9,530.00	EUR	593.670	5,657,675.10	1.93	2.11	2.08
KBC EQUITY FUND EM MARKETS RESPONSIBLE INVESTING IB	7,414.00	EUR	1,460.860	10,830,816.04	1.03	4.04	3.99
KBC EQUITY FUND EMU SMALL & MED CAPS RESPONSIBLE INV	2,072.00	EUR	1,306.670	2,707,420.24	2.48	1.01	1.00
KBC INSTITUTIONAL FUND KBCIF ASIA PACIFIC RI ISB_CAP	5,648.00	EUR	1,032.120	5,829,413.76	6.27	2.18	2.15
KBC INSTITUTIONAL FUND KBCIF EURO EQUITIES RI ISB_CAP	889.00	EUR	4,055.930	3,605,721.77	0.83	1.35	1.33
KBC INSTITUTIONAL FUND RI NORTH AMERICA IB C	28,565.00	EUR	1,058.670	30,240,908.55	6.52	11.29	11.14
KBC INSTITUTIONAL FUND RI REST OF EUROPE IB C	5,553.00	EUR	1,021.260	5,671,056.78	5.12	2.12	2.09
KBC INSTITUTIONAL FUND RI WORLD EQUITY INSTITUTIONAL B SHA	2,699.00	EUR	15,410.410	41,592,696.59	2.34	15.53	15.32
Total investment funds				267,859,947.53		100.00	98.68
TOTAL SECURITIES PORTFOLIO				267,859,947.53		100.00	98.68
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	361.92	AUD	1.000	223.56		0.00	0.00
KBC GROUP CAD	103.20	CAD	1.000	70.85		0.00	0.00
KBC GROUP EURO	3,705,853.64	EUR	1.000	3,705,853.64		0.00	1.37
KBC GROUP GBP	21,574.17	GBP	1.000	24,897.25		0.00	0.01
KBC GROUP JPY	3,885,681.00	JPY	1.000	24,950.83		0.00	0.01
KBC GROUP TRY	3.79	TRY	1.000	0.12		0.00	0.00
KBC GROUP USD	35,453.95	USD	1.000	32,095.19		0.00	0.01
Total demand accounts				3,788,091.44		0.00	1.40
TOTAL CASH AT BANK AND IN HAND				3,788,091.44		0.00	1.40
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	248.76	EUR	1.000	248.76		0.00	0.00
Total receivables				248.76		0.00	0.00
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-112,350.11	EUR	1.000	-112,350.11		0.00	-0.04
Payables				-112,350.11		0.00	-0.04
TOTAL RECEIVABLES AND PAYABLES				-112,101.35		0.00	-0.04
OTHER							
Expenses payable		EUR		-81,857.16		0.00	-0.03
TOTAL OTHER				-81,857.16		0.00	-0.03
TOTAL NET ASSETS				271,454,080.46		0.00	100.00

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

The geographical distribution of the sub-fund's investments is calculated based on the geographical distribution of the underlying investments of the UCIs in which the sub-fund invests (look through).

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
United Arab Emirates	0.12	0.09	0.07	0.06
Argentina	0.08	0.07	0.08	0.04
Australia	1.02	1.15	1.35	1.27
Austria	1.87	1.81	2.14	1.53
Belgium	5.62	6.31	4.93	4.75
Bulgaria	0.00	0.00	0.00	0.08
Bermuda	0.02	0.06	0.09	0.12
Brazil	0.25	0.22	0.30	0.28
Canada	1.83	1.78	1.36	1.21
Switzerland	1.17	1.24	1.97	2.02
Chile	0.02	0.01	0.02	0.02
China	1.14	0.90	0.97	0.82
Colombia	0.03	0.02	0.02	0.02
Czech Republic	0.12	0.41	0.13	0.15
Cayman Islands	0.22	0.17	0.18	0.14
Cyprus	0.17	0.13	0.09	0.08
Germany	10.55	9.43	8.44	8.05
Denmark	0.54	0.68	0.83	0.93
Egypt	0.00	0.00	0.01	0.00
Spain	4.51	5.33	5.02	5.16
Europe	0.25	0.25	-0.24	0.23
Finland	0.80	0.74	0.56	0.63
France	15.15	14.60	11.92	12.01
U.K.	4.61	4.45	5.81	5.64
Greece	0.05	0.05	0.06	0.05
Hong Kong	0.69	0.61	0.59	0.50
Hungary	0.13	0.05	0.03	0.13
India	0.56	0.50	0.68	0.69
Indonesia	0.10	0.08	0.09	0.08
Ireland	1.59	1.58	1.90	1.96
Israel	0.00	0.01	0.00	0.01
Italy	5.60	5.99	4.91	6.09
Japan	1.97	2.10	2.87	2.93
South Korea	0.52	0.64	0.48	0.44
Latvia	0.00	0.06	0.15	0.19
Lithuania	0.00	0.00	0.10	0.15
Luxembourg	1.34	1.41	1.18	1.04
Mexico	0.73	0.60	0.45	0.38
Malaysia	0.13	0.12	0.07	0.05
Netherlands	6.17	5.88	6.29	5.49
Norway	0.63	0.88	0.73	0.62
New Zealand	0.05	0.06	0.02	0.06
Philippines	0.06	0.05	0.04	0.03
Poland	0.08	0.01	0.09	0.09
Portugal	0.43	0.42	0.34	0.32
Supranational	1.88	2.30	2.63	2.35
Romania	0.09	0.07	0.08	0.08
Singapore	0.23	0.22	0.23	0.14
Slovenia	0.05	0.02	0.00	0.00
Slovakia	0.16	0.14	0.25	0.24
Sweden	1.26	1.07	0.84	0.96
Thailand	0.12	0.09	0.08	0.05
Turkey	0.03	0.06	0.04	0.02
Taiwan	0.75	0.63	1.04	1.01
U.S.A.	23.26	23.28	26.29	26.30
Outside BLEU territory-(belgo-Lux ec	0.16	0.17	0.25	0.37
EU institutions outside BLEU terr.	0.91	0.83	0.96	1.79
South Africa	0.18	0.17	0.19	0.14
Zaire	0.00	0.00	0.00	0.01

TOTAL	100.00	100.00	100.00	100.00
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### Sector breakdown (as a % of securities portfolio)

The sectoral distribution of the sub-fund's investments is calculated based on the sectoral distribution of the underlying investments of the UCIs in which the sub-fund invests (look through).

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	7.09	6.98	6.55	
Consum(cycl)	8.76	8.08	9.03	
Cons.goods	6.07	6.01	6.24	
Pharma	6.41	6.08	6.66	
Financials	21.54	22.49	25.31	
Technology	9.40	9.07	12.74	
Telecomm.	2.80	2.66	3.05	
Utilities	1.36	1.34	1.29	
Real est.	2.35	2.21	2.74	
Governm.	33.12	34.02	25.03	
Various	1.10	1.06	1.36	
TOTAL	100.00	100.00	100.00	

	31/12/2023
National	21.09
Banking	10.87
Financial Services	7.88
Health Care	7.33
Software & Tech Services	6.35
Supranationals	6.32
Tech Hardware & Semiconductors	6.14
Materials	4.75
Media	3.24
Consumer Staple Products	3.20
Retail & Wholesale - Discretionary	3.20
Real Estate	3.12
Insurance	2.84
Telecommunications	2.74
Consumer Discretionary Products	2.44
Utilities	2.28
Industrial Products	1.44
Industrial Services	1.33
Consumer Discretionary Services	1.26
Retail & Wholesale - Staples	0.98
Renewable Energy	0.90
Regional & Local	0.32
Unclassifiable	-0.02
Not specified	0.00
TOTAL	100.00

*The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.*

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

The currency distribution of the sub-fund's investments is calculated based on the currency distribution of the underlying investments of the UCIs in which the sub-fund invests (look through).

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
AUSTRALIAN DOLLAR	0.54	0.66	0.78	0.76
BRASILIAN REAL	0.38	0.42	0.63	0.58
CANADIAN DOLLAR	1.40	1.32	1.09	0.97
SWISS FRANC	1.01	1.07	1.14	1.20
CHILEAN PESO	0.08	0.06	0.08	0.08
CHINESE RENMINBI OFFSHORE CURR	0.00	0.11	0.06	0.00
YUAN CHINA	0.43	0.29	0.41	0.44
PESO COLUMBIA	0.07	0.02	0.07	0.07
CZECH KORUNA	0.11	0.40	0.11	0.11
DANISH KRONE	0.35	0.37	0.42	0.56
EURO	64.36	64.34	60.78	60.66
POUND STERLING	1.78	1.45	1.61	1.82
HONG KONG DOLLAR	1.49	1.12	1.20	0.91
HUNGARIAN FORINT	0.08	0.00	0.03	0.06
INDONESIAN RUPIAH	0.37	0.43	0.45	0.35
SHEQUEL ISRAEL	0.00	0.00	0.00	0.01
INDIE RUPEE	0.55	0.49	0.74	0.82
JAPANESE YEN	1.91	2.09	3.01	3.19
KOREAN WON	0.46	0.37	0.34	0.35
MEXICAN PESO	0.32	0.39	0.44	0.33
MALAYSIAN RINGGIT	0.13	0.12	0.07	0.05
NORWEGIAN KRONE	0.28	0.53	0.29	0.23
NEW ZEALAND DOLLAR	0.05	0.06	0.02	0.05
PESO	0.06	0.05	0.04	0.03
POLISH ZLOTY	0.15	0.08	0.14	0.13
SWEDISH KRONA	0.39	0.32	0.26	0.33
SINGAPORE DOLLAR	0.20	0.20	0.19	0.14
THAI BATH	0.12	0.09	0.08	0.05
NEW TURKISH LIRA	0.05	0.08	0.05	0.04
NEW TAIWAN DOLLAR	0.77	0.65	1.04	1.01
US DOLLAR	21.77	22.07	24.06	24.35
SOUTH AFRICAN RAND	0.34	0.35	0.37	0.32
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Global Responsible Investing (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	68,831,844.22	53,360,638.71	122,192,482.93
<b>Sales</b>	17,613,024.54	11,639,200.92	29,252,225.46
<b>Total 1</b>	86,444,868.76	64,999,839.63	151,444,708.39
<b>Subscriptions</b>	57,497,254.19	50,874,688.92	108,371,943.11
<b>Redemptions</b>	3,421,772.04	8,974,615.45	12,396,387.49
<b>Total 2</b>	60,919,026.23	59,849,304.37	120,768,330.60
<b>Monthly average of total assets</b>	182,589,178.78	239,138,765.65	211.335.218.77
<b>Turnover rate</b>	13.98%	2.15%	14.52%

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: 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
2021 - 12	5,716.65	1,112.00	426.00	30.00	14,587.53	1,897.86	16,485.39
2022 - 12	5,704.50	291.45	1,911.88	12.00	18,380.15	2,177.31	20,557.46
2023 - 12	12,321.17	191.05	1,081.31	1,134.00	29,620.01	1,234.36	30,854.37

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	30,829,464.71	4,351,720.79	2,333,080.02	119,293.62
2022 - 12	29,472,703.18	1,104,419.81	10,511,025.08	41,518.68
2023 - 12	62,605,921.42	679,156.22	5,509,968.80	4,016,224.42

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	90,307,741.61	5,656.77	4,104.35
2022 - 12	97,282,869.52	4,880.60	3,479.84
2023 - 12	162,955,607.88	5,345.21	3,751.25

### Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	2,521.45		1,277.85		8,528.45		8,528.45
2022 - 12	3,551.27		13.70		12,066.02		12,066.02
2023 - 12	8,716.80		542.42		20,240.40		20,240.40

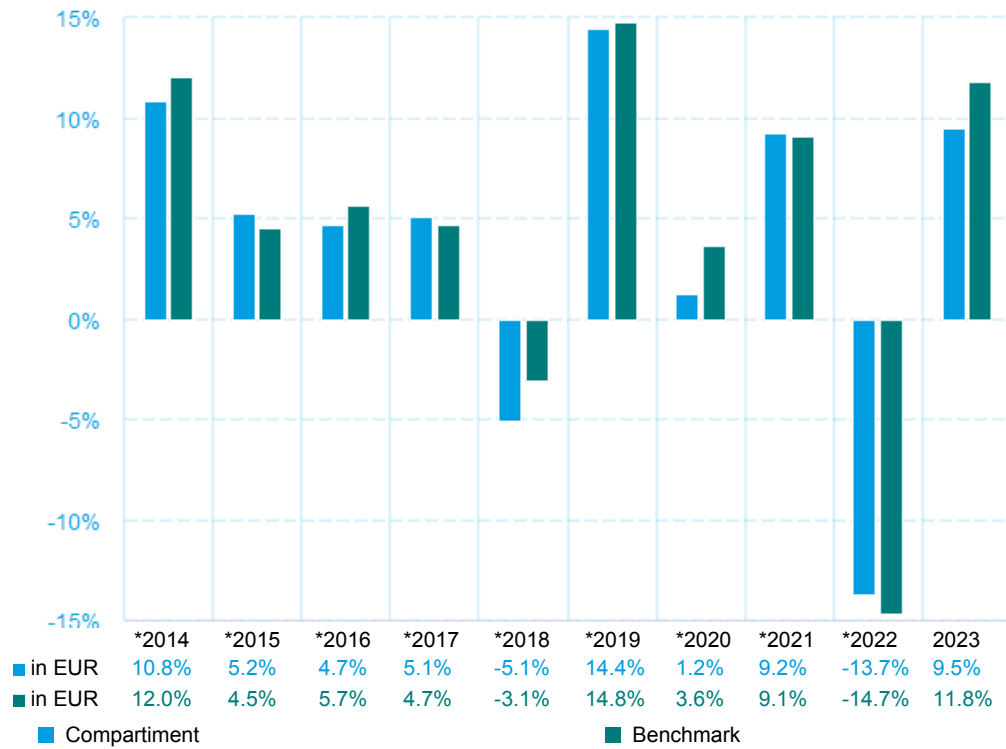
Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	13,989,305.67		7,254,930.18	
2022 - 12	19,071,669.44		72,426.26	
2023 - 12	44,303,234.03		2,874,379.41	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	48,342,535.65	5,668.38	
2022 - 12	59,011,802.58	4,890.74	
2023 - 12	108,498,472.58	5,360.49	

## 2.4.5. Performance figures

**Classic Shares**

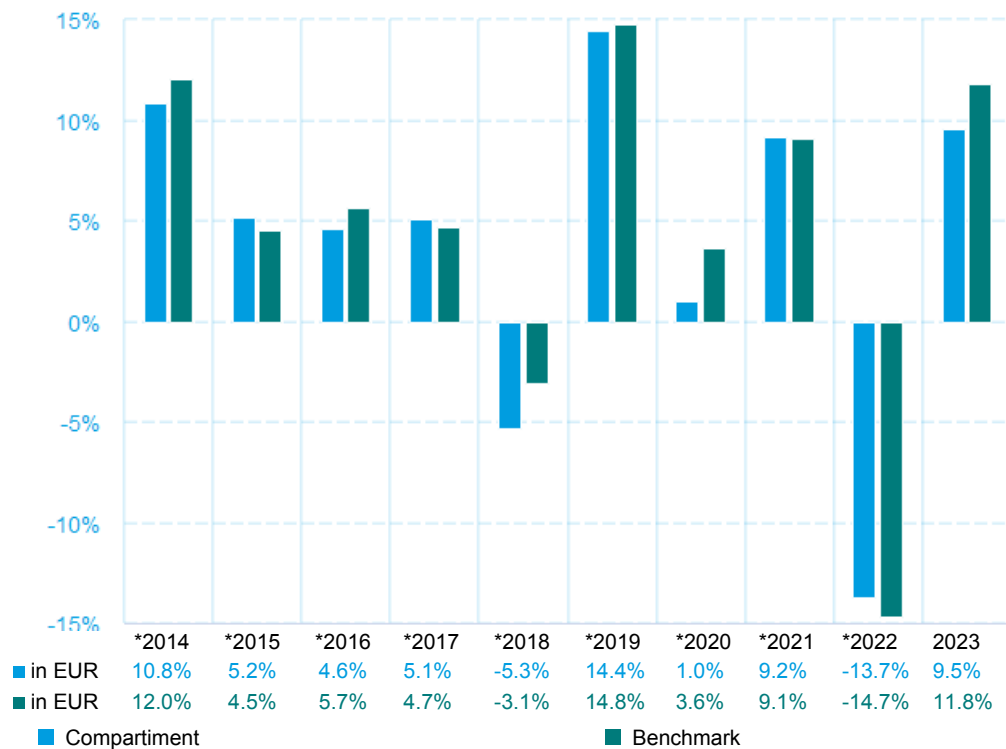
BE0174966755  
 KBC Institutional Fund Global Responsible Investing Classic Shares CAP  
 Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

**Classic Shares**

BE0945776269  
 KBC Institutional Fund Global Responsible Investing Classic Shares DIS  
 Annual performance compared to the benchmark on 31/12/2023 (in EUR)



\* 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
CAP	BE0174966755	EUR	9.52%	11.79%	1.05%	1.32%	3.63%	4.35%	3.82%	4.50%	29/09/2000	3.32%
DIS	BE0945776269	EUR	9.55%	11.79%	1.05%	1.32%	3.59%	4.35%	3.77%	4.50%	29/09/2000	3.59%

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.
- 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

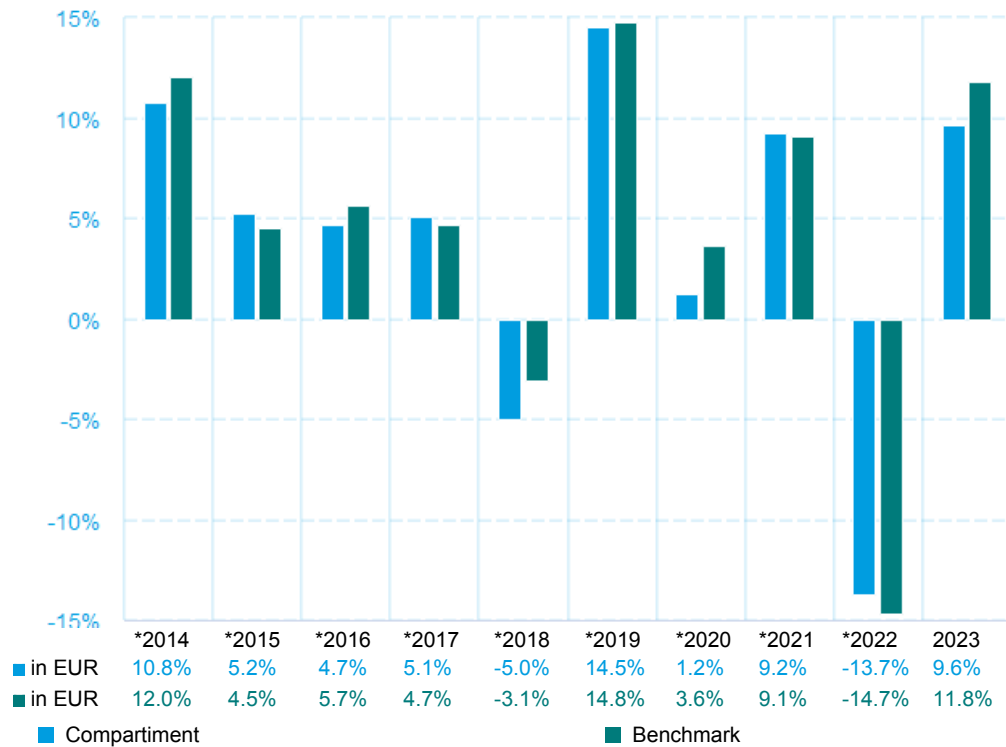
from which C = C0 \* ... \* CN.

- 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

Dividend on ex-dividend date 28/03/2024: 83,4182 net (119,1688 gross).

## Institutional Shares

BE6225963188  
KBC Institutional Fund Global Responsible Investing Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



\* 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
CAP	BE6225963188	EUR	9.60%	11.79%	1.09%	1.32%	3.67%	4.35%	3.84%	4.50%	06/09/2011	5.10%

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.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\left[ \frac{NIW(D)}{NIW(Y)} \right]^{1/X} - 1$$
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 Capitalisation :

Ongoing charges : 0,914%  
Transaction costs: 0,024%

#### Classic Shares Distribution :

Ongoing charges : 0,889%  
Transaction costs: 0,024%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,833%  
Transaction costs: 0,024%

Percentage calculated at reporting date: 31 December 2023 .

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

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 52,90% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.55%	per yearcalculated on the basis of the average total net assets of the sub-fund.  For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.  KBC Fund Management Limited receives a fee from the management company of max. 0,46% per year calculated on the basis of the average total net assets of the sub-fund, without the total fees and charges received by the management company being exceeded.  (* ) 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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of

		the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.015%	of the net assets of the sub-fund per year.

### Institutional Shares

Fee for managing the investment portfolio	Max 0.46%	per year calculated on the basis of the average total net assets of the sub-fund.  For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.  KBC Fund Management Limited receives a fee from the management company of max. 0,46% per year calculated on the basis of the average total net assets of the sub-fund, without the total fees and charges received by the management company being exceeded.  (* ) 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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.015%	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.

### Management fees

Name	Maximum management fee
KBC Institutional Fund - Euro Bonds Responsible Investing - Institutional B Shares	0.55%
KBC Participation - Corporate Bonds Responsible Investing - Institutional B Shares	1.25%
KBC Bonds - High Interest Responsible Investing - Institutional B Shares Capitalisation	1.20%
KBC Bonds - Strategic Broad 25/75 Responsible Investing - Institutional B Shares Capitalisation	1.10%
KBC Bonds - Strategic Broad 50/50 Responsible Investing - Institutional B Shares Capitalisation	1.10%
KBC Bonds - Strategic Broad 75/25 Responsible Investing - Institutional B Shares Capitalisation	1.10%
KBC Eco Fund - Alternative Energy Responsible Investing - Institutional B Shares	1.50%
KBC Equity Fund - Emerging Markets Responsible Investing - Institutional B Shares	1.70%
KBC Equity Fund - EMU Small & Medium Caps Responsible Investing - Institutional B Shares	1.60%
KBC Institutional Fund - Asia Pacific Responsible Investing - Institutional B Shares	0.40%
KBC Institutional Fund - Euro Equities Responsible Investing - Institutional B Shares	0.55%
KBC Institutional Fund - North America Responsible Investing - Institutional B Shares EUR	0.40%
KBC Institutional Fund - Rest Of Europe Responsible Investing - Institutional B Shares	0.40%
KBC Institutional Fund - World Equity Responsible Investing - Institutional B Shares	0.55%



**Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**  
KBC Institutional Fund Global Responsible Investing

**Legal entity identifier:**  
549300HRG58P10NZVR74

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Did this financial product have a sustainable investment objective?**

Yes    No

<p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b>: %</p> <p style="margin-left: 40px;"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective</b>: %</p>	<p><input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 76.10% of sustainable investments</p> <p style="margin-left: 40px;"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>
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**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

This sub-fund:

- has promoted the integration of sustainability into the policy decisions of issuers (companies, governments, supranational debtors and/or agencies linked to governments) by preferring issuers with a better ESG (risk)score;
- has promoted climate change mitigation by preferring issuers with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;
- has supported sustainable development by including issuers that contribute towards achieving the UN Sustainable Development Goals;
- has supported sustainable development by encouraging the transition to a more sustainable world via bonds financing green and/or social projects.

The specific objectives of the sub-fund can be found in the table under title 'How did the

sustainability indicators perform?' of this annex.

The sub-fund invested 76.10% of the assets in "sustainable investments" as defined by art. 2.17 SFDR and 21.53% in other investments aligned with environmental or social characteristics.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmarks MSCI All Countries World - Net Return Index en iBoxx Euro Corporate bonds Total Return Index are used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

For investments in instruments issued by governments, supranational debtors and/or government-linked agencies, the described reference portfolio of global government bonds is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

### How did the sustainability indicators perform?

**Sustainability indicators**  
measure how the environmental or social characteristics promoted by the financial product are attained.

	Target	Target applied	Actuals	Objective attained
<b>Instruments issued by companies</b>				
ESG risk score	10% better than the following benchmarks: MSCI All Countries World - Net Return Index and iBoxx Euro Corporate bonds Total Return Index.	18.96	18.24	Yes
Carbon Intensity	A reduction of 50% by 2030 based on the following benchmarks: MSCI All Countries World - Net Return Index and iBoxx Euro Corporate bonds Total Return Index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%.	114.89	54.26	Yes
Bonds financing green and/or social projects	A minimum of 10% of corporate bonds invested in should qualify as bonds financing green and/or social projects.	10	17.05	Yes
<b>Instruments issued by governments, supranational debtors and/or agencies linked to governments</b>				
ESG Score	10% better than the reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).	0.77	0.81	Yes
Carbon Intensity	25% better than the reference portfolio of global government bonds (composed of the following benchmarks: 67% developed markets: J.P. Morgan GBI Global Unhedged EUR and 33% emerging markets: J.P. Morgan GBI-EM Global Diversified Composite Unhedged EUR).	422.53	378.77	Yes
Bonds financing green and/or social projects	A minimum of 10% of the investments in bonds issued by governments, supranational debtors and/or agencies linked to governments should qualify as bonds financing green and/or social projects.	10	27.04	Yes
<b>Minimum % Sustainable Investments</b>	A minimum of 30% of sustainable investments.	30	76.10	Yes
<b>Other specific objectives</b>	not applicable			

As indicated in the table above, the sub-fund has reached all targets during the reference period.

The sub-fund pursued these objectives (directly or indirectly) based on a dualistic approach: the negative screening and the positive selection methodology. As of April 28, 2023, instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals were classified as "sustainable investments," which triggered a change in these objectives. The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the objectives and results achieved described in this chapter only reflect the situation at the end of sub-fund's financial year and, for this reason, are not a reliable indicator for future results.

All targets are also monitored by KBC Asset Management at month-end. Given the difference in the periodicity of the calculations, it cannot be excluded that the monitoring at month-end leads to different results than the situation at the end of the financial year as shown in the table above and section 2.1.7 of the general annual report.

No breaches at month-end have been identified for this sub-fund.

**... and compared to previous periods?**

<b>Sustainability indicators</b>	<b>Achieved result</b>	<b>Achieved result</b>
	<b>31/12/2022</b>	<b>31/12/2023</b>
<b>Instruments issued by companies</b>		
ESG risk score		18.24
Carbon Intensity		54.26
Bonds financing green and/or social projects		17.05
<b>Instruments issued by governments, supranational debtors and/or agencies linked to governments</b>		
ESG Score		0.81
Carbon Intensity		378.77
Bonds financing green and/or social projects		27.04
<b>Sustainable Investments</b>	69.00	76.10

For both reporting periods, the results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year. Therefore, they are not a reliable indicator of future results.

For the reporting period 01/01/2022 - 31/12/2022, the results achieved were not reported for each sustainability indicator separately (except for the percentage of sustainable investments).

For the year 2022, it was only described in a general way whether or not the targets were achieved.

***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The sub-fund promoted a combination of environmental and social characteristics and, even though it didn't have sustainable investments as an objective, the sub-fund invested 76.10% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this chapter only reflect the situation at the end of the financial year of the sub-fund and, for that reason, are not a reliable indicator for future results.

**(1) UN Sustainable Development Goals**

To support sustainable development, the sub-fund invested a part of its portfolio in issuers that contribute to the UN Sustainable Development Goals (including both social and environmental objectives).

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, were designated as 'sustainable investments'.

As of 28 April 2023, instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN Sustainable Development Goals, were also classified as "sustainable investments".

Governments were assessed on five pillars which contain indicators that can be linked to the 17 UN Sustainable Development Goals. If a government scored sufficiently well on one of these pillars and not significantly poor on the other pillars, the bonds of this government and its sub-governments and agencies were considered to be instruments that contribute to UN Sustainable Development Goals.

- The country is aligned with the ESG criteria: it has a score of at least 80 for one of the five pillars and does not score lower than 50 for any of the other pillars;
- The country is not excluded: it does not rank among the 50% most controversial regimes AND it does meet the criteria on respecting the sustainable principles AND it does not rank

among the 10% worst scoring countries of the universe.

Supranational government bonds were considered to contribute to the UN Sustainable Development Goals if either of the following criteria is met:

- at least half of its members contribute to the UN Sustainable Development Goals (weighted by voting power/full paid-in capital/percentage of population (in order of availability)).
- the mission statement of the supranational institution has a sustainable objective and less than half of its members fall in the worst-scoring half of the screening for controversial regimes.

In addition, the Responsible Investing Advisory Board can award the 'sustainable development' label to instruments of companies and governments.

## **(2) Bonds financing green and/or social projects**

To encourage the transition to a more sustainable world, the sub-fund invested a part of its portfolio in bonds financing green and/or social projects (that are aligned with the International Capital Market Association (ICMA) Green Bond Principles and Social Bond Principles on the Use of Proceeds). Instruments that meet these requirements were labelled 'sustainable investments'. The percentage of the portfolio invested in bonds financing green and/or social projects can be found in the table under the "How did the sustainability indicators perform" section of this annex.

### ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The sustainable investments that the sub-fund partially made did not cause significant harm to the sustainable investment objective through the negative screening. The sub-fund took into account the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 through the negative screening.

The negative screening amounts to the sub-fund's a priori exclusion of issuers from the Responsible Investment universe which fall foul the exclusion policies.

The application of these policies means that issuers involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, and companies active in the palm oil industry are subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather are excluded. The negative screening also ensures that issuers based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These principles of negative screening are not exhaustive and may be modified on the advice of the Responsible Investing Advisory Board.

### ***How were the indicators for adverse impacts on sustainability factors taken into account?***

Through the exclusion policy for Responsible Investing funds and, in particular, the normative screening and ESG risk assessment, all indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account for instruments issued by companies. The sub-fund did not invest in companies that seriously violate the principles of the United Nations Global Compact and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, and any companies involved in serious controversies related to environmental, social or good governance issues are also excluded. Also excluded were companies that deviate significantly (score of -10) from any of the UN's first 15 Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk score of more than 40 according to data provider Sustainalytics.

For investments in instruments issued by countries, the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account by excluding countries in the worst 10%

according to the ESG score model, and by excluding countries that do not comply with sustainability principles and are exposed to controversial regimes.

In addition to the normative screening and ESG risk assessment, through the positive selection methodology on carbon intensity and the exclusions in the exclusion policy for Responsible Investment funds, the following indicators of principle adverse impacts on sustainability factors were also considered for all investments of this sub-fund:

- **Indicator 3:** greenhouse gas ('GHG') intensity of investee companies was taken into account through the carbon intensity reduction target for companies.
- **Indicator 4:** exposure to companies active in the fossil fuel sector was taken into account as the sub-fund did not invest in companies that are active in the fossil fuel sector.
- **Indicator 10:** Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises was taken into account as the sub-fund did not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14:** exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) was taken into account as the sub-fund did not invest in companies that are active in controversial weapons.
- **Indicator 15:** GHG intensity of investee countries was taken into account through the carbon intensity reduction target for sovereign related investments.
- **Indicator 16:** Investee countries subject to social violations was taken into account as the sub-fund did not invest in (i) Countries that do not comply with sustainability principles and (ii) countries exposed to controversial regimes. More information can be found in the exclusion policy for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercised the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators of principal adverse impacts on sustainability factors that the sub-fund can take into account can be found in Annex I of Delegated Regulation (EU) 2022/1288.

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Yes.

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, were excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assessed the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures were taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?" of this annex.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do not significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



### How did this financial product consider principal adverse impacts on sustainability factors?

The principal adverse impacts on sustainability factors were explicitly taken into account for all investments of this sub-fund by the exclusion policies applied. In addition, the principle adverse impacts on sustainability factors were implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting. More information on the principal adverse impacts on sustainability factors can be found under the heading 'How were the indicators for adverse impacts on sustainability factors taken into account' of this Annex.



### What were the top investments of this financial product?

This list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is:  
01/01/2023-31/12/2023

Largest investments	Sector	% assets	Country
KBC Part. Corporate Bds Responsible Investing -ISB	Financial Services	16.65%	Belgium
KBC Inst Fd Euro Bonds Responsible Investing -ISB	Financial Services	16.60%	Belgium
KBC Inst F World Eq Responsible Investing -ISB	Financial Services	14.90%	Belgium
KBC Inst F N.Am. Responsible Investing -ISB EUR	Financial Services	10.95%	Belgium



### What was the proportion of sustainability-related investments?

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results. At the end of the year, the proportion of sustainable investments was 76.10%.



### What was the asset allocation?

Asset allocation describes the

The sub-fund could invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar

share of investments in specific assets.

as permitted by the applicable laws and regulations and consistent with the object as described in the prospectus under title "Information concerning the sub-fund Global Responsible Investing".

Within these categories of eligible assets, the sub-fund invested 97.63% in assets that promote environmental or social characteristics and 2.37% in other investments. The category "other investments" contained technical items, such as cash and derivatives, and assets in which the sub-fund invests temporarily following a planned update of the eligible universe, which determines the assets that promote environmental and/or social characteristics, for which there are no environmental or social safeguards. The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.

Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Global Responsible Investing' of the prospectus.

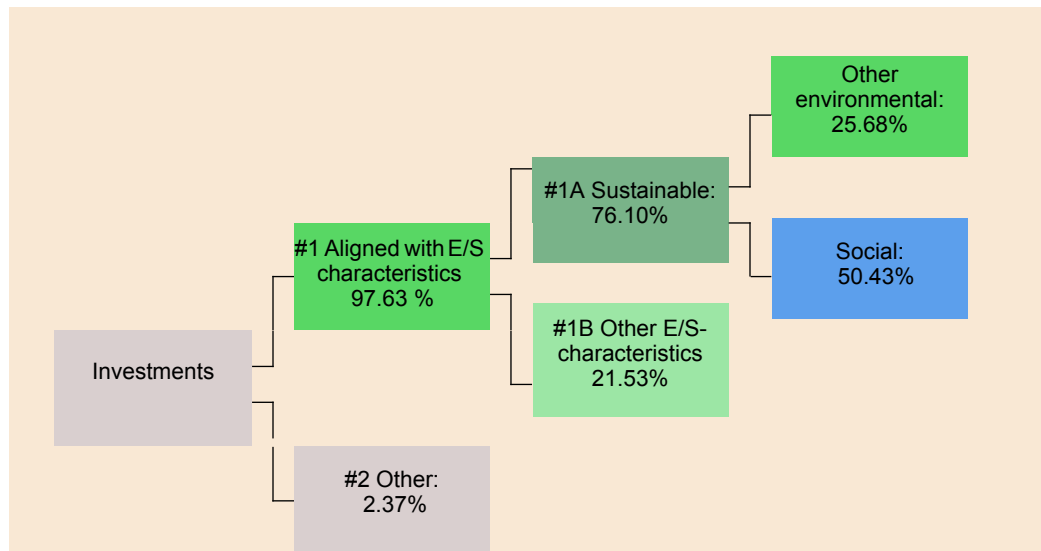
Investments in derivatives are not used to attain the environmental or social characteristics promoted by the financial product and will not affect them.

25.68% of the sustainable investments are environmentally sustainable investments and 50.43% are socially sustainable investments.

The sustainable investments are equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus investments in bonds that can be considered as bonds financing green and/or social projects, plus instruments that are considered "sustainable" by the Responsible Investing Advisory Board.

More information can be found at the section 'What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?' of this Annex.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

***In which economic sectors were the investments made?***

On 31/12/2023 the investments were made in the following sectors:

Sector	%Assets
National	21.09%
Banking	10.87%
Financial Services	7.88%
Health Care	7.33%
Software & Tech Services	6.35%
Supranationals	6.32%
Tech Hardware & Semiconductors	6.14%
Materials	4.75%
Media	3.24%
Consumer Staple Products	3.20%
Retail & Wholesale - Discretionary	3.20%
Real Estate	3.12%
Insurance	2.84%
Telecommunications	2.74%
Consumer Discretionary Products	2.44%
Utilities	2.28%
Industrial Products	1.44%
Industrial Services	1.33%
Consumer Discretionary Services	1.26%
Retail & Wholesale - Staples	0.98%
Renewable Energy	0.90%
Regional & Local	0.32%
Unclassifiable	0.02%
Not specified	0.00%

Sectors and sub-sectors of the economy that derive income from exploration, mining, extraction, production, processing, storage, refining or distribution - including transportation, storage and trading - in fossil fuels are excluded by the exclusion policy. Consequently, the sub-fund has not invested in these sectors and sub-sectors.

However, an exception is provided in the exclusion policy for investments in green bonds of these companies, which promote the energy transition. Consequently, for the portion invested in green bonds, there may be exposure to these sectors.



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework ("investments aligned with the EU Taxonomy"). Although the sub-fund does not aim to invest in investments aligned with the EU Taxonomy, it cannot be ruled out that the sub-fund does contain investments aligned with the EU Taxonomy. The percentage invested in EU Taxonomy-aligned investments was set at 31 December 2023. KBC Asset Management NV determined that insufficient reliable, timely and verifiable data from issuers or investee companies were available at that time for consistent reporting, and this based on its own research and services from data suppliers. The percentage invested in investments aligned with the EU Taxonomy was therefore set at 0%.

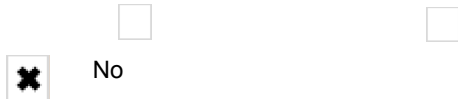
● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>(1)</sup>?**

Yes:

In fossil gas

In nuclear energy



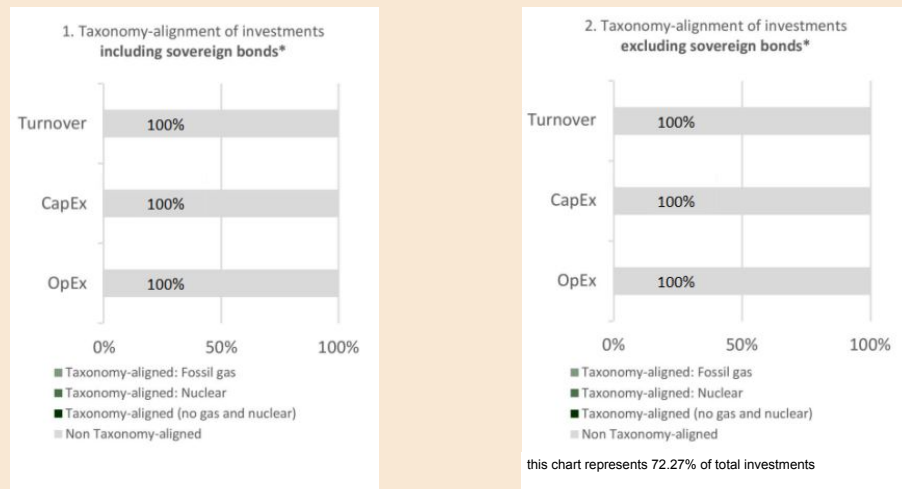


No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:  
 -turnover reflecting the share of revenue from green activities of investee companies.  
 -capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.  
 -operational expenditure (OpEx) reflecting green operational activities of investee companies.

**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy--alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\*For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

**What was the share of investments made in transitional and enabling activities?**

Not applicable.

**How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The previous reference period (which ran from 1 January 2022 tot 31 December 2022) also reported 0% on EU taxonomy-aligned investments.

KBC Asset Management NV determined, based on its own research and services from data suppliers, that insufficient reliable, timely and verifiable data of issuers in which investments were made were available for the previous and current financial year. The percentage of investments aligned with the EU taxonomy was therefore set at 0% for both reference periods.

**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

The sub-fund invested 76.10% in sustainable investments as defined by art. 2.17 SFDR. At the end of the financial year of the sub-fund, the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 25.68%.

Asset managers depend on available sustainability data relating to their investee companies. Currently, there is a lack of sustainability data available. This has created the risk that investment



are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities

funds currently report a very low percentage of investments that comply with the EU Taxonomy.



**What was the share of socially sustainable investments?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. Given the qualification of instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN's sustainable development goals as "sustainable investments" as of April 28, 2023, the figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results. At the end of the financial year of the sub-fund, the share of socially sustainable investments was 50.43%,



**What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

At the end of the financial year, the "not sustainable" category may include the following investments:

Assets	Purpose of investments and presence of minimum environmental or social safeguards
Investments in cash	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in assets that no longer met screening criteria	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in derivatives	Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Global Responsible Investing' of the prospectus. Investments in derivatives were not used to attain the environmental or social characteristics promoted by the sub-fund and did not affect them.

For investments included under "#2 not sustainable", there were no environmental or social safeguards.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The sub-fund

- promoted the integration of sustainability into the policy decisions of issuers (companies, governments, supranational debtors and/or agencies linked to governments), by preferring issuers with a better ESG (risk)score;
- promoted climate change mitigation, by preferring issuers with lower Carbon Intensity, with the objective of meeting a predetermined carbon intensity target;
- supported sustainable development , by including issuers that contribute to the UN Sustainable Development Goals;
- supported sustainable development by encouraging the transition to a more sustainable world via bonds financing green and/or social projects.

The sub-fund excluded issuers involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices were also excluded, and companies active in the palm oil industry were subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather were excluded. The negative screening also ensured that issuers based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) were excluded from the sub-fund's investment universe.

KBC Asset Management NV executed the voting rights of shares managed in the sub-fund according to the Proxy Voting and Engagement Policy. As such, KBC Asset Management monitored the companies in which the sub-fund is invested in, intervened with investee companies (avoiding insider information), took part in appropriate collective engagement

initiatives and exercised voting rights in a considered way. These responsibilities were executed in the exclusive concern of defending the interests of the investors of the funds.



### How did this financial product perform compared to the reference benchmark?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmarks MSCI All Countries World - Net Return Index en iBoxx Euro Corporate bonds Total Return Index were used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

For investments in instruments issued by governments, supranational debtors and/or government-linked agencies, the described reference portfolio of global government bonds was used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

More information can be found in the table under the "How did the sustainability indicators perform" section of this annex.

● ***How does the reference benchmark differ from a broad market index?***

Not applicable.

● ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

● ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

● ***How did this financial product perform compared with the broad market index?***

Not applicable.

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## 2. Information on KBC Institutional Fund North America Responsible Investing

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

Launch date: 7 December 2001  
Initial subscription price: 5 000 USD  
Currency: USD

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

Launch date: 7 December 2001  
Initial subscription price: 5 000 USD  
Currency: USD

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

Launch date: 4 October 2019  
Initial subscription price: 1 000 EUR  
Currency: EUR

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

Launch date: 15 February 2022  
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 of the fund are partially invested in shares from the North America-area, with a social responsible character.

The sub-fund aims to generate a return that matches the return of the benchmark: MSCI North America– Net Return Index ([www.MSCI.com](http://www.MSCI.com)) by investing in a selection of shares that are included in the benchmark and that comply with the responsible investing methodology. criteria. Active management is therefore limited to the responsible investing methodology. The benchmark comprises shares from the North America-area.

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

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

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

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

The sub-fund is compliant with the transparency obligations of article 11 (1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Institutional Fund North America Responsible Investing’ of this annual report. This annex specifically covers the periodic reports for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

### Negative screening

In practical terms the end result of this negative screening procedure is that the sub-fund excludes companies in

advance from the Responsible Investment universe which fall foul of the exclusion policies available on [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Exclusion policy for Responsible Investing funds.

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

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

#### Positive selection methodology

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

- (1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and
- (2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;
- (3) support sustainable development, by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

#### **(1) ESG-score**

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

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

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

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

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

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

The targets can be revised upwards or downwards.

#### **(2) Carbon Intensity**

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

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

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

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

The targets may be revised upwards or downwards.

#### **(3) UN Sustainable Development Goals**

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

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

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

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

The targets may be revised upwards or downwards.



## **Potential Exceptions**

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

- Developments as a result of which a company can no longer be regarded as eligible after purchase;
- Corporate events, such as a merger of one company with another, where the merged company can no longer be considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

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

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

The sub-fund aims to generate a return that matches the return of the benchmark: MSCI North America– Net Return Index.

The sub-fund aims to minimise the tracking error relative to the benchmark referred to above. Under normal market conditions, the expected tracking error is between 0% and 5%. Possible causes of this tracking error could be the Responsible Investing methodology, the method used to track the benchmark, transaction charges, dividend reinvestment and the costs generally borne by the sub-fund.

The tracking error measures the volatility of the sub-fund's return relative to that of the benchmark. The higher the tracking error, the more the sub-fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

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

## **Taxonomy related information**

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

## **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors were explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. The principal adverse impacts on sustainability factors that were taken into account through the exclusion policies can be found in the 'Annex for KBC Institutional Fund North America Responsible Investing'.

The principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy. The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy can be found in the 'Annex for KBC Institutional Fund North America Responsible Investing'.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Institutional Fund North America Responsible Investing'.

## **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)**

The sub-fund may not lend any financial instruments.

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

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

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

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

## **2.1.4. Financial portfolio management**

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

## **2.1.5. Distributors**

KBC Asset Management NV, Havenlaan 2, 1080 Brussels.

## **2.1.6. Index and benchmark**

See 'Sub-fund's investment policy'.

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

As stipulated in the prospectus, the fund management aimed to reflect the performance of the MSCI North America Index.

The fund's strategy is also consistent with the SRI strategy and the fund's assets are invested accordingly.

## **2.1.8. Future policy**

As provided in the prospectus, the fund will continue to track the performance of the MSCI North America Index.

Compliance with the sustainability aspect of the strategy remains valid going forward.

## **2.1.9. Summary risk indicator (SRI)**

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

Moreover, an investment in this fund involves:

- a moderate level of concentration risk: there is a concentration of the investments in shares listed on US stock exchanges.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

Institutional Shares EUR: 5 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of concentration risk: there is a concentration of the investments in shares listed on US stock exchanges.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

Institutional B Shares EUR: 5 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of concentration risk: there is a concentration of the investments in shares listed on US stock exchanges.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

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

The summary 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).

### **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 0.00 USD.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

### **2.1.11. Value-at-Risk**

Not applicable

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2023</b> (in American dollar)	<b>31/12/2022</b> (in American dollar)
	<b>TOTAL NET ASSETS</b>	512,543,261.51	322,996,237.30
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
	a) Shares	512,853,182.06	322,482,126.69
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	95.72	95.72
B.	Payables		
	a) Accounts payable (-)	-95.72	-95.72
	c) Borrowings (-)	-458,810.61	-144,743.24
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	610.50	539,041.70
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	366,016.11	285,945.04
C.	Accrued expense (-)	-217,736.55	-166,132.89
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	512,543,261.51	322,996,237.30
<b>A.</b>	<b>Capital</b>	420,582,199.24	398,437,110.76
<b>B.</b>	<b>Income equalization</b>	919,566.94	397,258.50
<b>D.</b>	<b>Result of the bookyear</b>	91,041,495.33	-75,838,131.96

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in American dollar)	31/12/2022 (in American dollar)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	87,580,843.81	-77,145,979.62
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	475,123.35	-1,245,743.92
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	11,232,168.00	11,838,859.72
	Unrealised gains on investments	67,788,306.35	-34,885,734.29
	Realised losses on investments	-18,684,290.11	-11,642,658.55
	Unrealised losses on investments	27,719,782.92	-43,702,190.42
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	5,404,411.47	4,411,660.69
B.	Interests		
	b) Cash at bank and in hand and deposits	18,347.25	2,284.08
C.	Interest on borrowings (-)	-61,944.91	-6,676.12
<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	46,385.00	47,458.12
B.	Other	0.77	
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-96,403.16	-78,857.03
B.	Financial expenses (-)	-204.43	-169.49
C.	Custodian's fee (-)	-153,354.52	-120,962.87
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-72,806.14	-76,908.53
	Institutional Shares EUR	-1,381,530.68	-1,176,808.60
	Institutional B Shares EUR	-203,374.80	-67,378.71
	b) Administration and accounting management	-390,977.90	-301,063.52
	c) Commercial fee	-694.06	-665.47
E.	Administrative expenses (-)	0.01	-57.99
F.	Formation and organisation expenses (-)	-1,395.92	-986.01
G.	Remuneration, social security charges and pension	-78.78	-46.88
H.	Services and sundry goods (-)	-1,880.52	-3,231.65
J.	Taxes		
	Classic Shares	-15,831.81	-12,030.47
	Institutional Shares EUR	-47,234.04	-24,294.42
	Institutional B Shares EUR	-10,687.41	-5,935.46
L.	Other expenses (-)	-45,217.25	-31,738.09
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	2,985,528.18	2,553,591.59
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	91,041,495.33	-75,838,131.96
<b>VII.</b>	<b>Result of the bookyear</b>	91,041,495.33	-75,838,131.96

<b>Appropriation Account</b>		<b>31/12/2023</b> (in American dollar)	<b>31/12/2022</b> (in American dollar)
<b>I.</b>	<b>Profit to be appropriated</b>	91,961,062.27	-75,440,873.46
	Profit for the period available for appropriation	91,041,495.33	-75,838,131.96
	Income on the creation of shares (income on the cancellation of shares)	919,566.94	397,258.50
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-91,936,596.29	75,471,725.96
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-24,465.98	-30,852.50

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund North America Responsible Investing

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in American dollar)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Argentina</u>							
MERCADOLIBRE INC -	609.00	USD	1,571.540	957,067.86		0.19	0.19
<u>Australia</u>							
ATLASSIAN CORP PLC -	2,243.00	USD	237.860	533,519.98		0.10	0.10
THE NEWS CORPORATION INC -	17,341.00	USD	24.550	425,721.55		0.08	0.08
<u>Bermuda</u>							
ARCH CAPITAL GROUP LTD -	6,775.00	USD	74.270	503,179.25		0.10	0.10
EVEREST RE GROUP LTD -	1,081.00	USD	353.580	382,219.98		0.08	0.08
LIBERTY GLOBAL LTD -C-	4,171.00	USD	18.640	77,747.44		0.02	0.02
<u>Canada</u>							
AGNICO EAGLE MINES -	11,485.00	CAD	72.650	632,781.17		0.12	0.12
BANK OF MONTREAL -	10,695.00	CAD	132.510	1,074,772.07		0.21	0.21
BANK OF NOVA SCOTIA -	22,205.00	CAD	64.500	1,086,169.04		0.21	0.21
C.I.B.C. -	6,845.00	CAD	63.770	331,037.20		0.07	0.07
CGI INC A	3,999.00	CAD	141.950	430,500.57		0.08	0.08
CONSTELLATION SOFTWARE INC/CAN -	173.00	CAD	3,285.270	431,026.63		0.08	0.08
DESCARTES SYSTEMS GROUP INC/TH -	1,105.00	CAD	111.330	93,295.65		0.02	0.02
ELEMENT FLEET MANGEMENT CORP -	19,128.00	CAD	21.560	312,755.71		0.06	0.06
EMPIRE CO LTD -	16,167.00	CAD	36.060	442,121.96		0.09	0.09
FAIRFAX FINANCIAL HOLDINGS LTD -	114.00	CAD	1,222.510	105,692.51		0.02	0.02
FIRSTSERVICE CORP/CANADA -	1,382.00	CAD	214.650	224,970.65		0.04	0.04
GILDAN ACTIVEWEAR INC -	5,701.00	CAD	43.870	189,673.04		0.04	0.04
HYDRO ONE LTD -	19,882.00	CAD	39.700	598,601.09		0.12	0.12
IA FINANCIAL CORP INC -	3,207.00	CAD	90.330	219,693.85		0.04	0.04
IGM FINANCIAL INC -	8,361.00	CAD	35.010	221,991.97		0.04	0.04
INTACT FINANCIAL CORP -	604.00	CAD	203.860	93,380.43		0.02	0.02
IVANHOE MINES LTD -	14,323.00	CAD	12.860	139,688.90		0.03	0.03
KINROSS GOLD -	45,275.00	CAD	8.020	275,371.99		0.05	0.05
LUNDIN MINING CORP -	19,323.00	CAD	10.840	158,851.30		0.03	0.03
MAGNA INTERNATIONAL CLASS A -	1,614.00	CAD	78.290	95,828.95		0.02	0.02
NAT. BK CANADA -	5,570.00	CAD	101.000	426,641.89		0.08	0.08
OPEN TEXT CORP. -	2,440.00	CAD	55.690	103,051.42		0.02	0.02
POWER CORP -	20,427.00	CAD	37.890	586,970.29		0.11	0.12
RESTAURANT BRANDS INTERNATIONAL INC -	1,578.00	CAD	104.070	124,543.05		0.02	0.02
RIOCAN REALESTATE INV. TRUST -	8,912.00	CAD	18.620	125,846.69		0.03	0.03
RITCHIE BROS. AUCTIONEERS -	2,865.00	CAD	88.670	192,658.54		0.04	0.04
ROYAL BK CANADA -	17,116.00	CAD	134.000	1,739,378.13		0.34	0.34
SHOPIFY INC -	16,992.00	CAD	103.160	1,329,360.47		0.26	0.26
SILVER WHEATON CORP -	15,262.00	CAD	65.370	756,618.34		0.15	0.15
SUN LIFE FINANCIAL INC -	10,801.00	CAD	68.720	562,903.63		0.11	0.11
TELUS CORP -	6,850.00	CAD	23.580	122,495.83		0.02	0.02
TFI INTERNATIONAL INC -	681.00	CAD	180.240	93,086.18		0.02	0.02
THOMSON REUTERS CORP -	4,505.00	CAD	193.730	661,879.00		0.13	0.13
TORONTO DOMINION BK -	19,915.00	CAD	85.620	1,293,130.82		0.25	0.25
WEST FRASER TIMBER CO LTD -	1,263.00	CAD	113.360	108,580.07		0.02	0.02
WSP GLOBAL INC -	1,626.00	CAD	185.740	229,040.83		0.05	0.05
<u>Cayman Islands</u>							
GARMIN LTD -	790.00	USD	128.540	101,546.60		0.02	0.02
<u>China</u>							
LULULEMON ATHLETICA INC -	1,553.00	USD	511.290	794,033.37		0.16	0.16
<u>France</u>							
EQUITABLE HOLDINGS INC -	5,423.00	USD	33.300	180,585.90		0.04	0.04
<u>Ireland</u>							
JAZZ PHARMACEUTICALS PLC -	2,951.00	USD	123.000	362,973.00		0.07	0.07
NEW LINDE PLC -	8,041.00	USD	410.710	3,302,519.11		0.64	0.64
PENTAIR PLC -	5,105.00	USD	72.710	371,184.55		0.07	0.07
SEAGATE TECHNOLOGY HOLDINGS PL -	2,461.00	USD	85.370	210,095.57		0.04	0.04

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in American dollar)	% owned by UCI	% portfolio	% Net assets
<u>Netherlands</u>							
CNH INDUSTRIAL NV -	2,598.00	USD	12.180	31,643.64		0.01	0.01
NXP SEMICONDUCTOR NV -	2,797.00	USD	229.680	642,414.96		0.13	0.13
<u>Switzerland</u>							
FERGUSON PLC -	5,151.00	USD	193.070	994,503.57		0.19	0.19
TE CONNECTIVITY LTD -	6,365.00	USD	140.500	894,282.50		0.17	0.17
<u>U.K.</u>							
ROYALTY PHARMA PLC -	12,230.00	USD	28.090	343,540.70		0.07	0.07
STERIS PLC -	841.00	USD	219.850	184,893.85		0.04	0.04
WILLIS GROUP HOLDINGS LTD -	1,599.00	USD	241.200	385,678.80		0.08	0.08
<u>U.S.A.</u>							
ABBOTT LAB. -	23,762.00	USD	110.070	2,615,483.34		0.51	0.51
ABBVIE INC -	23,939.00	USD	154.970	3,709,826.83		0.72	0.72
ACCENTURE LTD A	9,969.00	USD	350.910	3,498,221.79		0.68	0.68
ADOBE SYSTEMS -	6,733.00	USD	596.600	4,016,907.80		0.78	0.78
ADVANC MICRO DEVICES -	23,537.00	USD	147.410	3,469,589.17		0.68	0.68
AFLAC INC -	9,052.00	USD	82.500	746,790.00		0.15	0.15
AGILENT TECHNOLOGIES -	5,383.00	USD	139.030	748,398.49		0.15	0.15
AIRBNB INC -	5,494.00	USD	136.140	747,953.16		0.15	0.15
AKAMAI TECHNOLOGIES INC -	2,900.00	USD	118.350	343,215.00		0.07	0.07
ALBERTSONS COS INC -	3,810.00	USD	23.000	87,630.00		0.02	0.02
ALEXANDRIA REAL ESTATE EQUITIES INC -	1,060.00	USD	126.770	134,376.20		0.03	0.03
ALIGN TECHNOLOGY INC -	1,399.00	USD	274.000	383,326.00		0.08	0.08
ALLSTATE CORPORATION -	3,818.00	USD	139.980	534,443.64		0.10	0.10
ALLY FINANCIAL INC -	3,040.00	USD	34.920	106,156.80		0.02	0.02
ALNYLAM PHARMACEUTICALS INC -	1,261.00	USD	191.410	241,368.01		0.05	0.05
ALPHABET INC -A-	94,225.00	USD	139.690	13,162,290.25		2.57	2.57
AMAZON COMM. INC. -	131,697.00	USD	151.940	20,010,042.18		3.90	3.90
AMERICAN EXPRESS -	10,268.00	USD	187.340	1,923,607.12		0.38	0.38
AMERICAN INT. GROUP -	5,864.00	USD	67.750	397,286.00		0.08	0.08
AMERICAN NATIONAL INSURANCE -	5,992.00	USD	35.960	215,472.32		0.04	0.04
AMERICAN TOWER CORP CL A	7,020.00	USD	215.880	1,515,477.60		0.30	0.30
AMERICAN WATER WORKS INC. -	719.00	USD	131.990	94,900.81		0.02	0.02
AMERIPRISE FINANCIAL INC -	619.00	USD	379.830	235,114.77		0.05	0.05
AMGEN -	7,398.00	USD	288.020	2,130,771.96		0.42	0.42
ANNALY CAPITAL MANAGEMENT INC -	26,755.00	USD	19.370	518,244.35		0.10	0.10
ANSYS INC -	1,738.00	USD	362.880	630,685.44		0.12	0.12
ANTHEM INC -	3,901.00	USD	471.560	1,839,555.56		0.36	0.36
AON CORPORATION -	2,846.00	USD	291.020	828,242.92		0.16	0.16
APOLLO GLOBAL MANAGEMENT INC -	4,448.00	USD	93.190	414,509.12		0.08	0.08
APPLE INC -	225,369.00	USD	192.530	43,390,293.57		8.46	8.48
APPLIED MATERIALS -	13,403.00	USD	162.070	2,172,224.21		0.42	0.42
APTIV PLC -	6,095.00	USD	89.720	546,843.40		0.11	0.11
ARES MANAGEMENT CORP -	2,338.00	USD	118.920	278,034.96		0.05	0.05
ARISTA NETWORKS INC -	3,704.00	USD	235.510	872,329.04		0.17	0.17
ARROW ELECTRONICS INC -	2,611.00	USD	122.250	319,194.75		0.06	0.06
ARTHUR J GALLAGHER & CO -	1,886.00	USD	224.880	424,123.68		0.08	0.08
AT&T INC -	101,141.00	USD	16.780	1,697,145.98		0.33	0.33
AUTODESK INC -	3,938.00	USD	243.480	958,824.24		0.19	0.19
AUTOMATIC DATA PROCESSING, INC. -	5,993.00	USD	232.970	1,396,189.21		0.27	0.27
AUTOZONE INC. -	391.00	USD	2,585.610	1,010,973.51		0.20	0.20
AVALONBAY COMMUNITIES INC -	3,134.00	USD	187.220	586,747.48		0.11	0.11
AVANTOR INC -	3,880.00	USD	22.830	88,580.40		0.02	0.02
BALL CORPORATION -	5,420.00	USD	57.520	311,758.40		0.06	0.06
BANK OF AMERICA CORP -	91,597.00	USD	33.670	3,084,070.99		0.60	0.60
BANK OF NEW YORK MELLON CORP -	7,283.00	USD	52.050	379,080.15		0.07	0.07
BATH & BODY WORKS INC -	3,128.00	USD	43.160	135,004.48		0.03	0.03
BAXTER INTL INC -	6,000.00	USD	38.660	231,960.00		0.05	0.05
BECTON DICKINSON -	3,370.00	USD	243.830	821,707.10		0.16	0.16
BENTLEY SYSTEMS INC -	3,480.00	USD	52.180	181,586.40		0.04	0.04
BEST BUY -	3,949.00	USD	78.280	309,127.72		0.06	0.06
BILL.COM HOLDINGS INC -	710.00	USD	81.590	57,928.90		0.01	0.01
BIO-RAD LABORATORIES INC. -	152.00	USD	322.890	49,079.28		0.01	0.01
BIOGEN INC -	1,589.00	USD	258.770	411,185.53		0.08	0.08
BIOMARIN PHARMACEUTICAL INC -	1,883.00	USD	96.420	181,558.86		0.04	0.04
BLACKSTONE GROUP LP -	9,535.00	USD	130.920	1,248,322.20		0.24	0.24
BOOKING HOLDINGS INC -	584.00	USD	3,547.220	2,071,576.48		0.40	0.40
BORGWARNER INC -	12,705.00	USD	35.850	455,474.25		0.09	0.09
BOSTON PROPERTIES INC -	3,221.00	USD	70.170	226,017.57		0.04	0.04
BOSTON SCIENTIFIC -	24,625.00	USD	57.810	1,423,571.25		0.28	0.28
BRISTOL-MYERS SQUIBB CO -	33,210.00	USD	51.310	1,704,005.10		0.33	0.33
BROADCOM INC -	6,276.00	USD	1,116.250	7,005,585.00		1.37	1.37
BROADRIDGE FINANCIAL SOLUTIONS -	957.00	USD	205.750	196,902.75		0.04	0.04
BROWN-FORMAN CORPORATION B	2,626.00	USD	57.100	149,944.60		0.03	0.03
BUILDERS FIRSTSOURCE INC -	708.00	USD	166.940	118,193.52		0.02	0.02
BURLINGTON STORES INC -	1,176.00	USD	194.480	228,708.48		0.05	0.05
C.H. ROBINSON WORLDWIDE INC. -	3,617.00	USD	86.390	312,472.63		0.06	0.06



Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in American dollar)	% owned by UCI	% portfolio	% Net assets
CADENCE DESIGN SYSTEMS -	5,166.00	USD	272.370	1,407,063.42		0.27	0.28
CAMPBELL SOUP CO -	8,889.00	USD	43.230	384,271.47		0.08	0.08
CAPITAL ONE FINANCIAL CORP -	3,886.00	USD	131.120	509,532.32		0.10	0.10
CARDINAL HEALTH INC -	2,836.00	USD	100.800	285,868.80		0.06	0.06
CARMAX GROUP -	2,212.00	USD	76.740	169,748.88		0.03	0.03
CARNIVAL CORP CORP	13,823.00	USD	18.540	256,278.42		0.05	0.05
CARRIER GLOBAL CORP -	9,219.00	USD	57.450	529,631.55		0.10	0.10
CATALENT INC -	3,253.00	USD	44.930	146,157.29		0.03	0.03
CB RICHARD ELLIS GROUP INC -	8,768.00	USD	93.090	816,213.12		0.16	0.16
CBOE GLOBAL MARKETS INC -	517.00	USD	178.560	92,315.52		0.02	0.02
CDW CORP/DE -	3,666.00	USD	227.320	833,355.12		0.16	0.16
CENCORA INC -	4,469.00	USD	205.380	917,843.22		0.18	0.18
CENTENE CORP -	7,270.00	USD	74.210	539,506.70		0.11	0.11
CERIDIAN CORP -	1,732.00	USD	67.120	116,251.84		0.02	0.02
CF INDUSTRIES HOLDINGS INC -	2,503.00	USD	79.500	198,988.50		0.04	0.04
CHARLES RIVER LABORATORIES INC. -	419.00	USD	236.400	99,051.60		0.02	0.02
CHARTER COMMUNICATIONS INC. -	1,078.00	USD	388.680	418,997.04		0.08	0.08
CHIPOTLE MEXICAN GRILL INC -A-	379.00	USD	2,286.960	866,757.84		0.17	0.17
CHUBB LTD -	4,446.00	USD	226.000	1,004,796.00		0.20	0.20
CHURCH & DWIGHT CO. INC. -	2,509.00	USD	94.560	237,251.04		0.05	0.05
CIGNA CORP. -	5,152.00	USD	299.450	1,542,766.40		0.30	0.30
CINTAS CORPORATION -	1,025.00	USD	602.660	617,726.50		0.12	0.12
CISCO SYSTEMS INC -	58,449.00	USD	50.520	2,952,843.48		0.58	0.58
CITIGROUP INC -	22,134.00	USD	51.440	1,138,572.96		0.22	0.22
CITIZENS FINANCIAL GROUP -	8,903.00	USD	33.140	295,045.42		0.06	0.06
CLOROX COMPANY -	4,201.00	USD	142.590	599,020.59		0.12	0.12
CLOUDFLARE INC -	4,147.00	USD	83.260	345,279.22		0.07	0.07
CME GROUP INC -	6,495.00	USD	210.600	1,367,847.00		0.27	0.27
COCA-COLA CO -	55,067.00	USD	58.930	3,245,098.31		0.63	0.63
COGNIZANT TECHNOLOGY SOLUTIONS CORP. -	11,508.00	USD	75.530	869,199.24		0.17	0.17
COINBASE GLOBAL INC -	2,119.00	USD	173.920	368,536.48		0.07	0.07
COLGATE - PALMOLIVE -	5,096.00	USD	79.710	406,202.16		0.08	0.08
COMCAST CORP -A-	54,615.00	USD	43.850	2,394,867.75		0.47	0.47
CONAGRA BRANDS INC -	4,856.00	USD	28.660	139,172.96		0.03	0.03
CONFLUENT INC -	2,779.00	USD	23.400	65,028.60		0.01	0.01
CONSTELLATION BRANDS INC A	1,834.00	USD	241.750	443,369.50		0.09	0.09
COOPER COMPANY INC (THE) -	513.00	USD	378.440	194,139.72		0.04	0.04
COPART INC. -	9,660.00	USD	49.000	473,340.00		0.09	0.09
CORNING INC -	3,318.00	USD	30.450	101,033.10		0.02	0.02
CORTEVA INC -	2,442.00	USD	47.920	117,020.64		0.02	0.02
COSTAR GROUP INC -	3,848.00	USD	87.390	336,276.72		0.07	0.07
COSTCO WHOLESALE CORPORATION -	6,064.00	USD	660.080	4,002,725.12		0.78	0.78
CROWDSTRIKE HOLDINGS INC -	2,653.00	USD	255.320	677,363.96		0.13	0.13
CROWN CASTLE INTL CORP -	7,507.00	USD	115.190	864,731.33		0.17	0.17
CROWN CORK AND SEAL -	3,209.00	USD	92.090	295,516.81		0.06	0.06
CVS HEALTH CORP -	14,596.00	USD	78.960	1,152,500.16		0.23	0.23
DANAHER CORPORATION -	11,730.00	USD	231.340	2,713,618.20		0.53	0.53
DARDEN RESTAURANTS -	1,755.00	USD	164.300	288,346.50		0.06	0.06
DARLING INGREDIENTS INC -	1,246.00	USD	49.840	62,100.64		0.01	0.01
DATADOG INC -	3,400.00	USD	121.380	412,692.00		0.08	0.08
DAVITA INC -	1,842.00	USD	104.760	192,967.92		0.04	0.04
DECKERS OUTDOOR CORP -	589.00	USD	668.430	393,705.27		0.08	0.08
DEERE & COMPANY -	3,708.00	USD	399.870	1,482,717.96		0.29	0.29
DELL TECHNOLOGIES INC -	4,671.00	USD	76.500	357,331.50		0.07	0.07
DENTSPLY SIRONA INC -	6,329.00	USD	35.590	225,249.11		0.04	0.04
DEXCOM INC -	5,445.00	USD	124.090	675,670.05		0.13	0.13
DIGITAL INSIGHT -	4,415.00	USD	134.580	594,170.70		0.12	0.12
DISCOVER FINANCIAL SERVICES -	2,572.00	USD	112.400	289,092.80		0.06	0.06
DISCOVERY INC -A-	40,034.00	USD	11.380	455,586.92		0.09	0.09
DOCUSIGN INC -	2,059.00	USD	59.450	122,407.55		0.02	0.02
DOLLAR GENERAL CORPORATION -	2,738.00	USD	135.950	372,231.10		0.07	0.07
DOLLAR TREE STORES INC. -	2,774.00	USD	142.050	394,046.70		0.08	0.08
DOORDASH INC -	3,755.00	USD	98.890	371,331.95		0.07	0.07
DOVER CORPORATION -	2,728.00	USD	153.810	419,593.68		0.08	0.08
DOWDUPONT INC -	2,609.00	USD	76.930	200,710.37		0.04	0.04
DYNATRACE INC -	1,844.00	USD	54.690	100,848.36		0.02	0.02
EBAY INC. -	16,192.00	USD	43.620	706,295.04		0.14	0.14
ECOLAB, INC. -	5,171.00	USD	198.350	1,025,667.85		0.20	0.20
EDWARDS LIFESCIENCES CORP. -	9,531.00	USD	76.250	726,738.75		0.14	0.14
ELECTRONIC ARTS -	4,917.00	USD	136.810	672,694.77		0.13	0.13
ENPHASE ENERGY INC -	1,324.00	USD	132.140	174,953.36		0.03	0.03
ENTEGRIS INC -	879.00	USD	119.820	105,321.78		0.02	0.02
EPAM SYSTEMS INC -	355.00	USD	297.340	105,555.70		0.02	0.02
EQUIFAX INC -	997.00	USD	247.290	246,548.13		0.05	0.05
EQUINIX INC -	1,411.00	USD	805.390	1,136,405.29		0.22	0.22
EQUITY LIFESTYLE PROPERTIES INC -	1,240.00	USD	70.540	87,469.60		0.02	0.02
EQUITY RESIDENTIAL -	3,630.00	USD	61.160	222,010.80		0.04	0.04
ERIE INDEMNITY CO -	338.00	USD	334.920	113,202.96		0.02	0.02
ESSEX PROPERTY TRUST INC -	1,009.00	USD	247.940	250,171.46		0.05	0.05
ESTEE LAUDER -	2,944.00	USD	146.250	430,560.00		0.08	0.08

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in American dollar)	% owned by UCI	% portfolio	% Net assets
ETSY INC -	3,631.00	USD	81.050	294,292.55		0.06	0.06
EXACT SCIENCES CORP -	2,795.00	USD	73.980	206,774.10		0.04	0.04
EXPEDIA GROUP INC. -	1,318.00	USD	151.790	200,059.22		0.04	0.04
EXPEDITORS INTL OF WASHINGTON INC. -	4,824.00	USD	127.200	613,612.80		0.12	0.12
EXTRA SPACE STORAGE INC -	2,417.00	USD	160.330	387,517.61		0.08	0.08
FACTSET RESEARCH SYSTEMS INC. -	1,453.00	USD	477.050	693,153.65		0.14	0.14
FAIR ISAAC INC -	327.00	USD	1,164.010	380,631.27		0.07	0.07
FASTENAL COMPANY -	1,466.00	USD	64.770	94,952.82		0.02	0.02
FEDEX CORP -	2,818.00	USD	252.970	712,869.46		0.14	0.14
FIDELITY NATIONAL INFORMATION -	6,960.00	USD	60.070	418,087.20		0.08	0.08
FIFTH THIRD BANCORPORATION -	20,913.00	USD	34.490	721,289.37		0.14	0.14
FIRST CITIZENS BANCSHARES INC/ -	143.00	USD	1,418.970	202,912.71		0.04	0.04
FIRST HORIZON NATL CORP -	7,350.00	USD	14.160	104,076.00		0.02	0.02
FIRST SOLAR INC -	1,866.00	USD	172.280	321,474.48		0.06	0.06
FISERV INC -	7,650.00	USD	132.840	1,016,226.00		0.20	0.20
FLEETCOR TECHNOLOGIES INC -	747.00	USD	282.610	211,109.67		0.04	0.04
FMC CORPORATION -	808.00	USD	63.050	50,944.40		0.01	0.01
FORD MOTOR CY -	43,191.00	USD	12.190	526,498.29		0.10	0.10
FORTINET INC -	7,597.00	USD	58.530	444,652.41		0.09	0.09
FOX CORP CLASS B	19,112.00	USD	27.650	528,446.80		0.10	0.10
FRANKLIN RESOURCES INC -	11,125.00	USD	29.790	331,413.75		0.07	0.07
GARTNER INC A	1,561.00	USD	451.110	704,182.71		0.14	0.14
GENERAL MILLS IN -	13,643.00	USD	65.140	888,705.02		0.17	0.17
GENUINE PARTS -	4,565.00	USD	138.500	632,252.50		0.12	0.12
GILEAD SCIENCES -	17,081.00	USD	81.010	1,383,731.81		0.27	0.27
GLOBAL PAYMENTS INC -	2,498.00	USD	127.000	317,246.00		0.06	0.06
GLOBE LIFE INC -	4,333.00	USD	121.720	527,412.76		0.10	0.10
GODADDY INC -	1,730.00	USD	106.160	183,656.80		0.04	0.04
GOLDMAN SACHS -	3,849.00	USD	385.770	1,484,828.73		0.29	0.29
GOOGLE INC -C-	66,153.00	USD	140.930	9,322,942.29		1.82	1.82
HARTFORD FIN.SERV.GR. -	9,600.00	USD	80.380	771,648.00		0.15	0.15
HASBRO INC. -	3,536.00	USD	51.060	180,548.16		0.04	0.04
HCA HEALTHCARE INC -	2,352.00	USD	270.680	636,639.36		0.12	0.12
HEALTHPEAK PROPERTIES INC -	24,302.00	USD	19.800	481,179.60		0.09	0.09
HENRY SCHEIN INC. -	6,298.00	USD	75.710	476,821.58		0.09	0.09
HERSHEY CORP -	2,856.00	USD	186.440	532,472.64		0.10	0.10
HEWLETT PACKARD -	12,961.00	USD	30.090	389,996.49		0.08	0.08
HEWLETT PACKARD ENTERPRISE CO -	20,016.00	USD	16.980	339,871.68		0.07	0.07
HILTON WORLDWIDE HOLDINGS INC -	5,970.00	USD	182.090	1,087,077.30		0.21	0.21
HOLOGIC INC -	1,297.00	USD	71.450	92,670.65		0.02	0.02
HOME DEPOT -	14,654.00	USD	346.550	5,078,343.70		0.99	0.99
HOST HOTELS & RESORTS INC -	11,762.00	USD	19.470	229,006.14		0.05	0.05
HUBBELL INC -	1,182.00	USD	328.930	388,795.26		0.08	0.08
HUBSPOT INC -	1,050.00	USD	580.540	609,567.00		0.12	0.12
HUMANA INC. -	1,497.00	USD	457.810	685,341.57		0.13	0.13
HUNTINGTON BANCSHARES,INC. -	36,217.00	USD	12.720	460,680.24		0.09	0.09
HYATT HOTELS CORP -	1,560.00	USD	130.410	203,439.60		0.04	0.04
I.B.M. -	14,175.00	USD	163.550	2,318,321.25		0.45	0.45
IDEXX LABORATORIES INC. -	1,165.00	USD	555.050	646,633.25		0.13	0.13
ILLINOIS TOOL WORKS INC -	5,551.00	USD	261.940	1,454,028.94		0.28	0.28
ILLUMINA INC -	2,824.00	USD	139.240	393,213.76		0.08	0.08
INCYTE CORP -	1,523.00	USD	62.790	95,629.17		0.02	0.02
INGERSOLL-RAND INC -	6,141.00	USD	77.340	474,944.94		0.09	0.09
INSULET CORP -	1,009.00	USD	216.980	218,932.82		0.04	0.04
INTEL CORP -	58,725.00	USD	50.250	2,950,931.25		0.57	0.58
INTERCONTINENTALEXCHANGE GROUP -	8,702.00	USD	128.430	1,117,597.86		0.22	0.22
INTERPUBLIC GROUP -	17,770.00	USD	32.640	580,012.80		0.11	0.11
INTUIT INC -	4,139.00	USD	625.030	2,586,999.17		0.50	0.51
INTUITIVE SURGICAL INC -	5,034.00	USD	337.360	1,698,270.24		0.33	0.33
IQVIA HOLDINGS INC -	2,258.00	USD	231.380	522,456.04		0.10	0.10
IRON MOUNTAIN INC -	1,461.00	USD	69.980	102,240.78		0.02	0.02
JABIL INC -	1,704.00	USD	127.400	217,089.60		0.04	0.04
JACK HENRY & ASSOCIATES INC -	1,707.00	USD	163.410	278,940.87		0.05	0.05
JB HUNT TRANSPORT SERVICES INC -	3,309.00	USD	199.740	660,939.66		0.13	0.13
JOHNSON & JOHNSON -	32,922.00	USD	156.740	5,160,194.28		1.01	1.01
JOHNSON CONTROLS INC -	9,235.00	USD	57.640	532,305.40		0.10	0.10
JPMORGAN CHASE & CO -	38,985.00	USD	170.100	6,631,348.50		1.29	1.29
JUNIPER NETWORKS INC. -	17,138.00	USD	29.480	505,228.24		0.10	0.10
KELLOGG CO. -	2,672.00	USD	55.910	149,391.52		0.03	0.03
KENVUE INC -	18,263.00	USD	21.530	393,202.39		0.08	0.08
KEURIG DR PEPPER INC -	10,584.00	USD	33.320	352,658.88		0.07	0.07
KEYCORP -	20,321.00	USD	14.400	292,622.40		0.06	0.06
KEYSIGHT TECHNOLOGIES INC -	5,372.00	USD	159.090	854,631.48		0.17	0.17
KIMBERLEY-CLARK CORP -	1,757.00	USD	121.510	213,493.07		0.04	0.04
KIMCO REALTY -	16,724.00	USD	21.310	356,388.44		0.07	0.07
KLA CORPORATION -	2,524.00	USD	581.300	1,467,201.20		0.29	0.29
KNIGHT-SWIFT TRANSPORTATION -	6,091.00	USD	57.650	351,146.15		0.07	0.07
KROGER CY -	14,596.00	USD	45.710	667,183.16		0.13	0.13
LABORATORY CORP OF AMERICA HOLDINGS -	1,699.00	USD	227.290	386,165.71		0.08	0.08
LAM RESEARCH CORP -	2,318.00	USD	783.260	1,815,596.68		0.35	0.35

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in American dollar)	% owned by UCI	% portfolio	% Net assets
LAMB WESTON HOLDINGS INC -	3,775.00	USD	108.090	408,039.75		0.08	0.08
LATTICE SEMICONDUCTOR CORP -	2,585.00	USD	68.990	178,339.15		0.04	0.04
LEAR CORP -	3,621.00	USD	141.210	511,321.41		0.10	0.10
LENNAR CORP. -	2,276.00	USD	149.040	339,215.04		0.07	0.07
LENNOX -	284.00	USD	447.520	127,095.68		0.03	0.03
LIBERTY BROADBAND CORP -	2,181.00	USD	80.590	175,766.79		0.03	0.03
LIBERTY MEDIA CORP-LIBERTY FORMULA -	1,271.00	USD	63.130	80,238.23		0.02	0.02
LILLY (ELI) & CO -	11,355.00	USD	582.920	6,619,056.60		1.29	1.29
LIVE NATION -	1,007.00	USD	93.600	94,255.20		0.02	0.02
LKQ CORP -	6,247.00	USD	47.790	298,544.13		0.06	0.06
LOWE'S CIE -	8,772.00	USD	222.550	1,952,208.60		0.38	0.38
LPL FINANCIAL HOLDINGS INC -	804.00	USD	227.620	183,006.48		0.04	0.04
LUCID GROUP INC -	16,026.00	USD	4.210	67,469.46		0.01	0.01
M&T BANK CORP -	1,357.00	USD	137.080	186,017.56		0.04	0.04
MANHATTAN ASSOCIATES INC -	428.00	USD	215.320	92,156.96		0.02	0.02
MARKETAXESS HOLDINGS INC -	383.00	USD	292.850	112,161.55		0.02	0.02
MARRIOTT INTERNATIONAL -	2,920.00	USD	225.510	658,489.20		0.13	0.13
MARSH & MCLENNAN CO -	6,576.00	USD	189.470	1,245,954.72		0.24	0.24
MARTIN MARIETTA MATERIALS -	305.00	USD	498.910	152,167.55		0.03	0.03
MARVELL TECHNOLOGY INC -	11,621.00	USD	60.310	700,862.51		0.14	0.14
MASTERCARD INC -	11,893.00	USD	426.510	5,072,483.43		0.99	0.99
MATCH GROUP INC -	3,383.00	USD	36.500	123,479.50		0.02	0.02
MC DONALD'S CORP -	9,266.00	USD	296.510	2,747,461.66		0.54	0.54
MCCORMICK & COMPANY -	2,020.00	USD	68.420	138,208.40		0.03	0.03
MCGRAW HILL FINANCIAL INC -	5,111.00	USD	440.520	2,251,497.72		0.44	0.44
MCKESSON CORP -	2,524.00	USD	462.980	1,168,561.52		0.23	0.23
MEDTRONIC PLC -	17,370.00	USD	82.380	1,430,940.60		0.28	0.28
MERCK & CO -	35,624.00	USD	109.020	3,883,728.48		0.76	0.76
METLIFE INC. -	14,616.00	USD	66.130	966,556.08		0.19	0.19
METTLER-TOLEDO INTERNATIONAL INC -	394.00	USD	1,212.960	477,906.24		0.09	0.09
MICROCHIP TECHNOLOGY INC. -	2,591.00	USD	90.180	233,656.38		0.05	0.05
MICRON TECHNOLOGY -	17,422.00	USD	85.340	1,486,793.48		0.29	0.29
MICROSOFT CORP -	102,370.00	USD	376.040	38,495,214.80		7.51	7.51
MODERNA INC -	4,111.00	USD	99.450	408,838.95		0.08	0.08
MOHAWK INDUSTRIES INC -	2,058.00	USD	103.500	213,003.00		0.04	0.04
MOLSON COORS BREWING CO B	8,237.00	USD	61.210	504,186.77		0.10	0.10
MONDELEZ INTERNATIONAL INC A	22,895.00	USD	72.430	1,658,284.85		0.32	0.32
MONGODB INC -	962.00	USD	408.850	393,313.70		0.08	0.08
MONOLITHIC POWER SYSTEMS INC -	558.00	USD	630.780	351,975.24		0.07	0.07
MONSTER BEVERAGE CORP -	6,226.00	USD	57.610	358,679.86		0.07	0.07
MOODY S CORP -	3,289.00	USD	390.560	1,284,551.84		0.25	0.25
MORGAN STANLEY -	14,721.00	USD	93.250	1,372,733.25		0.27	0.27
MOTOROLA SOLUTIONS INC -	2,031.00	USD	313.090	635,885.79		0.12	0.12
MSCI INC -	1,391.00	USD	565.650	786,819.15		0.15	0.15
NASDAQ INC -	12,327.00	USD	58.140	716,691.78		0.14	0.14
NETFLIX INC -	6,288.00	USD	486.880	3,061,501.44		0.60	0.60
NETWORK APPLIANCE,INC. -	1,226.00	USD	88.160	108,084.16		0.02	0.02
NEUROCRINE BIOSCIENCES INC -	763.00	USD	131.760	100,532.88		0.02	0.02
NEWMONT GOLD CORP CORP -	13,572.00	USD	41.390	561,745.08		0.11	0.11
NIKE B	16,359.00	USD	108.570	1,776,096.63		0.35	0.35
NORTONLIFELOCK INC -	4,616.00	USD	22.820	105,337.12		0.02	0.02
NUTRIEN LTD -	5,345.00	CAD	74.650	302,596.88		0.06	0.06
NVIDIA CORP NAS	35,909.00	USD	495.220	17,782,854.98		3.47	3.47
NVR INC -	15.00	USD	7,000.450	105,006.75		0.02	0.02
O'REILLY AUTOMOTIVE INC. -	964.00	USD	950.080	915,877.12		0.18	0.18
OKTA INC -	1,302.00	USD	90.530	117,870.06		0.02	0.02
OLD DOMINION FREIGHT LINE INC -	1,965.00	USD	405.330	796,473.45		0.16	0.16
OMNICOM GROUP -	7,552.00	USD	86.510	653,323.52		0.13	0.13
ON SEMICONDUCTOR CORP -	4,165.00	USD	83.530	347,902.45		0.07	0.07
ORACLE CORP -	24,144.00	USD	105.430	2,545,501.92		0.50	0.50
OTIS WORLDWIDE CORP -	9,784.00	USD	89.470	875,374.48		0.17	0.17
OWENS CORNING -	2,062.00	USD	148.230	305,650.26		0.06	0.06
PACCAR,INC. -	8,714.00	USD	97.650	850,922.10		0.17	0.17
PACKAGING CORP OF AMERICA -	1,131.00	USD	162.910	184,251.21		0.04	0.04
PALANTIR TECHNOLOGIES INC -	24,660.00	USD	17.170	423,412.20		0.08	0.08
PALO ALTO NETWORKS INC -	4,821.00	USD	294.880	1,421,616.48		0.28	0.28
PARAMOUNT GLOBAL -	18,611.00	USD	14.790	275,256.69		0.05	0.05
PAYCHEX INC -	4,873.00	USD	119.110	580,423.03		0.11	0.11
PAYCOM SOFTWARE INC -	644.00	USD	206.720	133,127.68		0.03	0.03
PAYPAL HOLDINGS INC -	13,651.00	USD	61.410	838,307.91		0.16	0.16
PEPSICO INC -	21,157.00	USD	169.840	3,593,304.88		0.70	0.70
PFIZER -	77,123.00	USD	28.790	2,220,371.17		0.43	0.43
PINTEREST INC -	6,079.00	USD	37.040	225,166.16		0.04	0.04
PNC FINANCIAL SERVICES GROUP -	6,127.00	USD	154.850	948,765.95		0.19	0.19
PPG INDUSTRIES INC -	2,078.00	USD	149.550	310,764.90		0.06	0.06
PRINCIPAL FINANCIAL GROUP INC -	5,900.00	USD	78.670	464,153.00		0.09	0.09
PROGRESSIVE CORP OH -	8,457.00	USD	159.280	1,347,030.96		0.26	0.26
PROLOGIS TRUST -	14,688.00	USD	133.300	1,957,910.40		0.38	0.38
PRUDENTIAL FINANCIAL INC -	8,851.00	USD	103.710	917,937.21		0.18	0.18
PUBLIC STORAGE INC -	2,630.00	USD	305.000	802,150.00		0.16	0.16

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in American dollar)	% owned by UCI	% portfolio	% Net assets
PULTE GROUP INC -	2,013.00	USD	103.220	207,781.86		0.04	0.04
QUALCOMM CORP -	15,897.00	USD	144.630	2,299,183.11		0.45	0.45
QUEST DIAGNOSTICS INC -	4,204.00	USD	137.880	579,647.52		0.11	0.11
RAYMOND JAMES FINANCIAL -	869.00	USD	111.500	96,893.50		0.02	0.02
REALITY INCOME CORP. -	3,810.00	USD	57.420	218,770.20		0.04	0.04
REGENCY CENTERS CORP -	8,501.00	USD	67.000	569,567.00		0.11	0.11
REGENRON PHARMACEUTICALS -	1,636.00	USD	878.290	1,436,882.44		0.28	0.28
REGIONS FINANCIAL CORPORATION -	34,458.00	USD	19.380	667,796.04		0.13	0.13
RELIANCE STEEL & ALUMINIUM CO -	1,961.00	USD	279.680	548,452.48		0.11	0.11
REPLIGEN CORP -	780.00	USD	179.800	140,244.00		0.03	0.03
REPUBLIC SERVICES INC. -	2,676.00	USD	164.910	441,299.16		0.09	0.09
RESMED INC -	1,530.00	USD	172.020	263,190.60		0.05	0.05
REVVITY INC -	926.00	USD	109.310	101,221.06		0.02	0.02
RIVIAN AUTOMOTIVE INC -	5,667.00	USD	23.460	132,947.82		0.03	0.03
ROBERT HALF -	7,029.00	USD	87.920	617,989.68		0.12	0.12
ROBLOX CORP -	6,721.00	USD	45.720	307,284.12		0.06	0.06
ROKU INC -	1,195.00	USD	91.660	109,533.70		0.02	0.02
ROLLINS INC -	6,511.00	USD	43.670	284,335.37		0.06	0.06
ROSS STORES -	3,373.00	USD	138.390	466,789.47		0.09	0.09
ROYAL CARIBBEAN GROUP LTD -	5,475.00	USD	129.490	708,957.75		0.14	0.14
SALESFORCE.COM INC. -	14,127.00	USD	263.140	3,717,378.78		0.73	0.73
SBA COMMUNICATIONS CORP. -	1,399.00	USD	253.690	354,912.31		0.07	0.07
SCHWAB (CHARLES) CORP. -	19,788.00	USD	68.800	1,361,414.40		0.27	0.27
SCP POOL CORPORATION -	470.00	USD	398.710	187,393.70		0.04	0.04
SEI INVESTMENTS CO -	6,398.00	USD	63.550	406,592.90		0.08	0.08
SENSATA TECHNOLOGIES HOLDING PLC -	11,904.00	USD	37.570	447,233.28		0.09	0.09
SERVICENOW INC -	2,824.00	USD	706.490	1,995,127.76		0.39	0.39
SHERWIN-WILLIAMS COMPANY -	2,270.00	USD	311.900	708,013.00		0.14	0.14
SIMON PROPERTY GROUP INC -	7,333.00	USD	142.640	1,045,979.12		0.20	0.20
SIRIUS XM HOLDING INC -	3,007.00	USD	5.470	16,448.29		0.00	0.00
SNAP INC -	14,295.00	USD	16.930	242,014.35		0.05	0.05
SNAP-ON,INC. -	787.00	USD	288.840	227,317.08		0.04	0.04
SNOWFLAKE INC -	3,640.00	USD	199.000	724,360.00		0.14	0.14
SPLUNK INC -	3,429.00	USD	152.350	522,408.15		0.10	0.10
SQUARE INC -	8,873.00	USD	77.350	686,326.55		0.13	0.13
STANLEY WORKS -	3,308.00	USD	98.100	324,514.80		0.06	0.06
STANTEC INC -	617.00	CAD	106.380	49,777.39		0.01	0.01
STARBUCKS CORP -	18,672.00	USD	96.010	1,792,698.72		0.35	0.35
STATE STREET CORPORATION -	3,247.00	USD	77.460	251,512.62		0.05	0.05
STEEL DYNAMICS INC -	2,658.00	USD	118.100	313,909.80		0.06	0.06
STRYKER CORPORATION -	4,331.00	USD	299.460	1,296,961.26		0.25	0.25
SUN COMMUNITIES INC. -	766.00	USD	133.650	102,375.90		0.02	0.02
SYNCHRONY FINANCIAL -	6,779.00	USD	38.190	258,890.01		0.05	0.05
SYNOPSIS INC -	2,817.00	USD	514.910	1,450,501.47		0.28	0.28
SYSCO CORPORATION -	12,256.00	USD	73.130	896,281.28		0.18	0.18
T-MOBILE US INC -	5,638.00	USD	160.330	903,940.54		0.18	0.18
TAKE-TWO INTERACTIVE SOFTWARE -	2,477.00	USD	160.950	398,673.15		0.08	0.08
TARGET CORP -	8,588.00	USD	142.420	1,223,102.96		0.24	0.24
TECHNE CORP -	1,147.00	USD	77.160	88,502.52		0.02	0.02
TERADYNE INC -	2,987.00	USD	108.520	324,149.24		0.06	0.06
TESLA INC -	40,719.00	USD	248.480	10,117,857.12		1.97	1.97
TEXAS INSTRUMENTS -	13,913.00	USD	170.460	2,371,609.98		0.46	0.46
THE JM SMUCKER CO -	1,506.00	USD	126.380	190,328.28		0.04	0.04
THE MOSAIC COMPANY -	2,124.00	USD	35.730	75,890.52		0.02	0.02
THERMO ELECTRONIC -	5,901.00	USD	530.790	3,132,191.79		0.61	0.61
TJX COMPANIES INC. -	15,223.00	USD	93.810	1,428,069.63		0.28	0.28
TOAST INC -	897.00	USD	18.260	16,379.22		0.00	0.00
TRACTOR SUPPLY COMPANY -	3,252.00	USD	215.030	699,277.56		0.14	0.14
TRADE DESK INC/THE -	5,622.00	USD	71.960	404,559.12		0.08	0.08
TRADEWEB MARKETS INC -	1,144.00	USD	90.880	103,966.72		0.02	0.02
TRANE TECHNOLOGIES PLC -	3,245.00	USD	243.900	791,455.50		0.15	0.15
TRANSUNION -	1,661.00	USD	68.710	114,127.31		0.02	0.02
TRAVELERS COS INC -	4,664.00	USD	190.490	888,445.36		0.17	0.17
TRIMBLE INC -	6,241.00	USD	53.200	332,021.20		0.07	0.07
TRUIST FINANCIAL CORP -	18,151.00	USD	36.920	670,134.92		0.13	0.13
TWILIO INC -	1,500.00	USD	75.870	113,805.00		0.02	0.02
TYLER TECHNOLOGIES INC -	219.00	USD	418.120	91,568.28		0.02	0.02
UDR INC -	6,778.00	USD	38.290	259,529.62		0.05	0.05
UIPATH INC -	4,665.00	USD	24.840	115,878.60		0.02	0.02
ULTA BEAUTY INC -	382.00	USD	489.990	187,176.18		0.04	0.04
UNITED PARCEL SERVICE B	8,732.00	USD	157.230	1,372,932.36		0.27	0.27
UNITED THERAPEUTICS CORP. -	638.00	USD	219.890	140,289.82		0.03	0.03
UNITEDHEALTH GROUP INC. -	13,456.00	USD	526.470	7,084,180.32		1.38	1.38
UNITER RENTALS INC -	934.00	USD	573.420	535,574.28		0.10	0.10
UNITY SOFTWARE INC -	5,143.00	USD	40.890	210,297.27		0.04	0.04
US BANCORP -	14,009.00	USD	43.280	606,309.52		0.12	0.12
VEEVA SYSTEMS INC -	4,288.00	USD	192.520	825,525.76		0.16	0.16
VENTAS INC -	5,650.00	USD	49.840	281,596.00		0.06	0.06
VERALTO CORP -	4,187.00	USD	82.260	344,422.62		0.07	0.07
VERISIGN INC. -	2,088.00	USD	205.960	430,044.48		0.08	0.08

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in American dollar)	% owned by UCI	% portfolio	% Net assets
VERISK ANALYTICS INC -	826.00	USD	238.860	197,298.36		0.04	0.04
VERIZON COMMUNICATIONS INC -	57,774.00	USD	37.700	2,178,079.80		0.43	0.43
VERTEX PHARMAC. -	3,648.00	USD	406.890	1,484,334.72		0.29	0.29
VERTIV HOLDINGS CO -	1,580.00	USD	48.030	75,887.40		0.02	0.02
VF CORP -	5,478.00	USD	18.800	102,986.40		0.02	0.02
VIATRIS INC -	24,179.00	USD	10.830	261,858.57		0.05	0.05
VISA INC -	23,361.00	USD	260.350	6,082,036.35		1.19	1.19
VULCAN MATERIALS COMPANY -	626.00	USD	227.010	142,108.26		0.03	0.03
W.R. BERKLEY CORP -	1,116.00	USD	70.720	78,923.52		0.02	0.02
WABTEC CORPORATION -	731.00	USD	126.900	92,763.90		0.02	0.02
WALGREENS BOOTS ALLIANCE INC -	21,100.00	USD	26.110	550,921.00		0.11	0.11
WALMART INC -	20,001.00	USD	157.650	3,153,157.65		0.62	0.62
WALT DISNEY -	24,678.00	USD	90.290	2,228,176.62		0.43	0.44
WASTE CONNECTIONS INC -	6,178.00	CAD	197.860	927,027.97		0.18	0.18
WASTE MANAGEMENT INC. -	7,706.00	USD	179.100	1,380,144.60		0.27	0.27
WATERS CORP -	1,000.00	USD	329.230	329,230.00		0.06	0.06
WATSCO INC -	543.00	USD	428.470	232,659.21		0.05	0.05
WEBSTER FINANCIAL CORP -	5,866.00	USD	50.760	297,758.16		0.06	0.06
WEST PHARMACEUTICAL SERVICES INC -	1,131.00	USD	352.120	398,247.72		0.08	0.08
WESTERN DIGITAL CORP -	4,718.00	USD	52.370	247,081.66		0.05	0.05
WHIRLPOOL CORPORATION -	2,091.00	USD	121.770	254,621.07		0.05	0.05
WK KELLOGG CO -	668.00	USD	13.140	8,777.52		0.00	0.00
WORKDAY INC -	3,993.00	USD	276.060	1,102,307.58		0.22	0.22
XYLEM INC/NY -	7,275.00	USD	114.360	831,969.00		0.16	0.16
YUM! BRANDS INC -	4,194.00	USD	130.660	547,988.04		0.11	0.11
ZEBRA TECHNOLOGIES CORP -A-	422.00	USD	273.330	115,345.26		0.02	0.02
ZILLOW GROUP INC -	1,570.00	USD	57.860	90,840.20		0.02	0.02
ZIMMER BIOMET HOLDINGS INC -	777.00	USD	121.700	94,560.90		0.02	0.02
ZOETIS INC -	7,997.00	USD	197.370	1,578,367.89		0.31	0.31
ZOOM VIDEO COMMUNICATIONS INC -	2,443.00	USD	71.910	175,676.13		0.03	0.03
ZSCALER INC -	1,217.00	USD	221.560	269,638.52		0.05	0.05
Total shares				512,853,182.06		100.00	100.06
TOTAL SECURITIES PORTFOLIO				512,853,182.06		100.00	100.06
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP CAD	803.47	CAD	1.000	609.34		0.00	0.00
KBC GROUP EURO	-188,259.33	EUR	1.000	-207,960.67		0.00	-0.04
KBC GROUP GBP	0.91	GBP	1.000	1.16		0.00	0.00
KBC GROUP USD	-250,849.94	USD	1.000	-250,849.94		0.00	-0.05
Total demand accounts				-458,200.11		0.00	-0.09
TOTAL CASH AT BANK AND IN HAND				-458,200.11		0.00	-0.09
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP USD RECEIVABLE	95.72	USD	1.000	95.72		0.00	0.00
Total receivables				95.72		0.00	0.00
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP USD PAYABLE	-95.72	USD	1.000	-95.72		0.00	0.00
Payables				-95.72		0.00	0.00
TOTAL RECEIVABLES AND PAYABLES				0.00		0.00	0.00
<b>OTHER</b>							
Interest receivable		USD		366,016.11		0.00	0.07
Expenses payable		USD		-217,736.55		0.00	-0.04
TOTAL OTHER				148,279.56		0.00	0.03
TOTAL NET ASSETS				512,543,261.51		0.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Argentina	0.34	0.27	0.31	0.19
Australia	0.00	0.00	0.00	0.18
Belgium	-0.07	0.13	0.19	-0.09
Bermuda	0.14	0.31	0.51	0.51
Canada	5.67	5.71	4.26	3.21
Switzerland	0.00	0.00	0.08	0.26
China	0.00	0.00	0.00	0.15
Cayman Islands	0.00	0.00	0.00	0.02
France	0.00	0.00	0.00	0.04

U.K.	1.05	0.04	0.17	0.19
Ireland	0.00	1.00	0.80	0.71
Netherlands	0.20	0.12	0.04	0.14
U.S.A.	92.67	92.42	93.64	94.49
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	8.29	9.19	5.83	
Consum(cycl)	16.60	15.06	11.03	
Cons.goods	12.46	13.46	13.54	
Pharma	14.08	14.51	13.81	
Financials	12.57	13.12	11.79	
Technology	30.23	30.20	39.91	
Telecomm.	2.00	1.61	1.28	
Utilities	0.39	0.37	0.32	
Real est.	3.38	2.48	2.49	
TOTAL	100.00	100.00	100.00	

	31/12/2023
Software & Tech Services	20.18
Tech Hardware & Semiconductors	18.83
Health Care	14.47
Media	7.89
Retail & Wholesale - Discretionary	7.23
Banking	4.34
Consumer Discretionary Products	3.16
Financial Services	3.03
Consumer Staple Products	3.02
Insurance	2.78
Real Estate	2.76
Industrial Products	2.49
Industrial Services	2.31
Retail & Wholesale - Staples	2.30
Materials	2.18
Consumer Discretionary Services	1.83
Telecommunications	0.96
Utilities	0.14
Renewable Energy	0.10
TOTAL	100.00

The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
CANADIAN DOLLAR	6.04	6.00	4.41	3.28
EURO	0.01	-0.04	0.22	-0.04
US DOLLAR	93.95	94.04	95.37	96.76
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund North America Responsible Investing (in American dollar)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	79,803,033.38	148,868,484.35	228,671,517.73
<b>Sales</b>	81,304,263.06	46,780,211.44	128,084,474.50
<b>Total 1</b>	161,107,296.43	195,648,695.80	356,755,992.23
<b>Subscriptions</b>	41,237,472.77	126,729,126.41	167,966,599.19
<b>Redemptions</b>	42,126,498.75	28,184,736.93	70,311,235.68
<b>Total 2</b>	83,363,971.53	154,913,863.34	238,277,834.87
<b>Monthly average of total assets</b>	352,821,388.16	430,770,337.43	392,117,965.89
<b>Turnover rate</b>	22.03%	9.46%	30.21%

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

The detailed list of transactions can be consulted free of charge at the company designated as financial service: 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
2021 - 12	305.03	49.20	75.29	7.00	657.10	142.20	799.30
2022 - 12	120.02	46.05	126.10	65.00	651.03	123.25	774.28
2023 - 12	18.00	27.00	51.00	50.00	618.03	100.25	718.28

Period	Amounts received and paid by the UCITS (in American dollar)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	6,893,347.68	939,768.61	1,773,183.38	133,670.45
2022 - 12	2,778,451.10	902,765.56	2,749,833.76	1,201,431.32
2023 - 12	414,734.51	464,519.91	1,150,920.97	907,632.51

Period	Net asset value End of period (in American dollar)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	20,027,231.02	25,962.76	20,864.98
2022 - 12	15,004,364.32	20,038.05	15,894.51
2023 - 12	17,497,809.20	25,126.10	19,641.28

### Institutional Shares EUR

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	77,066.08		36,778.67		151,183.85		151,183.85
2022 - 12	62,244.65		39,217.62		174,210.89		174,210.89
2023 - 12	87,002.34		30,933.89		230,279.34		230,279.34

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	103,645,907.78		53,387,648.00	
2022 - 12	93,352,934.10		57,446,867.24	
2023 - 12	130,924,635.52		45,596,794.37	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	245,744,386.79	1,625.47	
2022 - 12	232,998,334.40	1,337.45	
2023 - 12	373,357,311.55	1,621.32	

### Institutional B Shares EUR

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2022 - 12	67,587.00		3,852.00		63,735.00		63,735.00
2023 - 12	25,872.00		18,962.00		70,645.00		70,645.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2022 - 12	62,453,697.21		3,550,325.33	
2023 - 12	25,086,596.42		17,783,330.96	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2022 - 12	55,586,226.88	872.15	
2023 - 12	74,789,569.64	1,058.67	



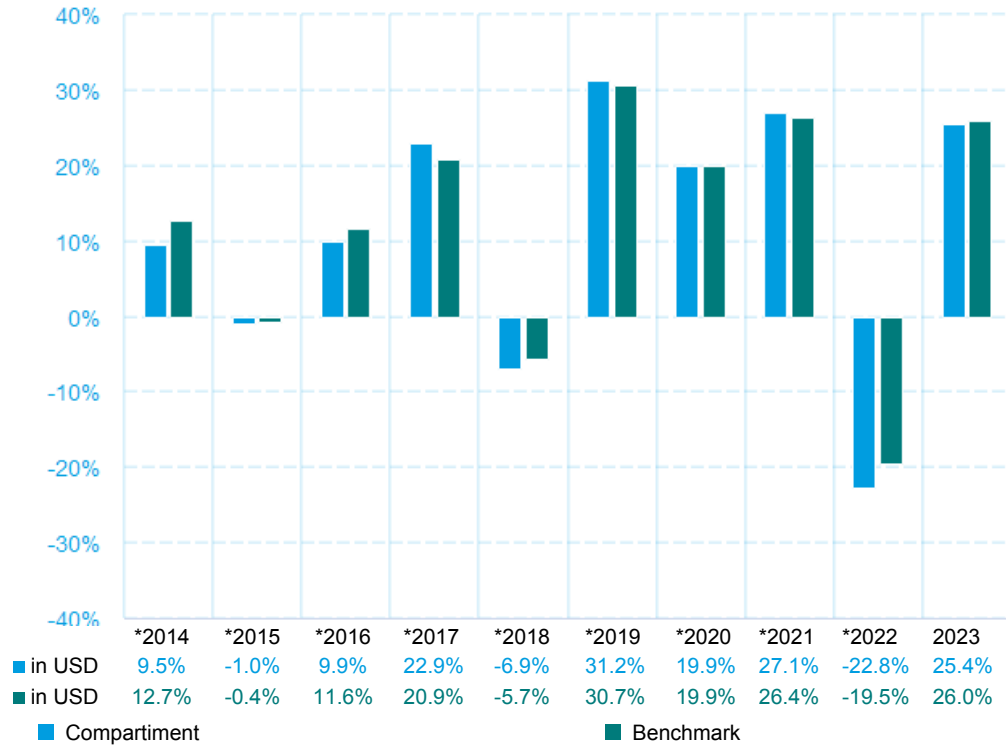
## 2.4.5. Performance figures

### Classic Shares

BE0058442485

KBC Institutional Fund North America Responsible Investing Classic Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (inUSD)

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



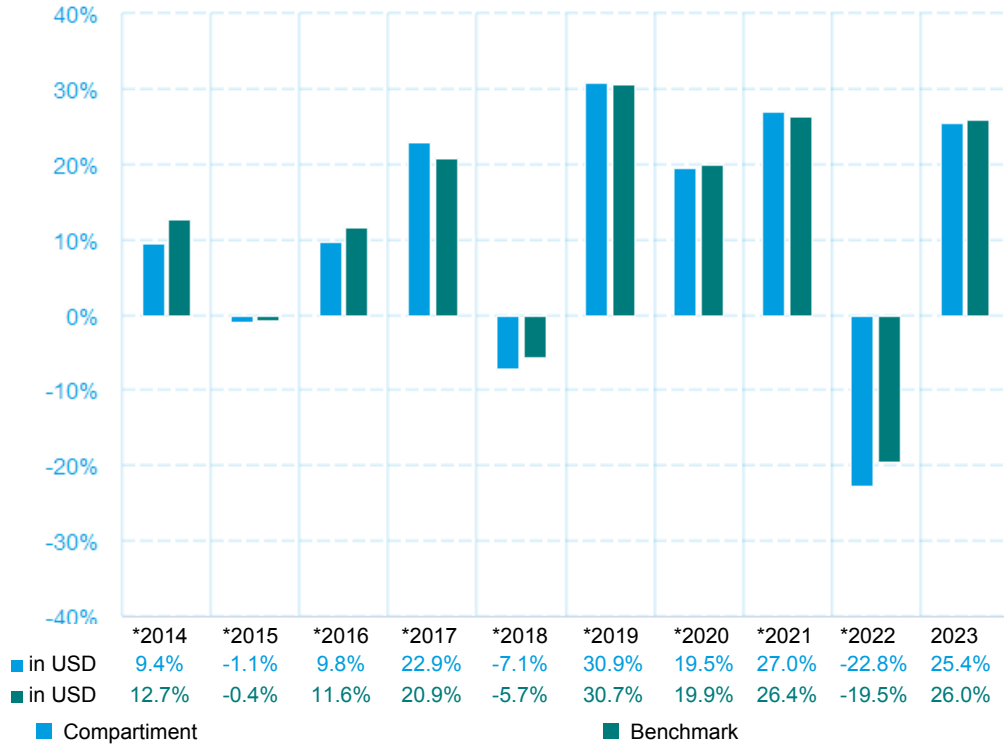
\* These performances were achieved under circumstances that no longer apply

**Classic Shares**

BE0058441479

KBC Institutional Fund North America Responsible Investing Classic Shares DIS  
Annual performance compared to the benchmark on 31/12/2023 (inUSD)

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



\* 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
CAP	BE0058442485	USD	25.39%	26.00%	7.14%	8.64%	14.11%	14.97%	10.18%	11.10%	07/12/2001	7.59%
DIS	BE0058441479	USD	25.40%	26.00%	7.12%	8.64%	13.98%	14.97%	10.07%	11.10%	07/12/2001	

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.
- The figures do not take account of any restructuring..
- Calculated in USD 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.

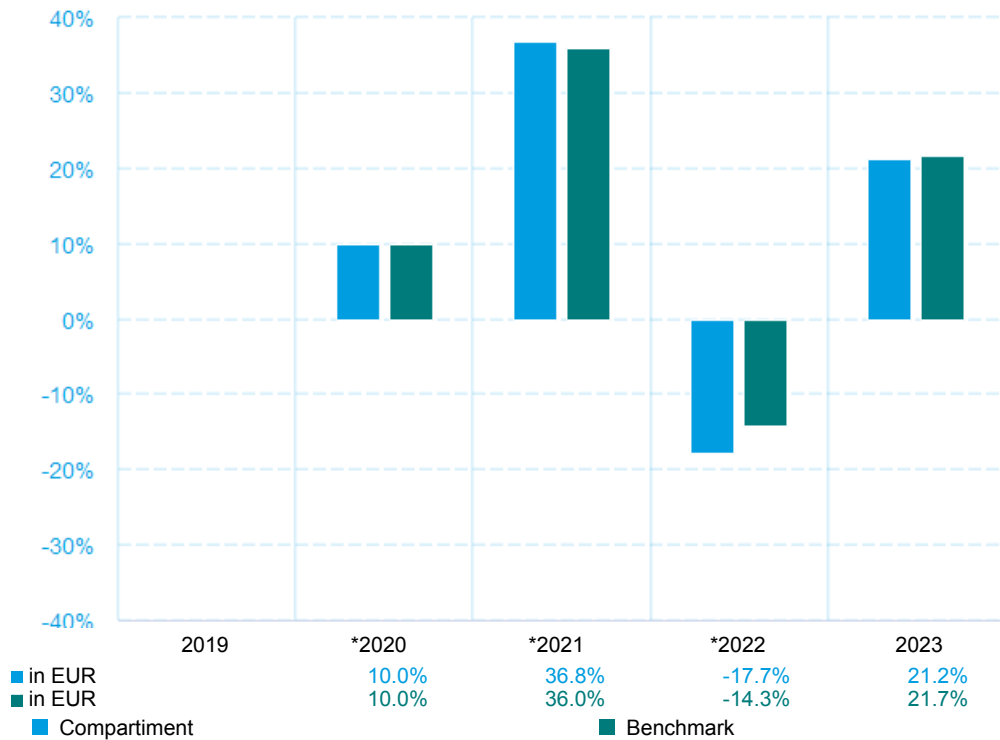
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the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

Dividend on ex-dividend date 28/03/2024: 170,8314 net (244,0448 gross).

## Institutional Shares EUR

BE6316203486

KBC Institutional Fund North America Responsible Investing Institutional Shares EUR CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



\* 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
CAP	BE6316203486	EUR	21.22%	21.73%	10.93%	12.41%					04/10/2019	12.22%

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

\* Return on annual basis.

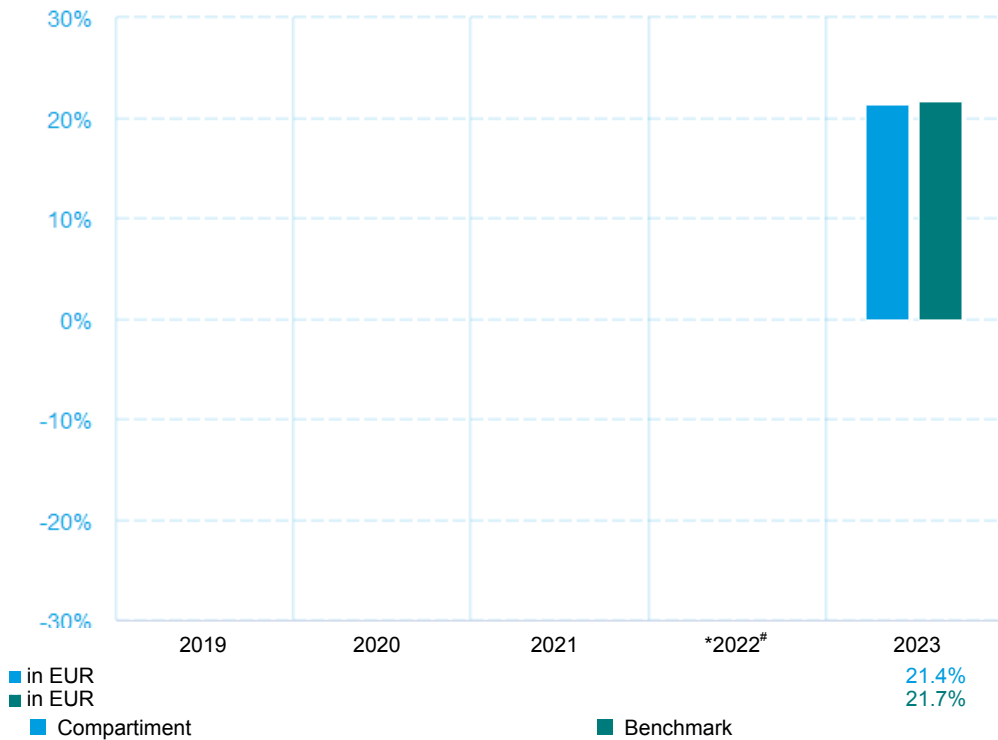
## Institutional Shares EUR

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

**Institutional B Shares EUR**

BE6332393394

KBC Institutional Fund North America Responsible Investing Institutional B Shares EUR CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



# There is insufficient data for this year to give investors a useful indication of past performance.  
\* 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
CAP	BE6332393394	EUR	21.39%	21.73%							15/02/2022	3.34%

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

**Institutional B Shares EUR**

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$[NIW(D) / NIW(Y)]^{[1 / X]} - 1$$
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.

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Classic Shares Capitalisation :

Ongoing charges : 0,681%  
Transaction costs: 0,025%

#### Classic Shares Distribution :

Ongoing charges : 0,684%  
Transaction costs: 0,025%

#### Institutional Shares EUR Capitalisation :

Ongoing charges : 0,616%  
Transaction costs: 0,025%

#### Institutional B Shares EUR Capitalisation :

Ongoing charges : 0,465%  
Transaction costs: 0,025%

Percentage calculated at reporting date: 31 December 2023 .

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.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.45%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.015%	of the net assets of the sub-fund per year.

### Institutional Shares EUR

Fee for managing the investment portfolio	Max 0.45%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	of the net assets of the sub-fund per year.

### Institutional B Shares EUR

Fee for managing the investment portfolio	Max 0.40%	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.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	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.



**Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**  
KBC Institutional Fund North America Responsible Investing

**Legal entity identifier:**  
549300P2FV8LMYO1ID94

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Did this financial product have a sustainable investment objective?**

**Yes**    **No**

<p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b>: %</p> <p style="margin-left: 40px;"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective</b>: %</p>	<p><input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 67.30% of sustainable investments</p> <p style="margin-left: 40px;"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>
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**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

This sub-fund:

- has promoted the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- has promoted climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;
- has supported sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The specific objectives of the sub-fund can be found in the table under title 'How did the sustainability indicators perform?' of this annex.

The sub-fund invested 67.30% of the assets in "sustainable investments" as defined by art. 2.17 SFDR and 32.73% in other investments aligned with environmental or social characteristics.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI North America-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How did the sustainability indicators perform?**

**Sustainability indicators**  
measure how the environmental or social characteristics promoted by the financial product are attained.

	Target	Target applied	Actuals	Objective attained
<b>Instruments issued by companies</b>				
ESG risk score	10% better than the following benchmark: MSCI North America-Net Return index.	19.31	18.99	Yes
Carbon Intensity	A reduction of 50% by 2030 based on the following benchmark: MSCI North America-Net Return index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%.	118.37	39.73	Yes
<b>Minimum % Sustainable Investments</b>	A minimum of 55% of sustainable investments.	55	67.30	Yes
<b>Other specific objectives</b>	not applicable			

As indicated in the table above, the sub-fund has reached all targets during the reference period.

The sub-fund pursued these objectives (directly or indirectly) based on a dual approach: the negative screening and the positive selection methodology. The reference period of this annual report is 1 January 2023 to 31 December 2023. The objectives and results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year and, for this reason, are not a reliable indicator for future results.

All targets are also monitored by KBC Asset Management at month-end. Given the difference in the periodicity of the calculations, it cannot be excluded that the monitoring at month-end leads to different results than the situation at the end of the financial year as shown in the table above and section 2.1.7 of the general annual report.

No breaches at month-end have been identified for this sub-fund.

**... and compared to previous periods?**

Sustainability indicators	Achieved result	
	31/12/2022	31/12/2023
<b>Instruments issued by companies</b>		
ESG risk score		18.99
Carbon Intensity		39.73
<b>Sustainable Investments</b>	69.63	67.30

For both reporting periods, the results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year. Therefore, they are not a reliable indicator of future results.

For the reporting period 01/01/2022 - 31/12/2022, the results achieved were not reported for each sustainability indicator separately (except for the percentage of sustainable investments).

For the year 2022, it was only described in a general way whether or not the targets were achieved.

**What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The sub-fund promoted a combination of environmental and social characteristics and, even though it didn't have sustainable investments as an objective, the sub-fund invested 67.30% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this chapter only reflect the situation at the end of the financial year of the **sub-fund** and, for that reason, are not a reliable indicator for future results.

**(1) UN Sustainable Development Goals**

To support sustainable development, the sub-fund invested a part of its portfolio in companies that contribute to the UN Sustainable Development Goals (including both social and environmental objectives).

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, were designated as 'sustainable investments'.

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

***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and anti-bribery matters.

The sustainable investments that the sub-fund partially made did not cause significant harm to the sustainable investment objective through the negative screening. The sub-fund took into account the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 through the negative screening.

The negative screening amounts to the sub-fund's a priori exclusion of companies from the Responsible Investment universe which fall foul the exclusion policies.

The application of these policies means that companies involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, and companies active in the palm oil industry are subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather are excluded. The negative screening also ensures that companies based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These principles of negative screening are not exhaustive and may be modified on the advice of the Responsible Investing Advisory Board.

***How were the indicators for adverse impacts on sustainability factors taken into account?***

Through the exclusion policy for Responsible Investing funds and, in particular, the normative screening and ESG risk assessment, all indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account for instruments issued by companies. The sub-fund did not invest in companies that seriously violate the principles of the United Nations Global Compact and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, and any companies involved in serious controversies related to environmental, social or good governance issues are also excluded. Also excluded were companies that deviate significantly (score of -10) from any of the UN's first 15 Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk score of more than 40 according to data provider Sustainalytics.

In addition to the normative screening and ESG risk assessment, through the positive selection methodology on carbon intensity and the exclusions in the exclusion policy for Responsible Investment funds, the following indicators of principle adverse impacts on sustainability factors were also considered for all investments of this sub-fund:

- **Indicator 4:** exposure to companies active in the fossil fuel sector was taken into account as the sub-fund did not invest in companies that are active in the fossil fuel sector.
- **Indicator 10:** Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises was taken into account as the sub-fund did not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14:** exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) was taken into account as the sub-fund did not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors were implicitly taken into

account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercised the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators of principal adverse impacts on sustainability factors that the sub-fund can take into account can be found in Annex I of Delegated Regulation (EU) 2022/1288.

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Yes.

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, were excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assessed the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures were taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

The principal adverse impacts on sustainability factors were explicitly taken into account for all investments of this sub-fund by the exclusion policies applied. In addition, the principle adverse impacts on sustainability factors were implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting. More information on the principal adverse impacts on sustainability factors can be found under the heading 'How were the indicators for adverse impacts on sustainability factors taken into account' of this Annex.



## What were the top investments of this financial product?

This list includes the investments constituting the greatest proportion of the financial product during the reference period which is:  
01/01/2023-31/12/2023

Largest investments	Sector	% assets	Country
APPLE INC	Tech Hardware & Semiconductors	7.57%	United States of America
MICROSOFT CORP	Software & Tech Services	6.81%	United States of America
AMAZON.COM INC	Retail & Wholesale - Discretionary	3.12%	United States of America
NVIDIA CORP	Tech Hardware & Semiconductors	2.98%	United States of America
ALPHABET INC-CL A	Media	2.52%	United States of America
TESLA INC	Consumer Discretionary Products	1.89%	United States of America
ALPHABET INC-CL C	Media	1.40%	United States of America
UNITEDHEALTH GROUP INC	Health Care	1.33%	United States of America
JPMORGAN CHASE & CO	Banking	1.12%	United States of America
VISA INC-CLASS A SHARES	Software & Tech Services	1.09%	United States of America
ELI LILLY & CO	Health Care	1.05%	United States of America
JOHNSON & JOHNSON	Health Care	1.03%	United States of America
BROADCOM INC	Tech Hardware & Semiconductors	1.00%	United States of America
MERCK & CO. INC.	Health Care	0.96%	United States of America
HOME DEPOT INC	Retail & Wholesale - Discretionary	0.94%	United States of America



## What was the proportion of sustainability-related investments?

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results. At the end of the year, the proportion of sustainable investments was 67.30%.

**What was the asset allocation?**

Asset allocation describes the share of investments in specific assets.

The sub-fund could invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described in the prospectus under title "Information concerning the sub-fund North America Responsible Investing".

Within these categories of eligible assets, the sub-fund invested 100.02% in assets that promote environmental or social characteristics and 0.02% in other investments. The category "other investments" contained technical items, such as cash and derivatives, and assets in which the sub-fund invests temporarily following a planned update of the eligible universe, which determines the assets that promote environmental and/or social characteristics, for which there are no environmental or social safeguards. The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.

Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund North America Responsible Investing' of the prospectus.

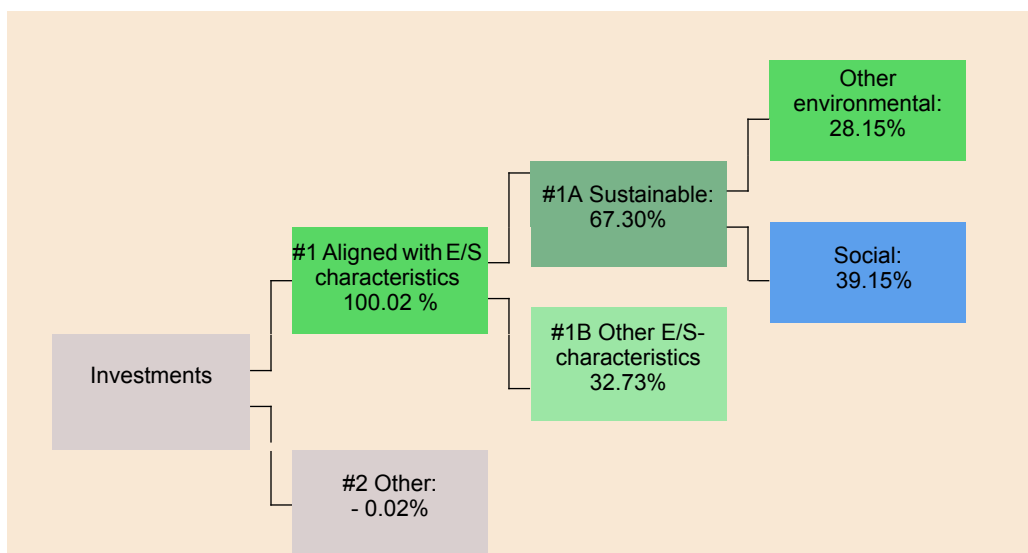
Investments in derivatives are not used to attain the environmental or social characteristics promoted by the financial product and will not affect them.

28.15% of the sustainable investments are environmentally sustainable investments and 39.15% are socially sustainable investments.

The sustainable investments are equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are considered "sustainable" by the Responsible Investing Advisory Board.

More information can be found at the section 'What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?' of this Annex.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**In which economic sectors were the investments made?**

On 31/12/2023 the investments were made in the following sectors:

Sector	%Assets
Software & Tech Services	20.18%
Tech Hardware & Semiconductors	18.83%
Health Care	14.47%
Media	7.89%
Retail & Wholesale - Discretionary	7.23%
Banking	4.34%
Consumer Discretionary Products	3.16%
Financial Services	3.03%
Consumer Staple Products	3.02%
Insurance	2.78%
Real Estate	2.76%
Industrial Products	2.49%
Industrial Services	2.31%
Retail & Wholesale - Staples	2.30%
Materials	2.18%
Consumer Discretionary Services	1.83%
Telecommunications	0.96%
Utilities	0.14%
Renewable Energy	0.10%

Sectors and sub-sectors of the economy that derive income from exploration, mining, extraction, production, processing, storage, refining or distribution - including transportation, storage and trading - in fossil fuels are excluded by the exclusion policy. Consequently, the sub-fund has not invested in these sectors and sub-sectors.



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework ("investments aligned with the EU Taxonomy"). Although the sub-fund does not aim to invest in investments aligned with the EU Taxonomy, it cannot be ruled out that the sub-fund does contain investments aligned with the EU Taxonomy. The percentage invested in EU Taxonomy-aligned investments was set at 31 December 2023. KBC Asset Management NV determined that insufficient reliable, timely and verifiable data from issuers or investee companies were available at that time for consistent reporting, and this based on its own research and services from data suppliers. The percentage invested in investments aligned with the EU Taxonomy was therefore set at 0%.

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>(1)</sup>?**

Yes:

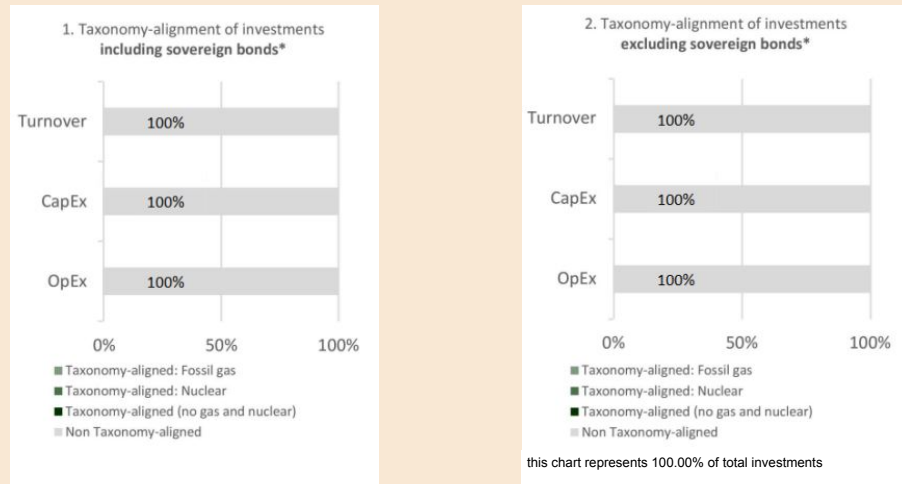
In fossil gas                       In nuclear energy

No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in

Taxonomy-aligned activities are expressed as a share of: **-turnover** reflecting the share of revenue from green activities of investee companies. **-capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. **-operational expenditure** (OpEx) reflecting green operational activities of investee companies.

**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy--alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



**\*For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.**

● **What was the share of investments made in transitional and enabling activities?**

Not applicable.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The previous reference period (which ran from 1 January 2022 tot 31 December 2022) also reported 0% on EU taxonomy-aligned investments.

KBC Asset Management NV determined, based on its own research and services from data suppliers, that insufficient reliable, timely and verifiable data of issuers in which investments were made were available for the previous and current financial year. The percentage of investments aligned with the EU taxonomy was therefore set at 0% for both reference periods.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

The sub-fund invested 67.30% in sustainable investments as defined by art. 2.17 SFDR. At the end of the financial year of the sub-fund, the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 28.15%.

Asset managers depend on available sustainability data relating to their investee companies. Currently, there is a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.



**What was the share of socially sustainable investments?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.



At the end of the financial year of the sub-fund, the share of socially sustainable investments was 39.15%,



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

At the end of the financial year, the "not sustainable" category may include the following investments:

Assets	Purpose of investments and presence of minimum environmental or social safeguards
Investments in cash	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in assets that no longer met screening criteria	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in derivatives	Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund North America Responsible Investing' of the prospectus. Investments in derivatives were not used to attain the environmental or social characteristics promoted by the sub-fund and did not affect them.

For investments included under “#2 not sustainable”, there were no environmental or social safeguards.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The sub-fund

- promoted the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promoted climate change mitigation, by preferring companies with lower Carbon Intensity, with the objective of meeting a predetermined carbon intensity target;
- supported sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

The sub-fund excluded companies involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices were also excluded, and companies active in the palm oil industry were subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather were excluded. The negative screening also ensured that companies based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) were excluded from the sub-fund's investment universe.

KBC Asset Management NV executed the voting rights of shares managed in the sub-fund according to the Proxy Voting and Engagement Policy. As such, KBC Asset Management monitored the companies in which the sub-fund is invested in, intervened with investee companies (avoiding insider information), took part in appropriate collective engagement initiatives and exercised voting rights in a considered way. These responsibilities were executed in the exclusive concern of defending the interests of the investors of the funds.



**How did this financial product perform compared to the reference benchmark?**

Reference benchmarks are indexes to measure whether the financial

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI North America-Net Return index was used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-

product attains the environmental or social characteristics that they promote.

fund.

More information can be found in the table under the "How did the sustainability indicators perform" section of this annex.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.

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## 2. Information on KBC Institutional Fund Rest Of Europe Responsible Investing

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

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

Launch date: 15 December 2020  
Initial subscription price: 1 000 EUR  
Currency: EUR

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

Launch date: 15 December 2020  
Initial subscription price: 1 000 EUR  
Currency: EUR

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

Launch date: 15 December 2020  
Initial subscription price: 1 000 EUR  
Currency: EUR

##### **Institutional Shares Distribution**

Launch date: 15 December 2020  
Initial subscription price: 1 000 EUR  
Currency: EUR

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

Launch date: 15 February 2022  
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 sub-fund aims to generate a return that matches the return of the benchmark, viz. the MSCI EUROPE EX EMU - Net Return Index, by investing in a selection of shares that are included in the benchmark and that comply with the responsible investing methodology set out below. Active management is therefore limited to the responsible investing methodology. The benchmark comprises shares from Member States of the European Union not participating in the euro and from the UK, Switzerland and Norway.

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

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

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

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

The sub-fund is compliant with the transparency obligations of article 11 (1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR'). More information on how the sub-fund promotes environmental and social characteristics can be found in the 'Annex for KBC Institutional Fund Rest Of Europe Responsible Investing' of this annual report. This annex specifically covers the periodic reports for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

### Negative screening

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

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

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

#### Positive selection methodology

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

- (1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and
- (2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;
- (3) support sustainable development, by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

#### **(1) ESG-score**

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

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

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

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

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

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

The targets can be revised upwards or downwards.

#### **(2) Carbon Intensity**

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

The contribution of companies to climate change mitigation is measured based on their carbon intensity. Carbon intensity is defined as absolute greenhouse gas emissions (in tonnes CO<sub>2</sub> equivalent), divided by revenues (in mln USD).

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

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

The targets may be revised upwards or downwards.

#### **(3) UN Sustainable Development Goals**

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

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

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

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

The targets may be revised upwards or downwards.

#### **Potential Exceptions**

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

- Developments as a result of which a company can no longer be regarded as eligible after purchase;  
Corporate events, such as a merger of one company with another, where the merged company can no longer be

- considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

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

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

The sub-fund aims to generate a return that matches the return of the benchmark: MSCI EUROPE EX EMU - Net Return Index.

The sub-fund aims to minimise the tracking error relative to the benchmark referred to above. Under normal market conditions, the expected tracking error is between 0% and 5%. Possible causes of this tracking error could be sustainability screening, the method used to track the benchmark, transaction charges, dividend reinvestment and the costs generally borne by the sub-fund.

The tracking error measures the volatility of the sub-fund's return relative to that of the benchmark. The higher the tracking error, the more the sub-fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

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

### **Taxonomy related information**

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

### **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors were explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. The principal adverse impacts on sustainability factors that were taken into account through the exclusion policies can be found in the 'Annex for KBC Institutional Fund Rest Of Europe Responsible Investing'.

The principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy. The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy can be found in the 'Annex for KBC Institutional Fund Rest Of Europe Responsible Investing'.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Institutional Fund Rest Of Europe Responsible Investing'.

### **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)**

The sub-fund may not lend any financial instruments.

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

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

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

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

## **2.1.4. Financial portfolio management**

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

## **2.1.5. Distributors**

KBC Asset Management NV, Havenlaan 2, 1080 Brussels.

## **2.1.6. Index and benchmark**

See 'Sub-fund's investment policy'.

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

As stipulated in the prospectus, the fund management aimed to reflect the performance of the MSCI EUROPE EX EMU.

MSCI EUROPE EX EMU - Net Return Index.

The fund's strategy is also in line with the SRI strategy and the fund's assets are invested accordingly.

## **2.1.8. Future policy**

As stipulated in the prospectus, the fund will continue to track the performance of the MSCI EUROPE EX EMU.

MSCI EUROPE EX EMU - Net Return Index.

Compliance with the sustainability aspect of the strategy remains valid going forward.

## **2.1.9. Summary risk indicator (SRI)**

Classic Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of concentration risk: there is a concentration of the investments in shares of companies from European Union member states outside the euro-area and from the United Kingdom, Switzerland and Norway.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

Institutional Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates.
- a moderate level of concentration risk: there is a concentration of the investments in shares of companies from European Union member states outside the euro-area and from the United Kingdom, Switzerland and Norway.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

Institutional B Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by

movements in exchange rates.

- a moderate level of concentration risk: there is a concentration of the investments in shares of companies from European Union member states outside the euro-area and from the United Kingdom, Switzerland and Norway.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

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

The summary 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).

### **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 6.20 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

### **2.1.11. Value-at-Risk**

Not applicable

## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	110,660,013.10	59,865,806.46
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
a)	Shares	110,358,294.23	60,154,114.94
D.	Other securities	6.20	
<b>IV.</b>	<b>Receivables and payables within one year</b>		
B.	Payables		
c)	Borrowings (-)	-4,254.64	-381,848.06
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	234,184.36	19,116.55
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	119,459.69	103,787.68
C.	Accrued expense (-)	-47,676.74	-29,364.65
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	110,660,013.10	59,865,806.46
<b>A.</b>	<b>Capital</b>	99,439,589.76	65,547,539.52
<b>B.</b>	<b>Income equalization</b>	841,403.26	344,814.53
<b>D.</b>	<b>Result of the bookyear</b>	10,379,020.08	-6,026,547.59

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	6,303,283.98	-5,838,696.74
D.	Other securities	1.30	1,294.80
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	2,620,518.47	-1,184,470.82
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	2,201,498.05	1,310,705.49
	Unrealised gains on investments	9,523,863.36	-2,722,026.35
	Realised losses on investments	-1,548,197.87	-1,366,774.63
	Unrealised losses on investments	-1,253,359.79	-4,243,777.27
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	2,062,761.98	1,380,679.40
B.	Interests		
	b) Cash at bank and in hand and deposits	2,855.06	535.96
C.	Interest on borrowings (-)	-13,039.30	-1,687.81
<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	18,374.91	21,834.15
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-134,204.88	-94,500.67
B.	Financial expenses (-)	-106.46	-65.70
C.	Custodian's fee (-)	-30,721.59	-20,085.82
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-338.25	-333.84
	Institutional Shares	-305,807.60	-210,803.51
	Institutional B Shares	-34,090.87	-11,250.80
	b) Administration and accounting management	-79,396.08	-50,669.65
	c) Commercial fee	-625.00	-625.00
E.	Administrative expenses (-)	-0.01	
F.	Formation and organisation expenses (-)	-386.00	-156.39
G.	Remuneration, social security charges and pension	-17.25	-8.58
H.	Services and sundry goods (-)	-2,045.78	-3,131.45
J.	Taxes		
	Classic Shares	-74.67	-66.91
	Institutional Shares	-9,478.13	-5,155.28
	Institutional B Shares	-1,654.34	-933.04
L.	Other expenses (-)	-16,789.41	-8,249.89
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	1,455,216.33	995,325.17
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	10,379,020.08	-6,026,547.59
<b>VII.</b>	<b>Result of the bookyear</b>	10,379,020.08	-6,026,547.59

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	11,220,423.34	-5,681,733.06
	Profit for the period available for appropriation	10,379,020.08	-6,026,547.59
	Income on the creation of shares (income on the cancellation of shares)	841,403.26	344,814.53
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-11,218,323.87	5,683,922.34
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-2,099.47	-2,189.28

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Rest Of Europe Responsible Investing

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Denmark</u>							
A.P. MOLLER-MAERSK A/S -B-	69.00	DKK	12,140.000	112,368.73		0.10	0.10
AP MOELLER - MAERSK A/S -	121.00	DKK	11,980.000	194,455.35		0.18	0.18
CARLSBERG A/S B	1,712.00	DKK	846.800	194,474.34		0.18	0.18
CHRISTIAN HANSEN HOLDING A/S -	6,141.00	DKK	566.200	466,430.20		0.42	0.42
COLOPLAST A/S B	5,948.00	DKK	772.000	615,979.08		0.56	0.56
DANSKE BK AS -	10,934.00	DKK	180.400	264,602.11		0.24	0.24
DSV PANALPINA A S -	8,346.00	DKK	1,185.500	1,327,265.00		1.20	1.20
GENMAB A/S -	1,315.00	DKK	2,155.000	380,146.27		0.34	0.34
NOVO NORDISK A/S B	98,902.00	DKK	698.100	9,261,907.00		8.40	8.37
NOVOZYMES A/S B	10,408.00	DKK	371.100	518,126.66		0.47	0.47
PANDORA A/S -	4,271.00	DKK	933.200	534,665.31		0.48	0.48
TRYG A/S -	2,614.00	DKK	146.900	51,511.61		0.05	0.05
VESTAS WINDS SYSTEMS -	31,137.00	DKK	214.300	895,110.48		0.81	0.81
<u>Ireland</u>							
C.R.H. PLC (LON)	16,663.00	GBP	54.100	1,040,322.08		0.94	0.94
<u>Netherlands</u>							
CNH INDUSTRIAL NV -	7,310.00	USD	12.180	80,600.91		0.07	0.07
<u>Norway</u>							
DNB BANK ASA -	38,341.00	NOK	216.000	738,214.59		0.67	0.67
GJENSIDIGE FORSIKRING ASA -	7,053.00	NOK	187.500	117,880.13		0.11	0.11
MARINE HARVEST -	3,548.00	NOK	182.000	57,559.95		0.05	0.05
ORKLA ASA A	47,807.00	NOK	78.840	335,972.36		0.30	0.30
STATOILHYDRO ASA -	66,664.00	NOK	68.400	406,455.41		0.37	0.37
TELENOR A/S -	7,924.00	NOK	116.600	82,358.51		0.08	0.07
<u>Sweden</u>							
ASSA ABLOY AB B	29,320.00	SEK	290.300	764,572.05		0.69	0.69
ATLAS COPCO AB A	64,905.00	SEK	173.550	1,011,836.14		0.92	0.91
ATLAS COPCO AB AB B FRIA	76,329.00	SEK	149.400	1,024,348.14		0.93	0.93
BOLIDEN AB -	1,354.00	SEK	314.500	38,251.35		0.04	0.04
EPIROC AB -A	37,712.00	SEK	202.200	684,964.60		0.62	0.62
EQT AB -	12,858.00	SEK	285.000	329,174.13		0.30	0.30
ESSITY AB -	8,537.00	SEK	250.000	191,713.50		0.17	0.17
FASTIGHETS AB BALDER -B-	66,950.00	SEK	71.520	430,115.90		0.39	0.39
GETINGE AB B	8,281.00	SEK	224.300	166,847.41		0.15	0.15
HENNES&MAURITZ B	4,135.00	SEK	176.620	65,602.87		0.06	0.06
HEXAGON AB -B-	106,170.00	SEK	120.950	1,153,493.37		1.05	1.04
HUSQVARNA AB -B-	11,980.00	SEK	82.980	89,297.16		0.08	0.08
INDUSTRIVARDEN AB -	15,722.00	SEK	328.300	463,645.54		0.42	0.42
INDUTRADE AB -	1,497.00	SEK	261.800	35,204.55		0.03	0.03
LATOUR INVESTMENT AB -	15,550.00	SEK	262.300	366,383.66		0.33	0.33
LUNDBERGFORETAGEN AB -B-	7,109.00	SEK	548.200	350,070.05		0.32	0.32
NIBE INDUSTRIER AB -	14,948.00	SEK	70.800	95,065.68		0.09	0.09
SANDVIK FRIA -	19,501.00	SEK	218.100	382,049.79		0.35	0.35
SCA-SVENSKA CELLULOSA AB B	31,301.00	SEK	151.100	424,844.59		0.39	0.38
SECURITAS AB B	39,057.00	SEK	98.580	345,855.84		0.31	0.31
SKANDINAVISKA ENSKILDA A	30,295.00	SEK	138.800	377,718.13		0.34	0.34
SVENSKA HANDBK A	65,351.00	SEK	109.450	642,503.38		0.58	0.58
SWEDBANK -	24,924.00	SEK	203.300	455,158.37		0.41	0.41
SWEDISH ORPHAN BIOVITRUM AB -	3,374.00	SEK	267.000	80,921.47		0.07	0.07
TELE2 AB B	14,111.00	SEK	86.540	109,693.80		0.10	0.10
TELIA CO AB -	20,213.00	SEK	25.730	46,717.33		0.04	0.04
VOLVO CAR AB -	67,548.00	SEK	32.560	197,562.40		0.18	0.18
<u>Switzerland</u>							
ADECCO GROUP AG REG	16,761.00	CHF	41.270	744,008.97		0.67	0.67
ALCON INC -	11,560.00	CHF	65.640	816,150.37		0.74	0.74
BACHEM HOLDING AG -	2,984.00	CHF	65.000	208,620.00		0.19	0.19
BALOISE HLDG REG	187.00	CHF	131.800	26,509.45		0.02	0.02

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
BANQUE CANTONALE VAUDOISE -	249.00	CHF	108.500	29,058.48		0.03	0.03
BARRY CALLEBAUT -	238.00	CHF	1,419.000	363,247.91		0.33	0.33
CHOCOLADEFABRIKEN LINDT-REG -	2.00	CHF	102,000.000	219,418.85		0.20	0.20
CHOCOLADEFABRIKEN LINDT-REG -	19.00	CHF	10,090.000	206,199.94		0.19	0.19
COCA-COLA HBC AG -	14,542.00	GBP	23.050	386,823.12		0.35	0.35
GEBERIT AG -	1,374.00	CHF	539.000	796,561.43		0.72	0.72
GIVAUDAN (NOM)	200.00	CHF	3,484.000	749,465.97		0.68	0.68
JULIUS BAER HOLDING B	2,793.00	CHF	47.150	141,643.42		0.13	0.13
KUEHNE & NAGEL INT'L AG -	1,389.00	CHF	289.800	432,956.64		0.39	0.39
LOGITECH INTERNATIONAL SA REG	7,705.00	CHF	79.760	661,000.16		0.60	0.60
LONZA AG -	2,704.00	CHF	353.700	1,028,692.38		0.93	0.93
NESTLE AG REG	77,231.00	CHF	97.510	8,099,992.00		7.34	7.32
NOVARTIS AG REG	63,798.00	CHF	84.870	5,823,781.09		5.28	5.26
ROCHE HOLDING GENOTS	21,692.00	CHF	244.500	5,704,561.08		5.17	5.16
SANDOZ GROUP AG -	19,387.00	CHF	27.060	564,263.78		0.51	0.51
SCHINDLER-HLDG PART.BON	838.00	CHF	210.300	189,551.43		0.17	0.17
SIG COMBIBLOC SERVICES AG -	18,187.00	CHF	19.350	378,517.37		0.34	0.34
SIKA FINANZ AG -	3,380.00	CHF	273.700	995,027.93		0.90	0.90
SONOVA HOLDING AG -	2,078.00	CHF	274.400	613,300.65		0.56	0.55
STRAUMANN HOLDING AG REG	1,635.00	CHF	135.600	238,463.12		0.22	0.22
SWISS LIFE HOLDING -	1,176.00	CHF	584.000	738,692.93		0.67	0.67
SWISS PRIME SITE -	6,261.00	CHF	89.850	605,069.92		0.55	0.55
SWISS RE -	10,583.00	CHF	94.560	1,076,366.16		0.98	0.97
SWISSCOM AG -	1,096.00	CHF	506.000	596,492.31		0.54	0.54
TEMENOS GROUP AG-REG -	7,658.00	CHF	78.220	644,283.41		0.58	0.58
THE SWATCH GROUP AG -	338.00	CHF	228.600	83,106.83		0.08	0.08
UBS GROUP AG -	85,088.00	CHF	26.100	2,388,650.44		2.16	2.16
VAT GROUP AG -	222.00	CHF	421.500	100,645.49		0.09	0.09
ZURICH INSURANCE GROUP AG -	4,794.00	CHF	439.600	2,266,728.41		2.05	2.05
<u>U.K.</u>							
ABRDN PLC -	141,230.00	GBP	1.787	291,170.48		0.26	0.26
ANGLO AMERICAN PLC PLC	28,850.00	GBP	19.706	656,087.33		0.60	0.59
ANTOFAGASTA PLC -	1,197.00	GBP	16.795	23,200.19		0.02	0.02
ASHTREAD GROUP PLC -	12,962.00	GBP	54.620	817,035.77		0.74	0.74
ASSOCIATED BRITISH FOODS PLC -	1,735.00	GBP	23.670	47,393.10		0.04	0.04
ASTRAZENECA PLC -	44,220.00	GBP	106.000	5,409,311.13		4.90	4.89
AUTO TRADER GROUP PLC -	2,699.00	GBP	7.214	22,469.65		0.02	0.02
AVIVA PLC -	171,636.00	GBP	4.347	861,024.25		0.78	0.78
BARCLAYS BANK PLC -	337,311.00	GBP	1.538	598,615.17		0.54	0.54
BARRATT DEVELOPMENTS PLC -	68,804.00	GBP	5.626	446,715.24		0.41	0.40
BERKELEY GROUP (THE) PLC -	7,322.00	GBP	46.880	396,127.22		0.36	0.36
BT GROUP PLC -	119,530.00	GBP	1.236	170,495.43		0.15	0.15
BUNZL -	14,090.00	GBP	31.900	518,703.33		0.47	0.47
BURBERRY GROUP PLC -	39,658.00	GBP	14.160	648,054.33		0.59	0.59
COMPASS GROUP -	41,235.00	GBP	21.460	1,021,205.33		0.93	0.92
CRODA INTERNATIONAL -	629.00	GBP	50.500	36,657.21		0.03	0.03
DIAGEO -	69,332.00	GBP	28.560	2,285,121.46		2.07	2.07
EXPERIAN GROUP LTD -	32,437.00	GBP	32.020	1,198,614.06		1.09	1.08
GLAXOSMITHKLINE PLC -	119,051.00	GBP	14.502	1,992,408.14		1.81	1.80
HALMA PLC -	32,971.00	GBP	22.840	869,051.63		0.79	0.79
HSBC HOLDING PLC -	541,587.00	GBP	6.355	3,971,925.96		3.60	3.59
INFORMA PLC -	101,565.00	GBP	7.812	915,637.70		0.83	0.83
INTERCONTINENTAL HOTELS GROUP PLC -	3,882.00	GBP	70.900	317,628.25		0.29	0.29
JD SPORTS FASHION PLC -	196,914.00	GBP	1.660	377,112.74		0.34	0.34
KINGFISHER PLC -	249,274.00	GBP	2.433	699,900.73		0.63	0.63
LAND SECURITIES GROUP PLC -	89,794.00	GBP	7.048	730,349.22		0.66	0.66
LEGAL & GENERAL GROUP PLC -	209,236.00	GBP	2.511	606,318.03		0.55	0.55
LLOYDS BANKING GROUP PLC -	1,450,459.00	GBP	0.477	798,605.38		0.72	0.72
LONDON STOCK EXCHANGE GRP PLC -	10,063.00	GBP	92.740	1,076,990.62		0.98	0.97
MONDI PLC -	36,970.00	GBP	15.375	655,966.91		0.59	0.59
NEXT PLC -	5,940.00	GBP	81.180	556,484.21		0.50	0.50
PEARSON PLC -	65,633.00	GBP	9.642	730,309.15		0.66	0.66
PERSIMMON -	357.00	GBP	13.890	5,722.53		0.01	0.01
PHOENIX GROUP HOLDINGS PLC -	1,870.00	GBP	5.352	11,549.82		0.01	0.01
PRUDENTIAL PLC -	59,891.00	GBP	8.872	613,197.61		0.56	0.55
RECKITT BENCKISER PLC -	18,256.00	GBP	54.200	1,141,884.75		1.03	1.03
RELX PLC -	71,377.00	GBP	31.100	2,561,745.83		2.32	2.32
RENTOKIL INITIAL PLC -	45,237.00	GBP	4.408	230,119.14		0.21	0.21
ROYAL BANK OF SCOTLAND GROUP PLC -	213,309.00	GBP	2.194	540,086.30		0.49	0.49
SAGE GROUP -	30,132.00	GBP	11.725	407,716.39		0.37	0.37
SAINSBURY PLC -	18,663.00	GBP	3.026	65,173.00		0.06	0.06
SCHRODERS PLC -	49,747.00	GBP	4.299	246,803.72		0.22	0.22
SEGREO PLC -	89,219.00	GBP	8.864	912,650.42		0.83	0.83
SEVERN TRENT -	13,856.00	GBP	25.790	412,388.53		0.37	0.37
SMITH&NEPHEW PLC -	8,277.00	GBP	10.785	103,017.37		0.09	0.09
ST JAMESS PLACE PLC -	16,306.00	GBP	6.836	128,637.28		0.12	0.12
STANDARD CHARTERED PLC -	45,867.00	GBP	6.666	352,844.22		0.32	0.32
TAYLOR WIMPEY PLC -	251,879.00	GBP	1.471	427,439.20		0.39	0.39
TESCO -	149,035.00	GBP	2.905	499,633.75		0.45	0.45

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
UNILEVER PLC -	67,561.00	GBP	38.000	2,962,763.76		2.69	2.68
UNITED UTILITIES WATER PLC -	37,846.00	GBP	10.595	462,741.34		0.42	0.42
VODAFONE GROUP PLC -	806,566.00	GBP	0.686	638,157.79		0.58	0.58
WHITBREAD HOLDINGS PLC -	927.00	GBP	36.560	39,111.39		0.04	0.04
WPP GROUP PLC -	61,954.00	GBP	7.530	538,371.03		0.49	0.49
3IGROUP -	49,822.00	GBP	24.210	1,391,980.99		1.26	1.26
Total shares				110,358,294.23		100.00	99.73
<b>Rights</b>							
<u>Sweden</u>							
SWEDISH ORPHAN BIOVITRUM AB -	6.00	SEK	11.500	6.20		0.00	0.00
Total rights				6.20		0.00	0.00
TOTAL SECURITIES PORTFOLIO				110,358,300.43		100.00	99.73
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP CHF	-3,876.73	CHF	1.000	-4,169.74		0.00	-0.00
KBC GROUP DKK	92,213.76	DKK	1.000	12,370.11		0.00	0.01
KBC GROUP EURO	115,478.79	EUR	1.000	115,478.79		0.00	0.10
KBC GROUP GBP	37,167.27	GBP	1.000	42,892.17		0.00	0.04
KBC GROUP NOK	-952.44	NOK	1.000	-84.90		0.00	0.00
KBC GROUP SEK	162,491.75	SEK	1.000	14,596.16		0.00	0.01
KBC GROUP USD	53,958.98	USD	1.000	48,847.13		0.00	0.04
Total demand accounts				229,929.72		0.00	0.21
TOTAL CASH AT BANK AND IN HAND				229,929.72		0.00	0.21
OTHER							
Interest receivable		EUR		119,459.69		0.00	0.11
Expenses payable		EUR		-47,676.74		0.00	-0.04
TOTAL OTHER				71,782.95		0.00	0.07
TOTAL NET ASSETS				110,660,013.10		0.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Belgium	-0.24	-0.60	0.05	0.20
Switzerland	32.13	31.81	33.97	34.29
Denmark	8.70	10.62	11.92	13.40
Finland	1.08	0.89	0.61	0.00
U.K.	45.98	45.43	43.78	40.21
Ireland	0.54	0.00	0.00	0.95
Netherlands	0.00	0.00	0.00	0.07
Norway	3.33	3.07	2.01	1.57
Sweden	8.48	8.78	7.66	9.31
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	19.14	19.76	15.65	
Consum(cycl)	11.18	13.17	13.06	
Cons.goods	19.28	19.52	17.76	
Pharma	25.35	23.50	28.03	
Financials	17.67	17.13	18.99	
Technology	1.22	1.76	1.60	
Telecomm.	2.85	1.82	1.48	
Utilities	1.40	1.67	1.19	
Real est.	1.91	1.67	2.24	
TOTAL	100.00	100.00	100.00	



	31/12/2023
Health Care	29.82
Consumer Staple Products	14.86
Banking	7.92
Financial Services	6.46
Industrial Products	6.19
Materials	5.77
Insurance	5.75
Industrial Services	4.72
Software & Tech Services	4.35
Consumer Discretionary Products	2.71
Retail & Wholesale - Discretionary	2.53
Real Estate	2.42
Media	1.99
Telecommunications	1.48
Renewable Energy	0.81
Utilities	0.79
Tech Hardware & Semiconductors	0.60
Retail & Wholesale - Staples	0.51
Consumer Discretionary Services	0.32
TOTAL	100.00

The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
SWISS FRANC	30.94	30.52	33.34	33.94
DANISH KRONE	8.70	10.64	11.92	13.41
EURO	0.82	0.25	0.99	0.10
POUND STERLING	47.74	46.72	44.00	41.55
NORWEGIAN KRONE	3.33	3.08	2.06	1.57
SWEDISH KRONA	8.47	8.78	7.66	9.32
US DOLLAR	0.00	0.01	0.03	0.11
TOTAL	100.00	100.00	100.00	100.00

#### 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Rest Of Europe Responsible Investing (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	19,985,598.09	38,337,485.19	58,323,083.28
<b>Sales</b>	10,416,027.62	6,653,033.40	17,069,061.02
<b>Total 1</b>	30,401,625.71	44,990,518.60	75,392,144.30
<b>Subscriptions</b>	12,367,251.50	33,596,785.54	45,964,037.04
<b>Redemptions</b>	3,570,167.95	2,813,346.37	6,383,514.32
<b>Total 2</b>	15,937,419.45	36,410,131.91	52,347,551.36
<b>Monthly average of total assets</b>	68,107,076.08	90,979,747.18	79,590,090.55
<b>Turnover rate</b>	21.24%	9.43%	28.95%

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: 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
2021 - 12	0.00	80.00	0.00	0.00	0.00	80.00	80.00
2022 - 12	0.00	0.00	0.00	0.00	0.00	80.00	80.00
2023 - 12	0.00	0.00	0.00	0.00	0.00	80.00	80.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	0.00	80,000.00	0.00	0.00
2022 - 12	0.00	0.00	0.00	0.00
2023 - 12	0.00	0.00	0.00	0.00

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	82,203.95	0.00	1,027.55
2022 - 12	71,560.10	0.00	894.50
2023 - 12	79,046.91	0.00	988.09

#### Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	21,884.81	0.00	7,243.85	0.00	34,495.96	0.00	34,495.96
2022 - 12	19,074.26	0.00	8,646.91	0.00	44,923.31	0.00	44,923.31
2023 - 12	34,184.00	0.00	3,485.61	0.00	75,621.71	0.00	75,621.71

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	24,645,357.87	0.00	8,570,321.13	0.00
2022 - 12	22,476,693.55	0.00	10,216,442.73	0.00
2023 - 12	41,535,896.20	0.00	4,210,059.91	0.00

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	44,491,931.41	1,289.77	0.00
2022 - 12	50,468,417.05	1,123.43	0.00
2023 - 12	96,680,552.07	1,278.48	0.00

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2022 - 12	11,440.00		1,032.00		10,408.00		10,408.00
2023 - 12	5,556.00		2,353.00		13,611.00		13,611.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2022 - 12	9,988,981.63		931,013.76	
2023 - 12	5,366,614.89		2,275,075.34	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2022 - 12	9,325,829.31	896.03	
2023 - 12	13,900,414.12	1,021.26	

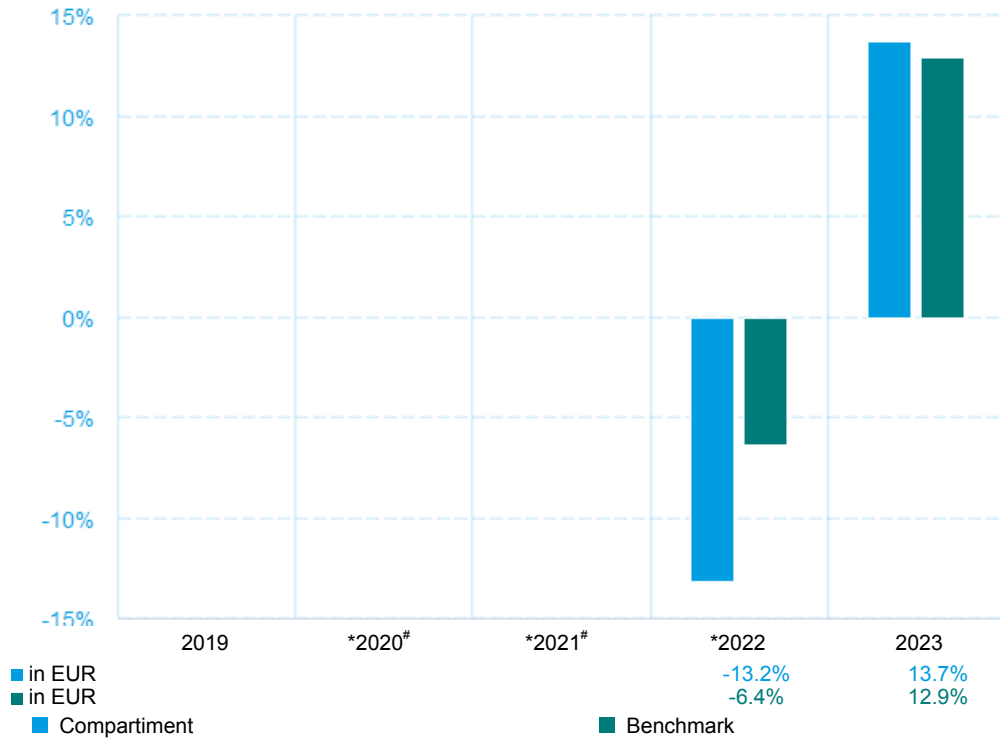
## 2.4.5. Performance figures

### Classic Shares

BE6325120416  
 KBC Institutional Fund Rest Of Europe Responsible Investing Classic Shares CAP  
 Annual performance compared to the benchmark on 31/12/2023 (in EUR)  
 The cumulative returns are shown where they relate to a period of at least one year.

### Classic Shares

BE6325121422  
 KBC Institutional Fund Rest Of Europe Responsible Investing Classic Shares DIS  
 Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

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

Cap Div	ISIN Code	Currency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE6325121422	EUR	13.73%	12.95%							15/12/2020	0.84%

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.
- 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:

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

$i = 1 \dots N$

from which  $C = C_0 * \dots * C_N$ .

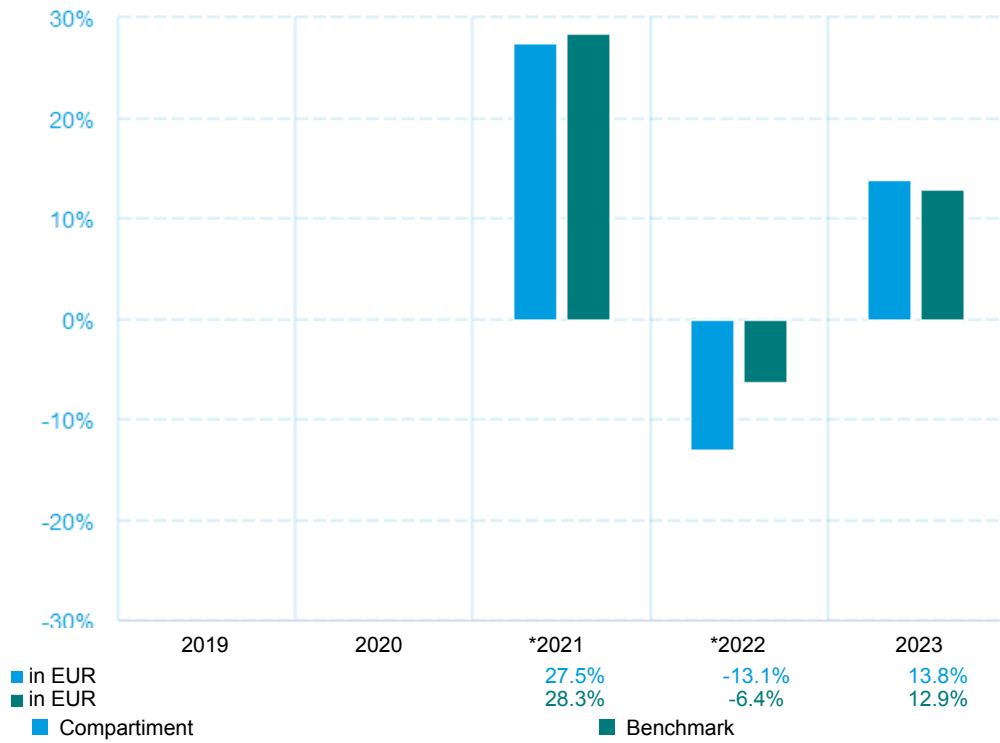
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the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

Dividend on ex-dividend date 28/03/2024: 18,3704 net (26,2434 gross).

**Institutional Shares**

BE6325122438

KBC Institutional Fund Rest Of Europe Responsible Investing Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

**Institutional Shares**

BE6325123444

KBC Institutional Fund Rest Of Europe Responsible Investing Institutional Shares DIS  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)

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

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	BE6325122438	EUR	13.80%	12.95%	8.04%	10.71%					15/12/2020	8.40%

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.
- 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 :  

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

$$\frac{NIW(D)}{NIW(S)}^{[1/F]} - 1$$
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  
Distribution units (DIV)  
Return on date D over a period of X years :  

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

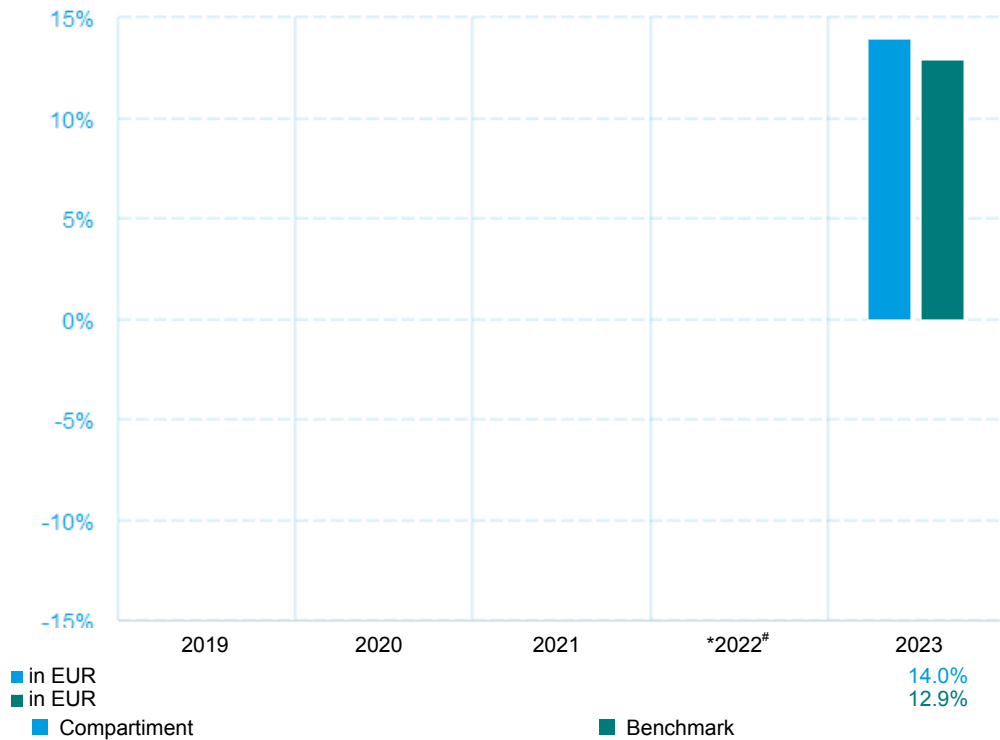
$$[C * \frac{NIW(D)}{NIW(S)}]^{[1/F]} - 1$$
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D  
where C is a factor that is determined for all N dividends between the calculation date D and the reference date.  
For dividend i on date Di with value Wi:  

$$Ci = \frac{Wi}{NIW(Di)} + 1$$
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

BE6332392388

KBC Institutional Fund Rest Of Europe Responsible Investing Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

\* 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
CAP	BE6332392388	EUR	13.98%	12.95%							15/02/2022	1.22%

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.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\frac{[NIW(D) / NIW(Y)]^{[1 / X]} - 1}{}$$
where Y = D-X  
Return on date D since the start date S of the unit:  
$$\frac{[NIW(D) / NIW(S)]^{[1 / F]} - 1}{}$$
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.



## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Classic Shares Capitalisation :

Ongoing charges : 0,000%

Transaction costs: 0,163%

#### Classic Shares Distribution :

Ongoing charges : 0,687%

Transaction costs: 0,163%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,627%

Transaction costs: 0,163%

#### Institutional Shares Distribution :

Ongoing charges : 0,000%

Transaction costs: 0,163%

#### Institutional B Shares Capitalisation :

Ongoing charges : 0,472%

Transaction costs: 0,163%

Percentage calculated at reporting date: 31 December 2023 .

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.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.45%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	of the net assets of the sub-fund per year.
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### **Institutional Shares**

Fee for managing the investment portfolio	Max 0.45%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	of the net assets of the sub-fund per year.

### **Institutional B Shares**

Fee for managing the investment portfolio	Max 0.40%	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.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	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.

**Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** KBC Institutional Fund Rest Of Europe Responsible Investing  
**Legal entity identifier:** 875500HD6ZR8QIYP0982

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Did this financial product have a sustainable investment objective?**

**Yes**    **No**

<p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b>: %</p> <p style="margin-left: 40px;"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective</b>: %</p>	<p><input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 80.01% of sustainable investments</p> <p style="margin-left: 40px;"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>
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**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

This sub-fund:

- has promoted the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- has promoted climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;
- has supported sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The specific objectives of the sub-fund can be found in the table under title 'How did the sustainability indicators perform?' of this annex.

The sub-fund invested 80.01% of the assets in "sustainable investments" as defined by art. 2.17 SFDR and 19.68% in other investments aligned with environmental or social characteristics.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI Europe Ex EMU - Net Return Index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How did the sustainability indicators perform?**

**Sustainability indicators**  
measure how the environmental or social characteristics promoted by the financial product are attained.

	Target	Target applied	Actuals	Objective attained
<b>Instruments issued by companies</b>				
ESG risk score	10% better than the following benchmark: MSCI Europe Ex EMU - Net Return Index.	19.58	19.03	Yes
Carbon Intensity	A reduction of 50% by 2030 based on the following benchmark: MSCI Europe Ex EMU - Net Return Index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%.	75.97	45.01	Yes
<b>Minimum % Sustainable Investments</b>	A minimum of 55% of sustainable investments.	55	80.01	Yes
<b>Other specific objectives</b>	not applicable			

As indicated in the table above, the sub-fund has reached all targets during the reference period.

The sub-fund pursued these objectives (directly or indirectly) based on a dual approach: the negative screening and the positive selection methodology. The reference period of this annual report is 1 January 2023 to 31 December 2023. The objectives and results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year and, for this reason, are not a reliable indicator for future results.

All targets are also monitored by KBC Asset Management at month-end. Given the difference in the periodicity of the calculations, it cannot be excluded that the monitoring at month-end leads to different results than the situation at the end of the financial year as shown in the table above and section 2.1.7 of the general annual report.

No breaches at month-end have been identified for this sub-fund.

**... and compared to previous periods?**

Sustainability indicators	Achieved result	
	31/12/2022	31/12/2023
<b>Instruments issued by companies</b>		
ESG risk score		19.03
Carbon Intensity		45.01
<b>Sustainable Investments</b>	77.94	80.01

For both reporting periods, the results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year. Therefore, they are not a reliable indicator of future results.

For the reporting period 01/01/2022 - 31/12/2022, the results achieved were not reported for each sustainability indicator separately (except for the percentage of sustainable investments).

For the year 2022, it was only described in a general way whether or not the targets were achieved.

**What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The sub-fund promoted a combination of environmental and social characteristics and, even though it didn't have sustainable investments as an objective, the sub-fund invested 80.01% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this chapter only reflect the situation at the end of the financial year of the sub-fund and, for that reason, are not a reliable indicator for future results.

**(1) UN Sustainable Development Goals**

To support sustainable development, the sub-fund invested a part of its portfolio in companies that contribute to the UN Sustainable Development Goals (including both social and environmental objectives).

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, were designated as 'sustainable investments'.

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

***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and anti-bribery matters.

The sustainable investments that the sub-fund partially made did not cause significant harm to the sustainable investment objective through the negative screening. The sub-fund took into account the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 through the negative screening.

The negative screening amounts to the sub-fund's a priori exclusion of companies from the Responsible Investment universe which fall foul the exclusion policies.

The application of these policies means that companies involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, and companies active in the palm oil industry are subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather are excluded. The negative screening also ensures that companies based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These principles of negative screening are not exhaustive and may be modified on the advice of the Responsible Investing Advisory Board.

***How were the indicators for adverse impacts on sustainability factors taken into account?***

Through the exclusion policy for Responsible Investing funds and, in particular, the normative screening and ESG risk assessment, all indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account for instruments issued by companies. The sub-fund did not invest in companies that seriously violate the principles of the United Nations Global Compact and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, and any companies involved in serious controversies related to environmental, social or good governance issues are also excluded. Also excluded were companies that deviate significantly (score of -10) from any of the UN's first 15 Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk score of more than 40 according to data provider Sustainalytics.

In addition to the normative screening and ESG risk assessment, through the positive selection methodology on carbon intensity and the exclusions in the exclusion policy for Responsible Investment funds, the following indicators of principle adverse impacts on sustainability factors were also considered for all investments of this sub-fund:

- **Indicator 4:** exposure to companies active in the fossil fuel sector was taken into account as the sub-fund did not invest in companies that are active in the fossil fuel sector.
- **Indicator 10:** Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises was taken into account as the sub-fund did not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14:** exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) was taken into account as the sub-fund did not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors were implicitly taken into

account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercised the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators of principal adverse impacts on sustainability factors that the sub-fund can take into account can be found in Annex I of Delegated Regulation (EU) 2022/1288.

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Yes.

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, were excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assessed the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures were taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

The principal adverse impacts on sustainability factors were explicitly taken into account for all investments of this sub-fund by the exclusion policies applied. In addition, the principle adverse impacts on sustainability factors were implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting. More information on the principal adverse impacts on sustainability factors can be found under the heading 'How were the indicators for adverse impacts on sustainability factors taken into account' of this Annex.



## What were the top investments of this financial product?

This list includes the investments constituting the greatest proportion of the financial product during the reference period which is:

01/01/2023-31/12/2023

Largest investments	Sector	% assets	Country
NESTLE SA-REG	Consumer Staple Products	7.62%	Switzerland
NOVO NORDISK A/S-B	Health Care	7.14%	Denmark
NOVARTIS AG-REG	Health Care	5.30%	Switzerland
ASTRAZENECA PLC	Health Care	5.09%	United Kingdom
ROCHE HOLDING AG-GENUSSCHEIN	Health Care	5.02%	Switzerland
HSBC HOLDINGS PLC	Banking	3.58%	United Kingdom
UNILEVER PLC	Consumer Staple Products	3.00%	United Kingdom
DIAGEO PLC	Consumer Staple Products	2.19%	United Kingdom
RELX PLC	Software & Tech Services	2.13%	United Kingdom
GSK PLC	Health Care	1.87%	United Kingdom
ZURICH INSURANCE GROUP AG	Insurance	1.84%	Switzerland
UBS GROUP AG-REG	Financial Services	1.62%	Switzerland
LONZA GROUP AG-REG	Health Care	1.21%	Switzerland
3I GROUP PLC	Financial Services	1.15%	United Kingdom
RECKITT BENCKISER GROUP PLC	Consumer Staple Products	1.06%	United Kingdom



## What was the proportion of sustainability-related investments?

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results. At the end of the year, the proportion of sustainable investments was 80.01%.

### What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

The sub-fund could invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described in the prospectus under title "Information concerning the sub-fund Rest Of Europe Responsible Investing".

Within these categories of eligible assets, the sub-fund invested 99.69% in assets that promote environmental or social characteristics and 0.31% in other investments. The category "other investments" contained technical items, such as cash and derivatives, and assets in which the sub-fund invests temporarily following a planned update of the eligible universe, which determines the assets that promote environmental and/or social characteristics, for which there are no environmental or social safeguards. The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.

Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Rest Of Europe Responsible Investing' of the prospectus.

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the financial product and will not affect them.

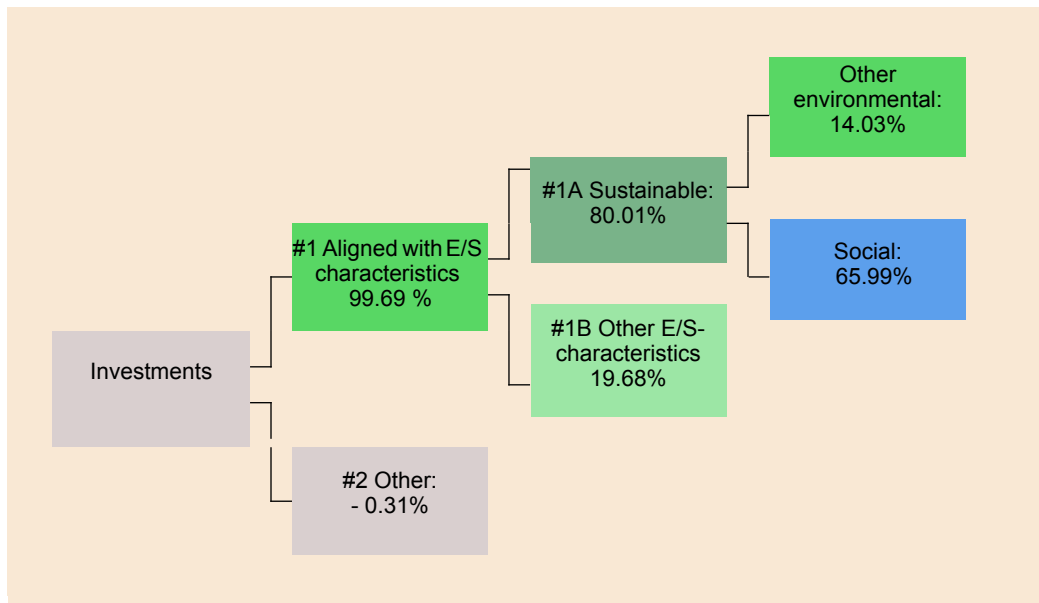


14.03% of the sustainable investments are environmentally sustainable investments and 65.99% are socially sustainable investments.

The sustainable investments are equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are considered "sustainable" by the Responsible Investing Advisory Board.

More information can be found at the section 'What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?' of this Annex.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**In which economic sectors were the investments made?**

On 31/12/2023 the investments were made in the following sectors:

Sector	%Assets
Health Care	29.82%
Consumer Staple Products	14.86%
Banking	7.92%
Financial Services	6.46%
Industrial Products	6.19%
Materials	5.77%
Insurance	5.75%
Industrial Services	4.72%
Software & Tech Services	4.35%
Consumer Discretionary Products	2.71%
Retail & Wholesale - Discretionary	2.53%
Real Estate	2.42%
Media	1.99%
Telecommunications	1.48%
Renewable Energy	0.81%
Utilities	0.79%
Tech Hardware & Semiconductors	0.60%
Retail & Wholesale - Staples	0.51%
Consumer Discretionary Services	0.32%

Sectors and sub-sectors of the economy that derive income from exploration, mining, extraction, production, processing, storage, refining or distribution - including transportation, storage and trading - in fossil fuels are excluded by the exclusion policy. Consequently, the sub-fund has not invested in these sectors and sub-sectors.



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework ("investments aligned with the EU Taxonomy"). Although the sub-fund does not aim to invest in investments aligned with the EU Taxonomy, it cannot be ruled out that the sub-fund does contain investments aligned with the EU Taxonomy. The percentage invested in EU Taxonomy-aligned investments was set at 31 December 2023. KBC Asset Management NV determined that insufficient reliable, timely and verifiable data from issuers or investee companies were available at that time for consistent reporting, and this based on its own research and services from data suppliers. The percentage invested in investments aligned with the EU Taxonomy was therefore set at 0%.

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>(1)</sup>?**

Yes:

In fossil gas

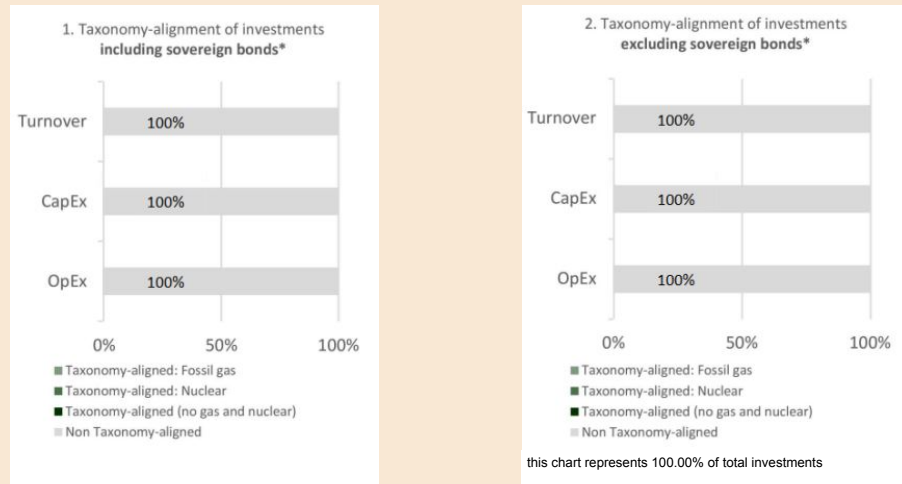
In nuclear energy

No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in

Taxonomy-aligned activities are expressed as a share of: **-turnover** reflecting the share of revenue from green activities of investee companies. **-capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. **-operational expenditure** (OpEx) reflecting green operational activities of investee companies.

**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy--alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



**\*For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.**

● **What was the share of investments made in transitional and enabling activities?**

Not applicable.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The previous reference period (which ran from 1 January 2022 tot 31 December 2022) also reported 0% on EU taxonomy-aligned investments.

KBC Asset Management NV determined, based on its own research and services from data suppliers, that insufficient reliable, timely and verifiable data of issuers in which investments were made were available for the previous and current financial year. The percentage of investments aligned with the EU taxonomy was therefore set at 0% for both reference periods.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

The sub-fund invested 80.01% in sustainable investments as defined by art. 2.17 SFDR. At the end of the financial year of the sub-fund, the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 14.03%.

Asset managers depend on available sustainability data relating to their investee companies. Currently, there is a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.



**What was the share of socially sustainable investments?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

At the end of the financial year of the sub-fund, the share of socially sustainable investments was 65.99%,



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

At the end of the financial year, the "not sustainable" category may include the following investments:

Assets	Purpose of investments and presence of minimum environmental or social safeguards
Investments in cash	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in assets that no longer met screening criteria	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in derivatives	Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund Rest Of Europe Responsible Investing' of the prospectus. Investments in derivatives were not used to attain the environmental or social characteristics promoted by the sub-fund and did not affect them.

For investments included under “#2 not sustainable”, there were no environmental or social safeguards.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The sub-fund

- promoted the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promoted climate change mitigation, by preferring companies with lower Carbon Intensity, with the objective of meeting a predetermined carbon intensity target;
- supported sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

The sub-fund excluded companies involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices were also excluded, and companies active in the palm oil industry were subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather were excluded. The negative screening also ensured that companies based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) were excluded from the sub-fund's investment universe.

KBC Asset Management NV executed the voting rights of shares managed in the sub-fund according to the Proxy Voting and Engagement Policy. As such, KBC Asset Management monitored the companies in which the sub-fund is invested in, intervened with investee companies (avoiding insider information), took part in appropriate collective engagement initiatives and exercised voting rights in a considered way. These responsibilities were executed in the exclusive concern of defending the interests of the investors of the funds.



**How did this financial product perform compared to the reference benchmark?**

Reference benchmarks are indexes to measure whether the financial

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI Europe Ex EMU - Net Return Index was used as a basis for comparison, to compare certain ESG characteristics promoted by the

product attains the environmental or social characteristics that they promote.

sub-fund.

More information can be found in the table under the "How did the sustainability indicators perform" section of this annex.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.

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# 2. Information on KBC Institutional Fund Upper Grade Euro Corporate Bonds

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### **Classic Shares Capitalisation**

Launch date: 22 July 2002  
Initial subscription price: 2 500 EUR  
Currency: EUR

#### **Classic Shares Distribution**

Launch date: 22 July 2002  
Initial subscription price: 2 500 EUR  
Currency: EUR

#### **Institutional Shares Capitalisation**

Launch date: 6 September 2011  
Initial subscription price: 3 508.59 EUR  
Currency: EUR

#### **Institutional Shares Distribution**

Launch date: 6 September 2011  
Initial subscription price: 3 508.59 EUR  
Currency: EUR

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

Launch date: 30 May 2017  
Initial subscription price: 4 514.73 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 bonds.

#### 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 primarily in bonds denominated in euros.

The fund is actively managed with reference to the following benchmark: iBoxx EURO corporate A/AA/AAA RATED ALL Maturities - Total 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.

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

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

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

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

The longterm expected tracking error for this fund is 0.75%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

### **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors that were taken into account through the general exclusion policy, were exposure to controversial weapons ('indicator 14'), exposure to companies active in the fossil fuel sector ('indicator 4') and Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10').

The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy were greenhouse gas emissions ('indicator 1'), carbon footprint ('indicator 2'), greenhouse gas intensity of investee companies ('indicator 3'), exposure to companies active in the fossil fuel sector ('indicator 4'), gender diversity on the board of directors ('indicator 13').

### **Required disclaimers for benchmark providers:**

Neither Markit, its affiliates nor any data provider make any warranty, express or implied, as to the accuracy,

completeness or timeliness of the data contained herein or as to the results to be obtained by any recipients of this data. Neither Markit, its affiliates nor any data provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions, regardless of cause, in the data provided by Markit or for any damages (whether direct or indirect) resulting therefrom. Markit is under no obligation to vary, amend, remove or add to the data or to notify a recipient in any manner in the event that a matter mentioned in the present document should subsequently be amended or become incorrect. Without limiting the foregoing, neither Markit, its affiliates nor any data provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgments, or any other conclusions, or any course of action determined, by you or by a third party, whether or not based on the content, the information or the materials contained herein. Copyright © 2016, Markit Indices Limited.

### **Characteristics of the bonds and debt instruments**

The sub-fund invests in bonds and debt instruments issued primarily by companies. It may also invest in bonds and debt instruments issued by public bodies.

The sub-fund invests 100% of the in bonds and debt instruments invested assets:

- in bonds and debt instruments rated investment grade ( at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies: Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or
- in government bonds issued in local currency or non-subordinated corporate bonds\* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has an investment grade rating by at least one of the rating agencies mentioned above, and/or

All maturities are taken into consideration in the selection of bonds and debt instruments.

\*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

### **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 NV, Havenlaan 2, 1080 Brussels.

## **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. Summary risk indicator (SRI)**

Classic Shares: 2 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- a moderate level of market risk: the level of the risk reflects the interest rate sensitivity of the bonds in the

- portfolio.
  - a moderate level of performance risk: the level of the risk reflects the interest rate sensitivity of the bonds in the portfolio.
- There is no capital protection.

Institutional Shares: 2 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- a moderate level of market risk: the level of the risk reflects the interest rate sensitivity of the bonds in the portfolio.
- a moderate level of performance risk: the level of the risk reflects the interest rate sensitivity of the bonds in the portfolio.

There is no capital protection.

Institutional B Shares: 2 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a moderate level of inflation risk: there is no protection against an increase of the inflation.
- a moderate level of market risk: the level of the risk reflects the interest rate sensitivity of the bonds in the portfolio.
- a moderate level of performance risk: the level of the risk reflects the interest rate sensitivity of the bonds in the portfolio.

There is no capital protection.

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

The summary 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).

### **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 0.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

### **2.1.11. Value-at-Risk**

Not applicable

## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	10,670,253.83	6,017,818.29
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds	10,173,487.29	5,939,697.35
B.	Money market instruments	370,598.60	70,595.10
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	131,404.00	9,258.36
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-5,236.06	-1,732.52
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	10,670,253.83	6,017,818.29
<b>A.</b>	<b>Capital</b>	9,988,759.78	7,062,413.54
<b>B.</b>	<b>Income equalization</b>	-8,573.01	-9,710.61
<b>D.</b>	<b>Result of the bookyear</b>	690,067.06	-1,034,884.64

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	552,760.95	-1,085,521.27
B.	Money market instruments	122.14	
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	18,979.50	10,262.46
	Unrealised gains on investments	303,085.86	-18,947.44
	Realised losses on investments	-165,577.20	-380,577.85
	Unrealised losses on investments	396,394.93	-696,258.44
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	a) Securities and money market instruments	185,810.57	84,799.49
	b) Cash at bank and in hand and deposits	2,885.39	105.07
C.	Interest on borrowings (-)		-123.11
<b>IV.</b>	<b>Operating expenses</b>		
B.	Financial expenses (-)	-48.51	-48.00
C.	Custodian's fee (-)	-2,010.23	-1,447.31
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-264.72	-203.92
	Institutional Shares	-31,328.24	-21,442.88
	Institutional B Shares	0.00	0.00
	b) Administration and accounting management	-10,477.88	-7,180.27
	c) Commercial fee	-532.03	-306.14
E.	Administrative expenses (-)	0.01	
F.	Formation and organisation expenses (-)	-178.77	-22.57
G.	Remuneration, social security charges and pension	-1.40	-0.85
H.	Services and sundry goods (-)	-2,503.64	-3,553.06
J.	Taxes		
	Classic Shares	-64.98	-59.74
	Institutional Shares	-1,230.71	-595.13
	Institutional B Shares	0.00	0.00
L.	Other expenses (-)	-2,870.89	715.05
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	137,183.97	50,636.63
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	690,067.06	-1,034,884.64
<b>VII.</b>	<b>Result of the bookyear</b>	690,067.06	-1,034,884.64

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	681,494.05	-1,044,595.25
	Profit for the period available for appropriation	690,067.06	-1,034,884.64
	Income on the creation of shares (income on the cancellation of shares)	-8,573.01	-9,710.61
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-681,136.34	1,044,845.47
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-357.71	-250.22

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund Upper Grade Euro Corporate Bonds

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Bonds</b>							
Bonds issued by credit institutions							
<u>Australia</u>							
MACQUARIE GROUP LTD 20/27 +0.625%	100,000.00	EUR	91.950	92,513.27		0.88	0.87
<u>Czech Republic</u>							
CESKA SPORITELNA 23/27 +5.943% 29/06	100,000.00	EUR	103.901	106,872.65		1.01	1.00
<u>Denmark</u>							
SYDBANK A/S 22/25 +4.75% 30/09	200,000.00	EUR	100.369	203,074.07		1.93	1.90
<u>France</u>							
BANQUE FEDERATIVE DU CREDIT MUTUEL 17/27 +1.25% 26/05 26/05	100,000.00	EUR	93.865	94,606.54		0.90	0.89
BANQUE FEDERATIVE DU CREDIT MUTUEL 20/30 +1.25%	200,000.00	EUR	86.741	174,909.49		1.66	1.64
BANQUE FEDERATIVE DU CREDIT MUTUEL 21/26 +0.01%	200,000.00	EUR	92.987	185,985.77		1.76	1.74
BANQUE FEDERATIVE DU CREDIT MUTUEL 22/33 +3.75%	100,000.00	EUR	102.305	105,706.09		1.00	0.99
BNP PARIBAS SA 18/26 +1.125% 11/06 11/06	100,000.00	EUR	95.263	95,880.65		0.91	0.90
BNP PARIBAS SA 21/30 +0.50% 19/01	100,000.00	EUR	85.893	86,364.29		0.82	0.81
BNP PARIBAS SA 23/29 +3.875% 23/02	200,000.00	EUR	102.360	211,280.78		2.00	1.98
BNP PARIBAS SA 23/31 +3.875% 10/01	100,000.00	EUR	103.089	106,836.64		1.01	1.00
CREDIT AGRICOLE 21/28 +0.375%	300,000.00	EUR	88.405	265,993.50		2.52	2.49
CREDIT AGRICOLE 22/29 +1.125%	100,000.00	EUR	91.198	92,147.09		0.87	0.86
CREDIT AGRICOLE 22/29 +2.50%	300,000.00	EUR	96.503	292,009.95		2.77	2.74
CREDIT AGRICOLE (LONDON) 16/26 +1.875% 20/12 20/12	100,000.00	EUR	96.334	96,380.30		0.91	0.90
CREDIT MUTUEL ARKEA SA 20/29 +1.25% 11/06	100,000.00	EUR	90.849	91,535.40		0.87	0.86
<u>Netherlands</u>							
ING GROEP NV 20/29 +0.25% 18/02	200,000.00	EUR	86.934	174,297.49		1.65	1.63
<u>Poland</u>							
W BANK PKO BP 23/26 +5.625% 01/02	100,000.00	EUR	101.257	106,357.80		1.01	1.00
<u>Spain</u>							
BANCO SANTANDER CENTRAL HISPANO SA 20/27 +0.50%	200,000.00	EUR	91.841	184,579.99		1.75	1.73
CAIXABANK SA 19/26 +1.125%	100,000.00	EUR	95.311	96,162.86		0.91	0.90
SANTANDER CONSUMER FINANCE SA 22/27 +0.50%	200,000.00	EUR	92.092	185,140.35		1.76	1.74
<u>Switzerland</u>							
CS GROUP 22/29 +7.75% 01/03	100,000.00	EUR	115.361	121,777.40		1.16	1.14
UBS GROUP AG 21/28 +0.25%	200,000.00	EUR	88.048	176,518.38		1.67	1.65
<u>U.K.</u>							
HSBC HOLDING PLC 23/33 +4.856% 23/05	125,000.00	EUR	106.260	136,473.71		1.29	1.28
ROYAL BANK OF SCOTLAND GROUP PLC 22/27 +1.375%	200,000.00	EUR	94.178	190,624.31		1.81	1.79
<u>U.S.A.</u>							
BANK OF AMERICA CORP 20/29 +3.648% 31/03	150,000.00	EUR	100.801	155,282.59		1.47	1.46
BERKSHIRE HATHAWAY FINANCE CORP 22/34 +2.00%	100,000.00	EUR	89.027	90,590.01		0.86	0.85
MARSH & MCLENNAN CO 19/30 +1.979%	100,000.00	EUR	94.406	95,936.39		0.91	0.90
MORGAN STANLEY 17/27 +1.875% 27/04 27/04	350,000.00	EUR	95.465	338,538.17		3.21	3.17
WELLS FARGO COMPANY 19/30 +0.625%	100,000.00	EUR	83.815	84,291.48		0.80	0.79
WELLS FARGO COMPANY 20/30 +1.741% 04/05	100,000.00	EUR	91.050	92,186.90		0.87	0.86
Corporate bonds							
<u>Australia</u>							
TELSTRA CORP 19/29 +1.375%	100,000.00	EUR	92.558	93,602.57		0.89	0.88
<u>Finland</u>							
NESTE OIL OYJ 23/33 +4.25%	100,000.00	EUR	107.266	110,610.15		1.05	1.04
<u>France</u>							
BOUYGUES 22/29 +2.25%	300,000.00	EUR	96.866	293,972.85		2.79	2.76
BOUYGUES 22/37 +3.25%	100,000.00	EUR	98.143	99,758.64		0.95	0.94
COMP. FIN. ET INDUS. 20/31 +1.00%	100,000.00	EUR	86.815	87,427.45		0.83	0.82
EDENRED 23/31 +3.625%	200,000.00	EUR	102.036	208,014.79		1.97	1.95
TOTAL 16/26 +3.369% 06/10 06/10	200,000.00	EUR	97.597	196,740.95		1.87	1.84

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
TOTAL CAPITAL CANADA LTD 14/29 +2.125% 18/09 18/09	100,000.00	EUR	95.933	96,524.81		0.92	0.91
<u>Germany</u>							
ALLIANZ SE 22/38 +4.597% 07/06	100,000.00	EUR	102.611	104,029.82		0.99	0.98
ALLIANZ SE 23/53 +5.824% 25/01	100,000.00	EUR	109.707	112,205.44		1.06	1.05
KNORR-BREMSE AG 22/27 +3.25%	300,000.00	EUR	100.956	305,504.21		2.90	2.86
ROBERT BOSCH 23/43 +4.375%	200,000.00	EUR	107.462	219,944.40		2.09	2.06
<u>Ireland</u>							
ATLAS COPCO FINANCE DAC 22/32 +0.75%	100,000.00	EUR	84.183	84,848.63		0.81	0.80
LUNAR FUNDING V FOR SWISSCOM A 15/25 +1.75%	300,000.00	EUR	97.827	294,987.86		2.80	2.77
MEDTRONIC GLOBAL HOLDINGS SCA 19/27 +1.125% 07/03 07/03	150,000.00	EUR	94.600	143,269.69		1.36	1.34
MEDTRONIC GLOBAL HOLDINGS SCA 19/39 +1.50% 02/07 02/07	150,000.00	EUR	76.572	115,964.01		1.10	1.09
<u>Japan</u>							
NIDEC 21/26 +0.046%	100,000.00	EUR	92.499	92,533.23		0.88	0.87
<u>Luxembourg</u>							
NESTLE FINANCE INTERNATIONAL LTD 22/31 +1.25%	100,000.00	EUR	90.051	90,990.18		0.86	0.85
<u>Netherlands</u>							
NOVO NORDISK FINANCE NETHERLAN 22/25 +0.75%	100,000.00	EUR	97.018	97,577.45		0.93	0.91
SHELL INTERNATIONAL FIN 19/39 +0.875%	150,000.00	EUR	69.347	104,203.65		0.99	0.98
SHELL INTERNATIONAL FIN 20/32 +1.875%	100,000.00	EUR	91.926	93,288.87		0.89	0.87
SIEMENS FINANCIERINGS NV 22/30 +2.75%	300,000.00	EUR	99.644	301,435.03		2.86	2.83
SIKA CAPITAL BV 19/27 +0.875%	100,000.00	EUR	93.530	94,113.46		0.89	0.88
TENNET HOLDING BV 20/40 +0.50%	150,000.00	EUR	83.642	125,522.95		1.19	1.18
UNILEVER FINANCE NETHERLANDS BV 22/31 +1.25%	100,000.00	EUR	89.541	90,581.72		0.86	0.85
VOLKSWAGEN INTL.FIN. NV 22/30 +4.375%	200,000.00	EUR	105.366	216,182.82		2.05	2.03
<u>U.K.</u>							
BP CAPITAL MARKETS PLC 14/26 +2.213% 25/09 25/09	200,000.00	EUR	97.976	197,101.71		1.87	1.85
BP CAPITAL MARKETS PLC 19/31 +1.231%	150,000.00	EUR	87.496	132,429.96		1.26	1.24
<u>U.S.A.</u>							
ARCHER DANIEL 18/25 +1.00%	150,000.00	EUR	96.426	145,080.94		1.38	1.36
ATHENE GLOBAL FUNDING 21/28 +0.625%	200,000.00	EUR	89.101	179,403.91		1.70	1.68
BLACKSTONE HOLDINGS FINANCE CO 19/29 +1.50% 10/04 10/04	175,000.00	EUR	90.804	160,792.82		1.53	1.51
BOOKING HOLDINGS INC 15/27 +1.80% 03/03 03/03	200,000.00	EUR	96.364	195,688.56		1.86	1.83
BOOKING HOLDINGS INC 21/28 +0.50%	100,000.00	EUR	90.796	91,199.87		0.87	0.86
BOOKING HOLDINGS INC 22/29 +4.25%	100,000.00	EUR	106.019	108,666.62		1.03	1.02
COCA-COLA CO 19/31 +1.25% 08/03 08/03	150,000.00	EUR	89.731	136,113.31		1.29	1.28
I.B.M. 17/29 +1.50% 23/05 23/05	100,000.00	EUR	93.280	94,181.85		0.89	0.88
NESTLE HOLDINGS INC 17/25 +0.875% 19/07 18/07	100,000.00	EUR	96.507	96,899.55		0.92	0.91
WALMART INC 9-29 4.875% 21/09	125,000.00	EUR	111.534	141,065.38		1.34	1.32
3M CO 15/30 +1.75%	100,000.00	EUR	89.083	90,172.87		0.86	0.85
Total bonds				10,173,487.29		96.49	95.34
<b>Money market instruments</b>							
Money market instruments issued by credit instit.							
<u>Norway</u>							
SPAREBANK 1 OESTLANDET 19/24 +0.25%	175,000.00	EUR	97.373	170,510.33		1.62	1.60
<u>Spain</u>							
SANTANDER CONSUMER FINANCE SA 19/24 +1.00%	100,000.00	EUR	99.568	100,403.62		0.95	0.94
Corporate money market instruments							
<u>France</u>							
SANOFI 16/24 +0.625% 05/04 05/04	100,000.00	EUR	99.227	99,684.65		0.95	0.93
Total money market instruments				370,598.60		3.52	3.47
TOTAL SECURITIES PORTFOLIO				10,544,085.89		100.00	98.82
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	131,404.00	EUR	1.000	131,404.00		0.00	1.23
Total demand accounts				131,404.00		0.00	1.23
TOTAL CASH AT BANK AND IN HAND				131,404.00		0.00	1.23
OTHER							
Expenses payable		EUR		-5,236.06		0.00	-0.05
TOTAL OTHER				-5,236.06		0.00	-0.05
TOTAL NET ASSETS				10,670,253.83		0.00	100.00

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



	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Australia	2.43	2.69	2.38	1.75
Austria	0.00	0.00	2.44	0.00
Belgium	0.43	0.15	0.30	1.23
Switzerland	0.00	0.00	1.54	2.79
Czech Republic	0.00	1.72	0.99	1.00
Cayman Islands	1.54	0.00	0.00	0.00
Germany	5.75	3.64	4.47	6.95
Denmark	0.00	0.00	1.93	1.90
Spain	6.88	10.80	6.78	5.30
Finland	0.00	0.00	0.96	1.04
France	23.93	23.99	28.19	27.92
U.K.	3.71	1.61	5.82	6.15
Ireland	2.07	3.58	4.76	5.98
Italy	4.80	1.98	0.00	0.00
Japan	1.24	1.48	0.84	0.87
Luxembourg	0.00	1.42	1.61	0.85
Mexico	2.92	1.64	0.00	0.00
Netherlands	12.84	10.19	14.28	12.16
Norway	3.67	2.73	1.56	1.60
Poland	0.00	0.00	0.00	1.00
U.S.A.	27.79	32.38	21.15	21.51
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	13.83	14.27	10.18	
Consum(cycl)	5.62	5.97	10.16	
Cons.goods	6.25	10.56	5.02	
Pharma	9.44	7.15	4.30	
Financials	55.45	48.96	58.23	
Technology	3.85	5.77	2.62	
Telecomm.	4.13	3.08	7.02	
Utilities	1.43	1.59	0.94	
Various	0.00	2.65	1.53	
TOTAL	100.00	100.00	100.00	

	31/12/2023
Financial Services	28.38
Banking	17.58
Materials	12.71
Oil & Gas	8.72
Insurance	5.45
Health Care	4.28
Consumer Discretionary Products	4.09
Consumer Staple Products	3.88
Media	3.71
Telecommunications	3.64
Retail & Wholesale - Staples	2.68
Retail & Wholesale - Discretionary	1.95
Utilities	1.18
Software & Tech Services	0.88
Tech Hardware & Semiconductors	0.87
TOTAL	100.00

*The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.*

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
EURO	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Institutional Fund Upper Grade Euro Corporate Bonds (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	5,899,455.97	2,029,219.27	7,928,675.24
<b>Sales</b>	1,293,659.91	2,666,406.40	3,960,066.31
<b>Total 1</b>	7,193,115.88	4,695,625.67	11,888,741.55
<b>Subscriptions</b>	4,880,759.91	1,326,195.14	6,206,955.05
<b>Redemptions</b>	323,358.00	1,912,030.01	2,235,388.01
<b>Total 2</b>	5,204,117.91	3,238,225.15	8,442,343.06
<b>Monthly average of total assets</b>	9,716,995.44	11,271,341.13	10,497,289.46
<b>Turnover rate</b>	20.47%	12.93%	32.83%

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: 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
2021 - 12	0.00	0.00	1,010.00	0.00	11.00	8.00	19.00
2022 - 12	0.00	0.00	0.00	0.00	11.00	8.00	19.00
2023 - 12	0.00	12.00	0.00	12.00	11.00	8.00	19.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	0.00	0.00	4,742,758.00	0.00
2022 - 12	0.00	0.00	0.00	0.00
2023 - 12	0.00	30,614.16	0.00	30,060.96

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	74,003.41	4,640.82	2,869.29
2022 - 12	64,570.80	4,049.30	2,503.56
2023 - 12	68,721.09	4,325.89	2,642.04

## Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	517.54	0.00	1,489.80	0.00	1,923.12	0.00	1,923.12
2022 - 12	90.03	0.00	554.26	0.00	1,458.89	0.00	1,458.89
2023 - 12	1,503.40	0.00	531.80	0.00	2,430.49	0.00	2,430.49

Period	Amounts received and paid by the UCITS (in Euro)				
	Subscriptions		Redemptions		
	Capitalization	Distribution	Capitalization	Distribution	
2021 - 12	2,438,884.92	0.00	7,017,360.56	0.00	
2022 - 12	404,575.33	0.00	2,413,018.36	0.00	
2023 - 12	6,198,347.48	0.00	2,235,906.65	0.00	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	8,987,142.55	4,673.20	0.00
2022 - 12	5,953,247.49	4,080.67	0.00
2023 - 12	10,601,532.74	4,361.89	0.00

## Institutional B Shares

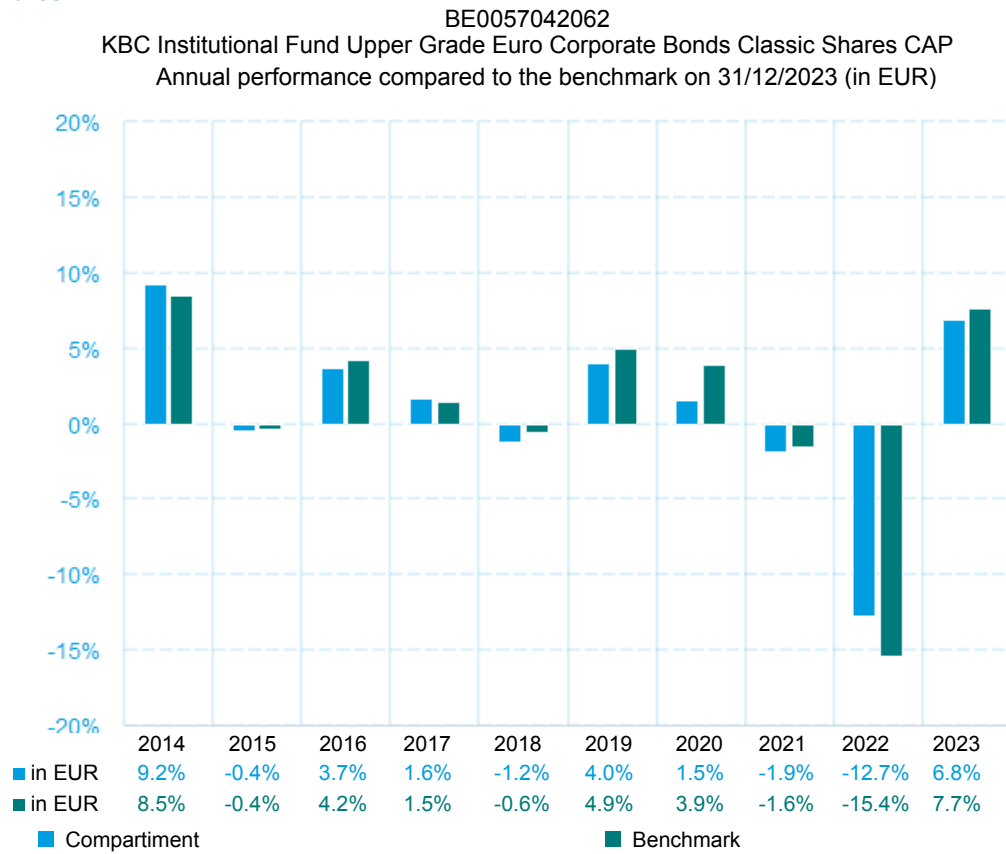
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	0.00		0.00		0.00		0.00
2022 - 12	0.00		0.00		0.00		0.00
2023 - 12	0.00		0.00		0.00		0.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	0.00		0.00	
2022 - 12	0.00		0.00	
2023 - 12	0.00		0.00	

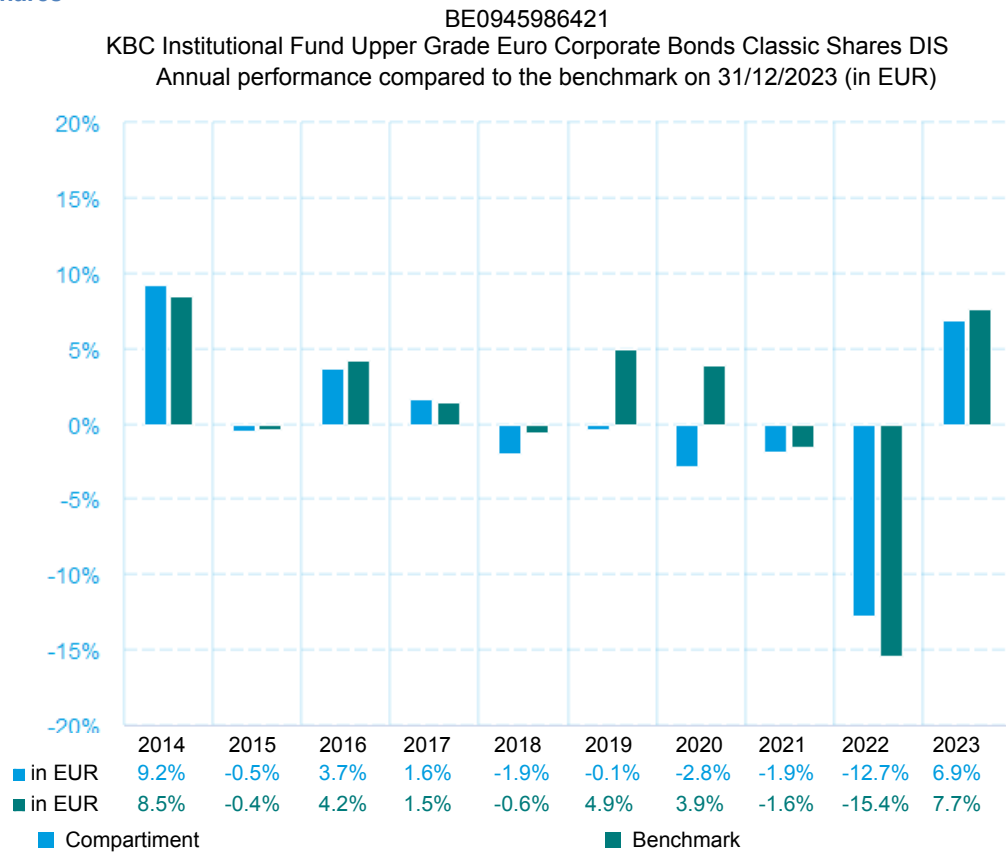
Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	0.00	0.00	
2022 - 12	0.00	0.00	
2023 - 12	0.00	0.00	

## 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
CAP	BE0057042062	EUR	6.83%	7.66%	-2.93%	-3.74%	-0.70%	-0.56%	0.89%	1.00%	22/07/2002	2.59%
DIS	BE0945986421	EUR	6.85%	7.66%	-2.93%	-3.74%	-2.33%	-0.56%	-0.01%	1.00%	22/07/2002	1.27%

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.
- 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.

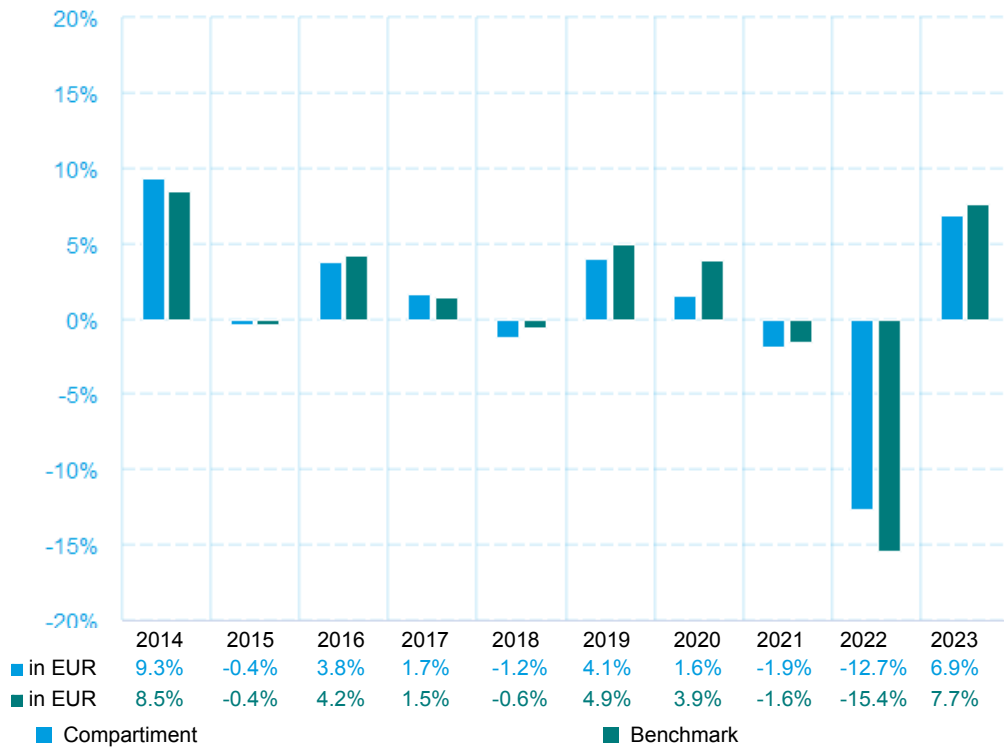
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the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

Dividend on ex-dividend date 28/03/2024: 31,2997 net (44,7138 gross).

**Institutional Shares**

BE6225971264

KBC Institutional Fund Upper Grade Euro Corporate Bonds Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



**Institutional Shares**

BE6225970258

KBC Institutional Fund Upper Grade Euro Corporate Bonds Institutional Shares DIS  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)  
The cumulative returns are shown where they relate to a period of at least one year.

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	BE6225971264	EUR	6.89%	7.66%	-2.89%	-3.74%	-0.65%	-0.56%	0.95%	1.00%	06/09/2011	1.78%

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

#### Capitalisation units (CAP)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

#### Distribution units (DIV)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

where C is a factor that is determined for all N dividends between the calculation

date D and the reference date.

For dividend i on date Di with value Wi:

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

i = 1 ... N

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

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

### Institutional B Shares

BE6295238354

KBC Institutional Fund Upper Grade Euro Corporate Bonds Institutional B Shares CAP

Annual performance compared to the benchmark on 31/12/2023 (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 Capitalisation :

Ongoing charges : 0,550%  
Transaction costs: 0,000%

#### Classic Shares Distribution :

Ongoing charges : 0,545%  
Transaction costs: 0,000%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,493%  
Transaction costs: 0,000%

#### Institutional Shares Distribution :

Ongoing charges : 0,000%  
Transaction costs: 0,000%

#### Institutional B Shares Capitalisation :

Ongoing charges : 0,000%  
Transaction costs: 0,000%

Percentage calculated at reporting date: 31 December 2023 .

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

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 52,73% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.30%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.005%	of the net assets of the sub-fund per year.

### **Institutional Shares**

Fee for managing the investment portfolio	Max 0.30%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.005%	of the net assets of the sub-fund per year.

### **Institutional B Shares**

Fee for managing the investment portfolio	Max 0.30%	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.
	Max 0.01%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.02%	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 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)	0.005%	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 Institutional Fund World Equity Responsible Investing

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### **Classic Shares Capitalisation**

Launch date:	24 June 1998
Initial subscription price:	200 000 BEF
Currency:	EUR

#### **Classic Shares Distribution**

Launch date:	24 June 1998
Initial subscription price:	200 000 BEF
Currency:	EUR

#### **Institutional Shares Capitalisation**

Launch date:	14 June 2011
Initial subscription price:	4 357.99 EUR
Currency:	EUR

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

Launch date:	30 May 2017
Initial subscription price:	8 615.54 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 fund aims to generate a return that matches the return of the benchmark: MSCI World– Net Return Index by investing in a selection of shares that are included in the benchmark and that comply with the responsible investing methodology. Active management is therefore limited to the responsible investing methodology. The benchmark comprises shares from companies worldwide.

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

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

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

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

The sub-fund is compliant with the transparency obligations of article 11 (1) of Regulation (EU) 2019/2088 of the European Parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector (‘SFDR’). More information on how the sub-fund promotes environmental and social characteristics can be found in the ‘Annex for KBC Institutional Fund World Equity Responsible Investing’ of this annual report. This annex specifically covers the periodic reports for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

### Negative screening

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

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

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

#### Positive selection methodology

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

- (1) promote the integration of sustainability into the policy decisions of companies by preferring companies with a better **ESG score**, where ESG stands for 'Environmental, Social and Governance', and
- (2) promote climate change mitigation, by preferring companies with lower **Carbon Intensity**, with the objective of meeting a predetermined carbon intensity target;
- (3) support sustainable development, by including companies that contribute to the **UN Sustainable Development Goals** and

The sub-fund's targets are available at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > Investment policy for Responsible Investing funds.

#### **(1) ESG-score**

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

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

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

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

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

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

The targets can be revised upwards or downwards.

#### **(2) Carbon Intensity**

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

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

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

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

The targets may be revised upwards or downwards.

#### **(3) UN Sustainable Development Goals**

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

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

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

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

The targets may be revised upwards or downwards.

#### **Potential Exceptions**

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

- Developments as a result of which a company can no longer be regarded as eligible after purchase;  
Corporate events, such as a merger of one company with another, where the merged company can no longer be

- considered an eligible company based on the above criteria;
- Incorrect data as a result of which assets are invested (unintentionally and erroneously) in assets purchased when it should not have been eligible for the sub-fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the sub-fund, but which the management company chooses to refrain from selling immediately in the best interest of the customer;
- External circumstances such as market movements and updates of external data can lead to investment solutions failing to achieve the abovementioned targets.

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

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

The sub-fund aims to generate a return that matches the return of the benchmark: MSCI World– Net Return Index.

The sub-fund aims to minimise the tracking error relative to the benchmark referred to above. Under normal market conditions, the expected tracking error is between 0% and 5%. Possible causes of this tracking error could be the Responsible Investing methodology, the method used to track the benchmark, transaction charges, dividend reinvestment and the costs generally borne by the sub-fund.

The tracking error measures the volatility of the sub-fund's return relative to that of the benchmark. The higher the tracking error, the more the sub-fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

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

### **Taxonomy related information**

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

### **Transparency of adverse sustainability impacts:**

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

The principal adverse impacts on sustainability factors were explicitly taken into account through the general exclusion policy for conventional funds and Responsible Investing funds and the exclusion policy for Responsible Investing funds. The principal adverse impacts on sustainability factors that were taken into account through the exclusion policies can be found in the 'Annex for KBC Institutional Fund World Equity Responsible Investing'.

The principal adverse impacts on sustainability factors were implicitly taken into account through the Proxy Voting and Engagement Policy. The principal adverse impacts on sustainability factors that were taken into account through the Proxy Voting and Engagement Policy can be found in the 'Annex for KBC Institutional Fund World Equity Responsible Investing'.

More information on how the sub-fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for KBC Institutional Fund World Equity Responsible Investing'.

### **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)**

The sub-fund may not lend any financial instruments.

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

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

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

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

## **2.1.4. Financial portfolio management**

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

## **2.1.5. Distributors**

KBC Asset Management NV, Havenlaan 2, 1080 Brussels.

## **2.1.6. Index and benchmark**

See 'Sub-fund's investment policy'.

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

As stipulated in the prospectus, the fund management aimed to reflect the performance of the MSCI World Index.

The fund's strategy is also consistent with the SRI strategy and the fund's assets are invested accordingly.

## **2.1.8. Future policy**

As stipulated in the prospectus, the fund will continue to track the performance of the MSCI World Index.

Compliance with the sustainability aspect of the strategy remains valid going forward.

## **2.1.9. Summary risk indicator (SRI)**

Classic Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

Institutional Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

Institutional B Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Moreover, an investment in this fund involves:

- a high level of exchange rate risk: since there are investments in securities that are denominated in currencies other than the Euro, there is a considerable chance that the value of an investment will be affected by movements in exchange rates.
- a high level of market risk: the level of the risk reflects the volatility of the stock market.
- a high level of performance risk: the level of the risk reflects the volatility of the stock market.

There is no capital protection.

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

The summary 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).

### **2.1.10. Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 0.00 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the UCITS-commitment method by the sub-fund's total assets under management.

### **2.1.11. Value-at-Risk**

Not applicable

## 2.2. Balance sheet

Balance sheet layout		31/12/2023 (in Euro)	31/12/2022 (in Euro)
	<b>TOTAL NET ASSETS</b>	1,780,448,136.70	1,345,349,056.38
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
C.	Shares and similar instruments		
	a) Shares	1,776,855,926.01	1,340,536,412.54
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	4,855,337.16	301,285.73
B.	Payables		
	c) Borrowings (-)	-2,676,018.47	-10,738.46
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	1,105,152.85	4,206,246.83
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	1,344,251.45	1,226,131.35
C.	Accrued expense (-)	-1,036,512.30	-910,281.61
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	1,780,448,136.70	1,345,349,056.38
<b>A.</b>	<b>Capital</b>	1,523,049,354.81	1,630,870,911.22
<b>B.</b>	<b>Income equalization</b>	1,498,571.77	-1,864,254.13
<b>D.</b>	<b>Result of the bookyear</b>	255,900,210.12	-283,657,600.71

## 2.3. Profit and loss account

Income Statement		31/12/2023 (in Euro)	31/12/2022 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	273,970,018.24	-351,934,377.59
D.	Other securities	-52,069.67	-28.59
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	-36,114,380.79	51,522,265.17
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	118,310,929.97	185,306,151.38
	Unrealised gains on investments	134,256,249.57	-266,765,145.87
	Realised losses on investments	-83,587,661.37	-89,988,212.09
	Unrealised losses on investments	68,824,049.61	-128,964,934.43
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	27,608,942.30	26,299,637.64
B.	Interests		
	b) Cash at bank and in hand and deposits	61,401.18	16,600.36
C.	Interest on borrowings (-)	-131,535.32	-42,144.63
<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	1,078,748.24	1,507,619.56
B.	Other	4.12	
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-735,752.70	-405,151.49
B.	Financial expenses (-)	-661.45	-695.23
C.	Custodian's fee (-)	-614,967.60	-638,763.66
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-1,690,549.96	-2,229,207.00
	Institutional Shares	-4,369,791.00	-5,173,792.23
	Institutional B Shares	-826,492.75	-613,901.41
	b) Administration and accounting management	-1,554,131.88	-1,550,636.05
	c) Commercial fee	-625.00	-625.00
E.	Administrative expenses (-)	0.23	0.16
F.	Formation and organisation expenses (-)	-7,959.87	-12,897.20
G.	Remuneration, social security charges and pension	-276.46	-199.90
H.	Services and sundry goods (-)	-2,997.03	-5,238.58
J.	Taxes		
	Classic Shares	-334,937.30	-317,913.55
	Institutional Shares	-170,285.36	-107,305.83
	Institutional B Shares	-35,157.16	-14,739.52
L.	Other expenses (-)	-176,332.89	43,893.86
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	18,096,642.33	16,754,540.29
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	255,900,210.12	-283,657,600.71
<b>VII.</b>	<b>Result of the bookyear</b>	255,900,210.12	-283,657,600.71

<b>Appropriation Account</b>		<b>31/12/2023</b> (in Euro)	<b>31/12/2022</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>	257,398,781.89	-285,521,854.84
	Profit for the period available for appropriation	255,900,210.12	-283,657,600.71
	Income on the creation of shares (income on the cancellation of shares)	1,498,571.77	-1,864,254.13
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-257,264,321.45	286,536,716.62
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-134,460.44	-1,014,861.78

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Institutional Fund World Equity Responsible Investing

Name	Quantity on 31/12/2023	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 -	1,595.00	USD	1,571.540	2,269,140.72		0.13	0.13
<u>Australia</u>							
ANZ GROUP HOLDINGS LTD -	171,502.00	AUD	25.920	2,745,912.44		0.16	0.15
ATLISSIAN CORP PLC -	6,277.00	USD	237.860	1,351,602.06		0.08	0.08
BLUESCOPE STEEL LTD -	40,971.00	AUD	23.400	592,208.89		0.03	0.03
BRAMBLES LTD -	118,381.00	AUD	13.600	994,496.85		0.06	0.06
COLES GROUP LTD -	97,838.00	AUD	16.110	973,611.30		0.06	0.06
COMMONWEALTH BANK AUST -	54,430.00	AUD	111.800	3,758,916.14		0.21	0.21
CSL LIMITED -	17,998.00	AUD	286.650	3,186,828.50		0.18	0.18
DEXUS/AU -	126,621.00	AUD	7.680	600,688.69		0.03	0.03
FORTESCUE METALS GROUP -	77,462.00	AUD	29.020	1,388,572.67		0.08	0.08
GPT GROUP -	225,300.00	AUD	4.640	645,745.92		0.04	0.04
INDEPENDENCE GROUP NL -	97,553.00	AUD	9.050	545,345.47		0.03	0.03
INSURANCE AUSTRALIA GR LTD -	144,466.00	AUD	5.660	505,085.12		0.03	0.03
MACQUARIE GROUP LTD -	15,516.00	AUD	183.630	1,759,972.59		0.10	0.10
MIRVAC GROUP -	464,701.00	AUD	2.090	599,932.50		0.03	0.03
NATIONAL AUSTRALIA BANK -	77,645.00	AUD	30.700	1,472,429.02		0.08	0.08
NORTHERN STAR RESOURCES LTD -	65,677.00	AUD	13.650	553,768.77		0.03	0.03
ORICA LTD -	53,790.00	AUD	15.940	529,629.74		0.03	0.03
RAMSAY HEALTH CARE LTD -	16,983.00	AUD	52.610	551,906.12		0.03	0.03
REA GROUP LTD -	6,220.00	AUD	181.150	696,003.18		0.04	0.04
SCENTRE GROUP -	581,837.00	AUD	2.990	1,074,620.26		0.06	0.06
SEEK LTD -	39,665.00	AUD	26.730	654,921.00		0.04	0.04
SONIC HEALTHCARE LTD -	38,479.00	AUD	32.080	762,501.38		0.04	0.04
STOCKLAND -	204,452.00	AUD	4.450	561,996.84		0.03	0.03
SUNCORP GROUP LTD -	110,926.00	AUD	13.850	948,998.72		0.05	0.05
THE NEWS CORPORATION INC -	41,944.00	USD	24.550	932,173.27		0.05	0.05
TRANSURBAN GROUP -	271,295.00	AUD	13.710	2,297,532.92		0.13	0.13
TREASURY WINE ESTATES LTD -	84,897.00	AUD	10.780	565,319.03		0.03	0.03
VICINITY CENTRES -	458,468.00	AUD	2.040	577,725.71		0.03	0.03
WESTPAC BANKING -	76,523.00	AUD	22.900	1,082,455.29		0.06	0.06
WOOLWORTH GROUP LTD -	71,893.00	AUD	37.200	1,652,007.62		0.09	0.09
<u>Austria</u>							
ERSTE GROUP BANK AG -	13,669.00	EUR	36.730	502,062.37		0.03	0.03
<u>Belgium</u>							
ANHEUSER-BUSCH INBEV NV -	30,436.00	EUR	58.420	1,778,071.12		0.10	0.10
ELIA SYSTEM OPERATOR -	5,097.00	EUR	113.300	577,490.10		0.03	0.03
G.B.L. -	11,744.00	EUR	71.220	836,407.68		0.05	0.05
KBC GROUP -	10,835.00	EUR	58.720	636,231.20		0.04	0.04
SOFINA -	2,478.00	EUR	225.400	558,541.20		0.03	0.03
SYENSCO SA -	8,752.00	EUR	94.260	824,963.52		0.05	0.05
U.C.B. -	13,913.00	EUR	78.900	1,097,735.70		0.06	0.06
<u>Bermuda</u>							
ARCH CAPITAL GROUP LTD -	26,143.00	USD	74.270	1,757,697.56		0.10	0.10
EVEREST RE GROUP LTD -	3,502.00	USD	353.580	1,120,931.66		0.06	0.06
<u>Canada</u>							
AGNICO EAGLE MINES -	31,374.00	CAD	72.650	1,564,832.09		0.09	0.09
BANK OF MONTREAL -	41,842.00	CAD	132.510	3,806,477.97		0.21	0.21
BANK OF NOVA SCOTIA -	49,459.00	CAD	64.500	2,190,116.80		0.12	0.12
C.I.B.C. -	14,032.00	CAD	63.770	614,325.05		0.04	0.04
CANADIAN APARTMENT PROPERTIES -	16,341.00	CAD	48.800	547,470.45		0.03	0.03
CGI INC A	13,433.00	CAD	141.950	1,309,093.43		0.07	0.07
CONSTELLATION SOFTWARE INC/CAN -	429.00	CAD	3,285.270	967,588.26		0.05	0.05
ELEMENT FLEET MANGEMENT CORP -	44,362.00	CAD	21.560	656,632.09		0.04	0.04
FAIRFAX FINANCIAL HOLDINGS LTD -	610.00	CAD	1,222.510	511,969.97		0.03	0.03
GFL ENVIRONMENTAL INC -	20,058.00	CAD	45.710	629,449.77		0.04	0.04
IVANHOE MINES LTD -	71,720.00	CAD	12.860	633,203.75		0.04	0.04

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
LOBLAW COMPANIES LTD -	18,962.00	CAD	128.280	1,669,957.14		0.09	0.09
MAGNA INTERNATIONAL CLASS A -	10,156.00	CAD	78.290	545,872.50		0.03	0.03
METRO INC -	24,238.00	CAD	68.590	1,141,352.56		0.06	0.06
NAT. BK CANADA -	14,234.00	CAD	101.000	986,985.03		0.06	0.06
POWER CORP -	68,618.00	CAD	37.890	1,784,945.22		0.10	0.10
RESTAURANT BRANDS INTERNATIONAL INC -	11,018.00	CAD	104.070	787,209.91		0.04	0.04
RITCHIE BROS. AUCTIONEERS -	10,140.00	CAD	88.670	617,272.45		0.04	0.04
ROYAL BK CANADA -	57,709.00	CAD	134.000	5,308,973.76		0.30	0.30
SHOIFY INC -	45,789.00	CAD	103.160	3,242,908.72		0.18	0.18
SILVER WHEATON CORP -	47,413.00	CAD	65.370	2,127,836.00		0.12	0.12
SUN LIFE FINANCIAL INC -	10,950.00	CAD	68.720	516,606.07		0.03	0.03
TELUS CORP -	55,597.00	CAD	23.580	900,030.84		0.05	0.05
THOMSON REUTERS CORP -	15,680.00	CAD	193.730	2,085,475.87		0.12	0.12
TMX GROUP LTD -	26,089.00	CAD	32.050	574,047.33		0.03	0.03
TOROMONT INDUSTRIES LTD -	6,822.00	CAD	116.100	543,758.63		0.03	0.03
TORONTO DOMINION BK -	74,460.00	CAD	85.620	4,376,838.15		0.25	0.25
<u>Cayman Islands</u>							
SEA LTD -	23,621.00	USD	40.500	866,021.36		0.05	0.05
<u>China</u>							
LULULEMON ATHLETICA INC -	5,581.00	USD	511.290	2,583,179.73		0.14	0.14
WH GROUP LTD -	875,824.00	HKD	5.040	511,743.44		0.03	0.03
<u>Denmark</u>							
COLOPLAST A/S B	4,661.00	DKK	772.000	482,696.45		0.03	0.03
DANSKE BK AS -	50,219.00	DKK	180.400	1,215,296.64		0.07	0.07
DSV PANALPINA A S -	7,987.00	DKK	1,185.500	1,270,173.20		0.07	0.07
GENMAB A/S -	2,970.00	DKK	2,155.000	858,581.31		0.05	0.05
NOVO NORDISK A/S B	127,136.00	DKK	698.100	11,905,945.37		0.67	0.67
PANDORA A/S -	8,915.00	DKK	933.200	1,116,024.64		0.06	0.06
VESTAS WINDS SYSTEMS -	35,674.00	DKK	214.300	1,025,537.82		0.06	0.06
<u>Finland</u>							
KONE CORP. -	27,636.00	EUR	45.160	1,248,041.76		0.07	0.07
METSO OUTOTEC OYJ -	55,157.00	EUR	9.170	505,789.69		0.03	0.03
NOKIA A	196,171.00	EUR	3.052	598,713.89		0.03	0.03
ORION OYJ B	13,755.00	EUR	39.270	540,158.85		0.03	0.03
SAMPO OYJ SAMPO OYJ	16,432.00	EUR	39.610	650,871.52		0.04	0.04
<u>France</u>							
ARKEMA -	5,410.00	EUR	103.000	557,230.00		0.03	0.03
AXA -	48,998.00	EUR	29.490	1,444,951.02		0.08	0.08
BNP PARIBAS SA -	27,773.00	EUR	62.590	1,738,312.07		0.10	0.10
CAPGEMINI SA -	7,262.00	EUR	188.750	1,370,702.50		0.08	0.08
CARREFOUR -	33,144.00	EUR	16.565	549,030.36		0.03	0.03
CIE DE ST-GOBAIN -	8,449.00	EUR	66.660	563,210.34		0.03	0.03
CREDIT AGRICOLE -	45,099.00	EUR	12.852	579,612.35		0.03	0.03
DANONE SA -	27,174.00	EUR	58.680	1,594,570.32		0.09	0.09
DASSAULT SYSTEMES -	11,642.00	EUR	44.235	514,983.87		0.03	0.03
EQUITABLE HOLDINGS INC -	39,275.00	USD	33.300	1,183,956.46		0.07	0.07
ESSILOR LUXOTTICA (PAR)	11,353.00	EUR	181.600	2,061,704.80		0.12	0.12
GECINA REG	5,394.00	EUR	110.100	593,879.40		0.03	0.03
HERMES INTL. (PAR)	1,795.00	EUR	1,918.800	3,444,246.00		0.19	0.19
IPSEN -	4,879.00	EUR	107.900	526,444.10		0.03	0.03
KERING -	2,812.00	EUR	399.000	1,121,988.00		0.06	0.06
KLEPIERRE (CIE FONCIERE) -	25,309.00	EUR	24.680	624,626.12		0.04	0.04
L'OREAL -	11,641.00	EUR	450.650	5,246,016.65		0.30	0.30
LEGRAND (PAR)	23,772.00	EUR	94.100	2,236,945.20		0.13	0.13
LVMH-MOET HENNESSY LOUIS VUITT SE -	10,651.00	EUR	733.600	7,813,573.60		0.44	0.44
MICHELIN (PAR)	65,655.00	EUR	32.460	2,131,161.30		0.12	0.12
ORANGE S.A. -	78,500.00	EUR	10.304	808,864.00		0.05	0.05
PERNOD RICARD SA -	9,041.00	EUR	159.750	1,444,299.75		0.08	0.08
PUBLICIS GROUPE SA -	19,075.00	EUR	84.000	1,602,300.00		0.09	0.09
SARTORIUS STEDIM BIOTECH -	2,420.00	EUR	239.500	579,590.00		0.03	0.03
SARTORIUS STEDIM BIOTECH -	1,705.00	EUR	333.200	568,106.00		0.03	0.03
SCHNEIDER ELECTRIC SE -	20,493.00	EUR	181.780	3,725,217.54		0.21	0.21
SOCIETE GENERALE SA -	22,116.00	EUR	24.025	531,336.90		0.03	0.03
SODEXHO ALLIANCE -	5,054.00	EUR	99.620	503,479.48		0.03	0.03
STMICROELECTRONICS NV -	38,590.00	EUR	45.245	1,746,004.55		0.10	0.10
UNIBAIL-RODAMCO SE -	13,041.00	EUR	66.920	872,703.72		0.05	0.05
VALEO -	37,092.00	EUR	13.915	516,135.18		0.03	0.03
VINCI S.A. -	29,242.00	EUR	113.700	3,324,815.40		0.19	0.19
<u>Germany</u>							
ADIDAS AG -	5,075.00	EUR	184.160	934,612.00		0.05	0.05
ALLIANZ AG REG	14,659.00	EUR	241.950	3,546,745.05		0.20	0.20
BAYERISCHE MOTOREN WERKE AG -	5,226.00	EUR	100.780	526,676.28		0.03	0.03
BECHTLE AG -	10,969.00	EUR	45.390	497,882.91		0.03	0.03
COMMERZBANK AG -	48,945.00	EUR	10.760	526,648.20		0.03	0.03
CONTINENTAL AG -	9,937.00	EUR	76.920	764,354.04		0.04	0.04

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
DAIMLER TRUCK HOLDING AG -	33,207.00	EUR	34.020	1,129,702.14		0.06	0.06
DEUTSCHE BOERSE AG -	7,741.00	EUR	186.500	1,443,696.50		0.08	0.08
DEUTSCHE POST AG -	28,161.00	EUR	44.855	1,263,161.66		0.07	0.07
DEUTSCHE TELEKOM INT FIN REG	173,679.00	EUR	21.750	3,777,518.25		0.21	0.21
FRESENIUS MEDICAL CARE AG & CO -	13,467.00	EUR	37.960	511,207.32		0.03	0.03
FRESENIUS SE & CO KGAA (FRA)	21,270.00	EUR	28.070	597,048.90		0.03	0.03
GEA AG -	17,468.00	EUR	37.690	658,368.92		0.04	0.04
HENKEL KGAA PREF	19,990.00	EUR	72.860	1,456,471.40		0.08	0.08
INFINEON TECHNOLOGIES AG -	49,490.00	EUR	37.800	1,870,722.00		0.11	0.11
KNORR-BREMSE AG -	8,677.00	EUR	58.800	510,207.60		0.03	0.03
LEG IMMOBILIEN AG -	8,710.00	EUR	79.320	690,877.20		0.04	0.04
MUNCHENER RUCKVERSICHERUNG AG REG	4,824.00	EUR	375.100	1,809,482.40		0.10	0.10
SAP AG -	41,313.00	EUR	139.480	5,762,337.24		0.32	0.32
SCOUT24 AG -	8,815.00	EUR	64.160	565,570.40		0.03	0.03
SIEMENS HEALTHINEERS AG -	11,882.00	EUR	52.600	624,993.20		0.04	0.04
TALANX AG -	7,642.00	EUR	64.650	494,055.30		0.03	0.03
VONOVIA SE -	52,420.00	EUR	28.540	1,496,066.80		0.08	0.08
ZALANDO SE -	22,738.00	EUR	21.450	487,730.10		0.03	0.03
<u>Hong Kong</u>							
AIA GROUP LTD -	557,778.00	HKD	68.050	4,400,422.92		0.25	0.25
CK ASSET HOLDINGS LTD -	182,943.00	HKD	39.200	831,393.78		0.05	0.05
HENDERSON LAND -	202,367.00	HKD	24.050	564,234.56		0.03	0.03
HONG KONG EXCHANGES & CLEARING LTD. -	51,033.00	HKD	268.000	1,585,589.64		0.09	0.09
MTR CORPORATION -	153,036.00	HKD	30.300	537,577.57		0.03	0.03
SUN HUNG KAI PROPS -	171,122.00	HKD	84.450	1,675,368.74		0.09	0.09
TECHTRONIC INDUSTRIES COMP LTD -	53,788.00	HKD	93.050	580,238.69		0.03	0.03
<u>Ireland</u>							
AIB GROUP PLC -	154,754.00	EUR	3.880	600,445.52		0.03	0.03
BANK OF IRELAND GROUP PLC -	80,550.00	EUR	8.218	661,959.90		0.04	0.04
C.R.H. PLC (LON)	11,735.00	GBP	54.100	732,651.96		0.04	0.04
JAZZ PHARMACEUTICALS PLC -	4,823.00	USD	123.000	537,028.92		0.03	0.03
NEW LINDE PLC -	23,385.00	USD	410.710	8,694,566.92		0.49	0.49
PENTAIR PLC -	16,820.00	USD	72.710	1,107,121.89		0.06	0.06
SEAGATE TECHNOLOGY HOLDINGS PL -	9,219.00	USD	85.370	712,466.42		0.04	0.04
SMURFIT KAPPA PLC -	36,562.00	EUR	35.880	1,311,844.56		0.07	0.07
<u>Israel</u>							
CHECK POINT SOFTWARE TECHNOLOGIES -	3,770.00	USD	152.790	521,448.69		0.03	0.03
NICE LTD -	4,747.00	ILS	729.100	870,102.81		0.05	0.05
<u>Italy</u>							
FINECOBANK BANCA FINECO SPA -	41,225.00	EUR	13.585	560,041.63		0.03	0.03
INTESA SANPAOLO SPA -	1,017,430.00	EUR	2.644	2,689,576.21		0.15	0.15
MEDIOBANCA (MIL)	59,193.00	EUR	11.205	663,257.57		0.04	0.04
POSTE ITALIANE -	61,538.00	EUR	10.275	632,302.95		0.04	0.04
PRYSMIAN SPA -	26,579.00	EUR	41.170	1,094,257.43		0.06	0.06
RECORDATI SPA -	11,328.00	EUR	48.830	553,146.24		0.03	0.03
TELECOM ITALIA SPA (MIL)	1,905,995.00	EUR	0.294	560,743.73		0.03	0.03
TERNA RETE ELETTRICA NAZIONALE -	166,203.00	EUR	7.554	1,255,497.46		0.07	0.07
UNICREDIT SPA -	86,280.00	EUR	24.565	2,119,468.20		0.12	0.12
<u>Japan</u>							
ADVANTEST CORP -	41,100.00	JPY	4,797.000	1,265,987.27		0.07	0.07
AEON CO LTD. -	77,257.00	JPY	3,151.000	1,563,162.18		0.09	0.09
AISIN SEIKI CO -	17,000.00	JPY	4,933.000	538,490.24		0.03	0.03
AJINOMOTO -	30,400.00	JPY	5,440.000	1,061,916.28		0.06	0.06
ASAHI GROUP HOLDINGS LTD -	43,800.00	JPY	5,258.000	1,478,810.38		0.08	0.08
ASAHI KASEI CORP -	79,200.00	JPY	1,039.000	528,394.79		0.03	0.03
ASTELLAS PHARMA INC -	158,100.00	JPY	1,686.000	1,711,619.55		0.10	0.10
BRIDGESTONE CORP -	52,300.00	JPY	5,840.000	1,961,247.18		0.11	0.11
CANON INC -	21,600.00	JPY	3,620.000	502,088.32		0.03	0.03
CENTRAL JAPAN RAILWAY -	23,500.00	JPY	3,584.000	540,821.14		0.03	0.03
DAI NIPPON PRINTNG -	34,900.00	JPY	4,173.000	935,172.24		0.05	0.05
DAIFUKU CO LTD -	34,800.00	JPY	2,852.500	637,415.61		0.04	0.04
DAIICHI SANKYO COMPANY LTD -	75,500.00	JPY	3,872.000	1,877,154.84		0.11	0.11
DAIWA HOUSE -	60,500.00	JPY	4,272.000	1,659,603.78		0.09	0.09
DAIWA HOUSE REIT INVESTMENT CO -	307.00	JPY	251,700.000	496,180.15		0.03	0.03
DAIWA SECURITIES GROUP INC -	86,700.00	JPY	949.100	528,383.04		0.03	0.03
DENTSU INC. -	20,500.00	JPY	3,618.000	476,255.74		0.03	0.03
DISCO CORP -	5,100.00	JPY	34,980.000	1,145,533.46		0.06	0.06
EAST JAPAN RAILWAY -	26,200.00	JPY	8,129.000	1,367,590.93		0.08	0.08
EISAI CO. -	17,800.00	JPY	7,052.000	806,027.95		0.05	0.05
FANUC CORP -	27,000.00	JPY	4,147.000	718,977.99		0.04	0.04
FAST RETAILING CO LTD. -	7,764.00	JPY	34,990.000	1,744,404.77		0.10	0.10
FUJITSU LTD -	8,500.00	JPY	21,275.000	1,161,198.03		0.07	0.07
HAMAMATSU PHOTONICS KK -	16,600.00	JPY	5,800.000	618,235.41		0.04	0.04
HITACHI -	22,500.00	JPY	10,170.000	1,469,336.50		0.08	0.08
HITACHI CONSTRUCTION MACHINERY CO -	21,400.00	JPY	3,727.000	512,142.67		0.03	0.03
HONDA MOTOR CO -	129,400.00	JPY	1,466.000	1,218,108.70		0.07	0.07



Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
HOYA CORPORATION -	18,500.00	JPY	17,625.000	2,093,720.24		0.12	0.12
HULIC CO LTD -	56,000.00	JPY	1,476.500	530,932.46		0.03	0.03
IBIDEN CO LTD -	11,500.00	JPY	7,815.000	577,091.42		0.03	0.03
JAPAN REAL ESTATE INV CORP -	144.00	JPY	584,000.000	539,999.22		0.03	0.03
JAPAN RETAIL FD INV CORP -	838.00	JPY	101,900.000	548,322.41		0.03	0.03
KAJIMA CORP -	42,100.00	JPY	2,356.500	637,040.93		0.04	0.04
KAO CORP -	49,800.00	JPY	5,800.000	1,854,706.24		0.10	0.10
KDDI CORPORATION -	43,200.00	JPY	4,486.000	1,244,402.32		0.07	0.07
KEISEI ELECTRIC RAILWAY CO LTD -	13,500.00	JPY	6,664.000	577,678.96		0.03	0.03
KEYENCE CORP -	8,300.00	JPY	62,120.000	3,310,757.23		0.19	0.19
KUBOTA CORP -	119,600.00	JPY	2,122.500	1,630,034.05		0.09	0.09
LASERTEC CORP -	2,500.00	JPY	37,170.000	596,692.21		0.03	0.03
MINEBEA -	42,800.00	JPY	2,898.500	796,590.04		0.05	0.05
mitsubishi chemical holdings corp -	151,200.00	JPY	864.000	838,848.11		0.05	0.05
mitsubishi estate -	61,000.00	JPY	1,943.000	761,062.69		0.04	0.04
mitsubishi ufj financial group -	508,300.00	JPY	1,211.500	3,954,224.52		0.22	0.22
mitsui chemical inc -	20,000.00	JPY	4,182.000	537,071.15		0.03	0.03
mizuho financial group inc. -	125,310.00	JPY	2,412.500	1,941,202.53		0.11	0.11
MURATA MANUFACTURING CO -	132,300.00	JPY	2,993.000	2,542,636.97		0.14	0.14
M3 INC -	64,000.00	JPY	2,333.000	958,765.75		0.05	0.05
NEC CORP(NIPPON EL.) -	23,500.00	JPY	8,350.000	1,260,004.61		0.07	0.07
NEC ELECTRONICS CORP -	55,400.00	JPY	2,549.000	906,770.53		0.05	0.05
NEXON CO LTD -	25,600.00	JPY	2,569.500	422,382.96		0.02	0.02
NGK INSULATORS -	45,100.00	JPY	1,685.500	488,116.06		0.03	0.03
NINTENDO CO -	44,800.00	JPY	7,359.000	2,116,969.56		0.12	0.12
NIPPON BUILDING FUND INC -	134.00	JPY	611,000.000	525,731.27		0.03	0.03
NIPPON TEL & TEL -	472,200.00	JPY	172.300	522,431.14		0.03	0.03
NISSAN CHEMICAL INDUSTRIES LTD -	15,100.00	JPY	5,506.000	533,864.39		0.03	0.03
NOMURA HOLDINGS INC -	280,100.00	JPY	637.700	1,146,957.49		0.07	0.06
NOMURA REAL ESTATE MASTER FUND -	605.00	JPY	165,000.000	640,998.65		0.04	0.04
NTT DATA CORPORATION -	70,900.00	JPY	1,999.000	910,074.25		0.05	0.05
OBAYASHI CORP -	65,100.00	JPY	1,220.000	509,986.43		0.03	0.03
OJI HOLDINGS CORP -	145,500.00	JPY	543.000	507,318.41		0.03	0.03
OLYMPUS CORP -	52,200.00	JPY	2,040.500	683,950.86		0.04	0.04
OMRON CORP -	15,100.00	JPY	6,583.000	638,290.82		0.04	0.04
ORIENTAL LAND COMPANY,LTD -	16,300.00	JPY	5,251.000	549,600.88		0.03	0.03
ORIX (ORIENT LEASING) -	109,400.00	JPY	2,656.000	1,865,791.84		0.11	0.11
OTSUKA CORP -	13,600.00	JPY	5,813.000	507,641.39		0.03	0.03
OTSUKA HOLDINGS CO LTD -	39,000.00	JPY	5,289.000	1,324,512.22		0.08	0.07
PANASONIC CORPORATION -	53,400.00	JPY	1,396.500	478,850.55		0.03	0.03
RECRUIT HOLDINGS CO LTD -	61,600.00	JPY	5,963.000	2,358,649.01		0.13	0.13
RESONA HOLDINGS INC -	105,900.00	JPY	716.500	487,225.43		0.03	0.03
SEIKO EPSON CORP -	54,600.00	JPY	2,110.500	739,938.79		0.04	0.04
SEKISUI HOUSE LTD -	32,400.00	JPY	3,132.000	651,605.23		0.04	0.04
SEVEN & I HOLDINGS CO LTD -	14,800.00	JPY	5,595.000	531,715.85		0.03	0.03
SHIMANO INC -	3,600.00	JPY	21,835.000	504,746.71		0.03	0.03
SHIN-ETSU CHEM CO -	57,000.00	JPY	5,917.000	2,165,679.68		0.12	0.12
SHIONOGI & CO -	29,000.00	JPY	6,798.000	1,265,892.87		0.07	0.07
SMC CORP. -	1,100.00	JPY	75,760.000	535,119.09		0.03	0.03
SOFTBANK CORP -	61,300.00	JPY	1,759.500	692,576.17		0.04	0.04
SONY CORP -	54,163.00	JPY	13,410.000	4,663,900.60		0.26	0.26
SUMITOMO METAL MINING -	19,000.00	JPY	4,246.000	518,025.80		0.03	0.03
SUMITOMO MITSUI FINANCIAL GROUP INC -	54,200.00	JPY	6,880.000	2,394,448.62		0.14	0.13
SUMITOMO MITSUI TRUST HOLD INC -	61,800.00	JPY	2,706.000	1,073,826.37		0.06	0.06
SUMITOMO REALTY & DEV. -	27,200.00	JPY	4,194.000	732,512.65		0.04	0.04
TAISEI CORP -	20,000.00	JPY	4,822.000	619,262.81		0.04	0.04
TAKEDA PHARMACEUTICAL CO LTD -	99,177.00	JPY	4,054.000	2,581,740.03		0.14	0.14
TDK CORP -	37,400.00	JPY	6,717.000	1,613,112.84		0.09	0.09
TERUMO CORP. -	17,300.00	JPY	4,622.000	513,444.90		0.03	0.03
TOKIO MARINE HOLDINGS INC -	35,300.00	JPY	3,529.000	799,915.59		0.05	0.05
TOKYO ELECTRON -	23,700.00	JPY	25,255.000	3,843,381.68		0.22	0.22
TOPPAN PRINTING -	28,800.00	JPY	3,935.000	727,704.43		0.04	0.04
TOSOH CORP -	42,300.00	JPY	1,801.000	489,183.59		0.03	0.03
TOYOTA INDUSTRIES CORP. -	7,300.00	JPY	11,500.000	539,061.73		0.03	0.03
TOYOTA TSUSHO CORPORATION -	22,800.00	JPY	8,308.000	1,216,323.60		0.07	0.07
WEST JAPAN RAILWAY -	14,900.00	JPY	5,881.000	562,671.92		0.03	0.03
YAMAHA MOTORS -	141,600.00	JPY	1,259.500	1,145,194.42		0.06	0.06
YOKOGAWA ELECTRIC CORP -	29,600.00	JPY	2,689.000	511,093.44		0.03	0.03
Z HOLDINGS CORP -	315,600.00	JPY	499.700	1,012,661.13		0.06	0.06
<b>Netherlands</b>							
A.K.Z.O. NOBEL -	20,125.00	EUR	74.820	1,505,752.50		0.09	0.09
ABN AMRO GROUP N.V. -	40,083.00	EUR	13.590	544,727.97		0.03	0.03
ADYEN BV -	888.00	EUR	1,166.600	1,035,940.80		0.06	0.06
AEGON -	181,584.00	EUR	5.248	952,952.83		0.05	0.05
ARGENX SE -	2,146.00	EUR	343.500	737,151.00		0.04	0.04
ASM INTERNATIONAL -	2,073.00	EUR	469.950	974,206.35		0.06	0.06
ASML HOLDING NV -	17,038.00	EUR	681.700	11,614,804.60		0.65	0.65
BE SEMICONDUCTOR -	3,906.00	EUR	136.450	532,973.70		0.03	0.03
CNH INDUSTRIAL NV -	51,810.00	EUR	11.080	574,054.80		0.03	0.03

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
FERRARI NV -	2,107.00	EUR	305.200	643,056.40		0.04	0.04
IMCD GROUP NV -	6,027.00	EUR	157.550	949,553.85		0.05	0.05
ING GROEP NV -	143,064.00	EUR	13.526	1,935,083.66		0.11	0.11
KON. AHOLD DELHAIZE NV -	19,060.00	EUR	26.015	495,845.90		0.03	0.03
KONINKLIJKE KPN NV -	359,225.00	EUR	3.118	1,120,063.55		0.06	0.06
NN GROUP NV -	30,535.00	EUR	35.750	1,091,626.25		0.06	0.06
NXP SEMICONDUCTOR NV -	10,769.00	USD	229.680	2,239,101.91		0.13	0.13
OCI NV -	23,964.00	EUR	26.240	628,815.36		0.04	0.04
PROSUS NV -	64,130.00	EUR	26.985	1,730,548.05		0.10	0.10
STELLANTIS NV -	61,358.00	EUR	21.150	1,297,721.70		0.07	0.07
UNIVERSAL MUSIC GROUP NV -	20,754.00	EUR	25.810	535,660.74		0.03	0.03
WOLTERS KLUWER -	3,987.00	EUR	128.700	513,126.90		0.03	0.03
<u>New Zealand</u>							
EBOS GROUP LTD -	24,195.00	NZD	35.500	492,306.87		0.03	0.03
MERIDIAN ENERGY LTD -	174,458.00	NZD	5.540	553,965.31		0.03	0.03
XERO LTD -	8,152.00	AUD	112.300	565,491.95		0.03	0.03
<u>Norway</u>							
DNB BANK ASA -	34,007.00	NOK	216.000	654,768.10		0.04	0.04
ORKLA ASA A	73,529.00	NOK	78.840	516,738.38		0.03	0.03
STATOILHYDRO ASA -	93,187.00	NOK	68.400	568,168.13		0.03	0.03
YARA INTL ASA -	16,238.00	NOK	361.200	522,812.21		0.03	0.03
<u>Portugal</u>							
JERONIMO MARTINS -	29,211.00	EUR	23.040	673,021.44		0.04	0.04
<u>Singapore</u>							
CITY DEVELOPMENTS LTD -	117,870.00	SGD	6.650	537,925.97		0.03	0.03
DBS GROUP HOLDINGS LTD -	79,700.00	SGD	33.410	1,827,394.77		0.10	0.10
OVERSEA-CHINESE BANKING CORP LTD. -	57,900.00	SGD	13.000	516,558.48		0.03	0.03
SINGAPORE TELECOM -	646,100.00	SGD	2.470	1,095,202.12		0.06	0.06
UNITED OVERSEAS BANK LTD. -	104,500.00	SGD	28.450	2,040,309.93		0.12	0.12
<u>Spain</u>							
ACCIONA SA -	3,898.00	EUR	133.300	519,603.40		0.03	0.03
AENA SA -	8,857.00	EUR	164.100	1,453,433.70		0.08	0.08
AMADEUS IT GROUP SA -	15,684.00	EUR	64.880	1,017,577.92		0.06	0.06
BANCO BILBAO VIZCAYA ARGENTARIA -	257,677.00	EUR	8.226	2,119,651.00		0.12	0.12
BANCO SANTANDER CENTRAL HISPANO SA -	584,879.00	EUR	3.780	2,210,550.18		0.12	0.12
CAIXABANK SA -	278,863.00	EUR	3.726	1,039,043.54		0.06	0.06
CELLNEX TELECOM SAU -	14,304.00	EUR	35.660	510,080.64		0.03	0.03
EDP RENOVAVEIS SA -	30,716.00	EUR	18.525	569,013.90		0.03	0.03
FERROVIAL SA -	30,893.00	EUR	33.020	1,020,086.86		0.06	0.06
INDUSTRIA DE DISENO TEXTIL SA -	17,398.00	EUR	39.430	686,003.14		0.04	0.04
RED ELECTRICA DE ESPANA -	47,894.00	EUR	14.910	714,099.54		0.04	0.04
TELEFONICA SA -	366,164.00	EUR	3.534	1,294,023.58		0.07	0.07
<u>Sweden</u>							
ATLAS COPCO AB AB B FRIA	184,357.00	SEK	149.400	2,474,102.24		0.14	0.14
BEIJER REF AB -	48,725.00	SEK	134.900	590,433.80		0.03	0.03
BOLIDEN AB -	21,656.00	SEK	314.500	611,795.54		0.03	0.03
EPIROC AB -A	30,840.00	SEK	202.200	560,148.19		0.03	0.03
EPIROC AB -B	43,525.00	SEK	176.400	689,675.46		0.04	0.04
FASTIGHETS AB BALDER -B-	90,826.00	SEK	71.520	583,505.71		0.03	0.03
HUSQVARNA AB -B-	71,055.00	SEK	82.980	529,633.55		0.03	0.03
INDUSTRIVARDEN AB -	18,131.00	SEK	328.300	534,687.53		0.03	0.03
INDUSTRIVARDEN AB -	18,119.00	SEK	328.900	535,310.19		0.03	0.03
INDUTRADE AB -	24,775.00	SEK	261.800	582,627.15		0.03	0.03
LUNDBERGFÖRETAGEN AB -B-	17,281.00	SEK	548.200	850,972.09		0.05	0.05
NORDEA BANK ABP -	146,608.00	SEK	124.720	1,642,484.14		0.09	0.09
SANDVIK FRIA -	64,946.00	SEK	218.100	1,272,376.05		0.07	0.07
SECURITAS AB B	61,458.00	SEK	98.580	544,220.19		0.03	0.03
SKANSKA AB B	33,922.00	SEK	182.350	555,641.44		0.03	0.03
SVENSKA HANDBK A	75,342.00	SEK	109.450	740,730.66		0.04	0.04
SWEDBANK -	46,496.00	SEK	203.300	849,103.02		0.05	0.05
<u>Switzerland</u>							
ADECCO GROUP AG REG	16,105.00	CHF	41.270	714,889.59		0.04	0.04
ALCON INC -	13,991.00	CHF	65.640	987,781.99		0.06	0.06
BALOISE HLDG REG	4,888.00	CHF	131.800	692,931.62		0.04	0.04
BARRY CALLEBAUT -	354.00	CHF	1,419.000	540,293.11		0.03	0.03
CHOCOLADEFABRIKEN LINDT-REG -	30.00	CHF	10,090.000	325,578.86		0.02	0.02
FERGUSON PLC -	12,064.00	USD	193.070	2,108,537.98		0.12	0.12
GEBERIT AG -	2,256.00	CHF	539.000	1,307,891.25		0.07	0.07
GIVAUDAN (NOM)	497.00	CHF	3,484.000	1,862,422.93		0.11	0.11
HELVETIA HOLDING AG -	4,083.00	CHF	115.900	508,986.88		0.03	0.03
KUEHNE & NAGEL INT'L AG -	1,882.00	CHF	289.800	586,626.63		0.03	0.03
LOGITECH INTERNATIONAL SA REG	7,401.00	CHF	79.760	634,920.46		0.04	0.04
LONZA AG -	2,790.00	CHF	353.700	1,061,409.67		0.06	0.06
NESTLE AG REG	100,040.00	CHF	97.510	10,492,201.31		0.59	0.59
NOVARTIS AG REG	78,437.00	CHF	84.870	7,160,097.76		0.40	0.40

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
ROCHE HOLDING GENOTS	26,386.00	CHF	244.500	6,938,988.96		0.39	0.39
SANDOZ GROUP AG -	19,099.00	CHF	27.060	555,881.47		0.03	0.03
SCHINDLER-HLDG PART.BON	3,878.00	CHF	210.300	877,184.31		0.05	0.05
SIG COMBIBLOC SERVICES AG -	32,279.00	CHF	19.350	671,807.45		0.04	0.04
SIKA FINANZ AG -	7,540.00	CHF	273.700	2,219,677.70		0.13	0.13
SONOVA HOLDING AG -	2,592.00	CHF	274.400	765,002.54		0.04	0.04
STRAUMANN HOLDING AG REG	5,465.00	CHF	135.600	797,064.80		0.05	0.05
SWISS LIFE HOLDING -	2,470.00	CHF	584.000	1,551,506.41		0.09	0.09
SWISS PRIME SITE -	8,271.00	CHF	89.850	799,318.52		0.05	0.05
SWISS RE -	14,866.00	CHF	94.560	1,511,977.63		0.09	0.09
SWISSCOM AG -	2,364.00	CHF	506.000	1,286,594.72		0.07	0.07
TE CONNECTIVITY LTD -	21,828.00	USD	140.500	2,776,294.75		0.16	0.16
THE SWATCH GROUP AG -	2,736.00	CHF	228.600	672,722.72		0.04	0.04
UBS GROUP AG -	99,810.00	CHF	26.100	2,801,936.82		0.16	0.16
VAT GROUP AG -	1,240.00	CHF	421.500	562,164.01		0.03	0.03
ZURICH INSURANCE GROUP AG -	4,256.00	CHF	439.600	2,012,347.96		0.11	0.11
<u>U.K.</u>							
ANGLO AMERICAN PLC PLC	81,894.00	GBP	19.706	1,862,378.38		0.11	0.11
ANTOFAGASTA PLC -	46,591.00	GBP	16.795	903,024.22		0.05	0.05
ASHTAD GROUP PLC -	21,525.00	GBP	54.620	1,356,788.69		0.08	0.08
ASSOCIATED BRITISH FOODS PLC -	18,172.00	GBP	23.670	496,384.65		0.03	0.03
ASTRAZENECA PLC -	55,705.00	GBP	106.000	6,814,239.63		0.38	0.38
AUTO TRADER GROUP PLC -	71,673.00	GBP	7.214	596,690.44		0.03	0.03
AVIVA PLC -	251,521.00	GBP	4.347	1,261,773.06		0.07	0.07
BARCLAYS BANK PLC -	519,155.00	GBP	1.538	921,327.97		0.05	0.05
BARRATT DEVELOPMENTS PLC -	88,284.00	GBP	5.626	573,190.64		0.03	0.03
BUNZL -	32,833.00	GBP	31.900	1,208,700.24		0.07	0.07
BURBERRY GROUP PLC -	35,958.00	GBP	14.160	587,592.36		0.03	0.03
COMPASS GROUP -	91,683.00	GBP	21.460	2,270,575.21		0.13	0.13
CRODA INTERNATIONAL -	10,304.00	GBP	50.500	600,502.18		0.03	0.03
DIAGEO -	73,964.00	GBP	28.560	2,437,788.09		0.14	0.14
ENDEAVOUR MINING PLC -	23,661.00	GBP	17.570	479,757.99		0.03	0.03
EXPERIAN GROUP LTD -	21,282.00	GBP	32.020	786,413.80		0.04	0.04
GLAXOSMITHKLINE PLC -	188,441.00	GBP	14.502	3,153,702.04		0.18	0.18
HSBC HOLDING PLC -	678,960.00	GBP	6.355	4,979,401.00		0.28	0.28
INFORMA PLC -	163,233.00	GBP	7.812	1,471,592.46		0.08	0.08
LLOYDS BANKING GROUP PLC -	4,497,464.00	GBP	0.477	2,476,249.89		0.14	0.14
LONDON STOCK EXCHANGE GRP PLC -	10,930.00	GBP	92.740	1,169,781.13		0.07	0.07
M&G PLC -	212,888.00	GBP	2.224	546,390.73		0.03	0.03
MONDI PLC -	49,186.00	GBP	15.375	872,718.11		0.05	0.05
PEARSON PLC -	150,865.00	GBP	9.642	1,678,699.58		0.09	0.09
PRUDENTIAL PLC -	50,801.00	GBP	8.872	520,129.10		0.03	0.03
RECKITT BENCKISER PLC -	23,083.00	GBP	54.200	1,443,806.18		0.08	0.08
RELX PLC -	114,626.00	GBP	31.100	4,113,967.76		0.23	0.23
RENTOKIL INITIAL PLC -	171,572.00	GBP	4.408	872,781.15		0.05	0.05
ROYAL BANK OF SCOTLAND GROUP PLC -	210,240.00	GBP	2.194	532,315.77		0.03	0.03
SAGE GROUP -	46,474.00	GBP	11.725	628,840.15		0.04	0.04
SAINSBURY PLC -	194,152.00	GBP	3.026	677,997.59		0.04	0.04
STANDARD CHARTERED PLC -	110,909.00	GBP	6.666	853,197.27		0.05	0.05
TAYLOR WIMPEY PLC -	415,053.00	GBP	1.471	704,345.82		0.04	0.04
TESCO -	376,764.00	GBP	2.905	1,263,085.92		0.07	0.07
UNILEVER PLC -	82,705.00	GBP	38.000	3,626,876.11		0.20	0.20
VODAFONE GROUP PLC -	698,866.00	GBP	0.686	552,945.18		0.03	0.03
WHITBREAD HOLDINGS PLC -	21,384.00	GBP	36.560	902,220.08		0.05	0.05
WILLIS GROUP HOLDINGS LTD -	9,643.00	USD	241.200	2,105,546.19		0.12	0.12
WPP GROUP PLC -	125,804.00	GBP	7.530	1,093,218.03		0.06	0.06
3IGROUP -	85,183.00	GBP	24.210	2,379,934.90		0.13	0.13
<u>U.S.A.</u>							
ABBOTT LAB. -	64,757.00	USD	110.070	6,452,544.24		0.36	0.36
ABBVIE INC -	65,623.00	USD	154.970	9,206,170.56		0.52	0.52
ACCENTURE LTD A	29,936.00	USD	350.910	9,509,656.24		0.54	0.53
ADOBE SYSTEMS -	18,807.00	USD	596.600	10,157,295.25		0.57	0.57
ADVANC MICRO DEVICES -	65,112.00	USD	147.410	8,688,869.71		0.49	0.49
AERCAP HOLDINGS NV -	9,849.00	USD	74.320	662,633.12		0.04	0.04
AFLAC INC -	36,316.00	USD	82.500	2,712,234.64		0.15	0.15
AGILENT TECHNOLOGIES -	22,417.00	USD	139.030	2,821,378.27		0.16	0.16
AIRBNB INC -	15,373.00	USD	136.140	1,894,609.35		0.11	0.11
AKAMAI TECHNOLOGIES INC -	7,537.00	USD	118.350	807,499.16		0.05	0.05
ALIGN TECHNOLOGY INC -	3,522.00	USD	274.000	873,605.21		0.05	0.05
ALLSTATE CORPORATION -	15,418.00	USD	139.980	1,953,751.54		0.11	0.11
ALNYLAM PHARMACEUTICALS INC -	4,854.00	USD	191.410	841,084.63		0.05	0.05
ALPHABET INC -A-	220,872.00	USD	139.690	27,930,665.53		1.57	1.57
AMAZON COMM. INC. -	375,215.00	USD	151.940	51,609,258.23		2.91	2.90
AMERICAN EXPRESS -	31,419.00	USD	187.340	5,328,416.66		0.30	0.30
AMERICAN INT. GROUP -	13,468.00	USD	67.750	826,014.57		0.05	0.05
AMERICAN TOWER CORP CL A	18,135.00	USD	215.880	3,544,094.33		0.20	0.20
AMERIPRISE FINANCIAL INC -	1,582.00	USD	379.830	543,965.11		0.03	0.03
AMGEN -	20,627.00	USD	288.020	5,378,163.71		0.30	0.30

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
ANNALY CAPITAL MANAGEMENT INC -	101,158.00	USD	19.370	1,773,802.07		0.10	0.10
ANSYS INC -	6,448.00	USD	362.880	2,118,182.45		0.12	0.12
ANTHEM INC -	11,410.00	USD	471.560	4,870,773.19		0.27	0.27
AON CORPORATION -	11,213.00	USD	291.020	2,954,064.42		0.17	0.17
APOLLO GLOBAL MANAGEMENT INC -	5,972.00	USD	93.190	503,807.25		0.03	0.03
APPLE INC -	638,979.00	USD	192.530	111,367,968.92		6.28	6.28
APPLIED MATERIALS -	37,018.00	USD	162.070	5,431,138.60		0.31	0.31
APTIV PLC -	29,306.00	USD	89.720	2,380,242.00		0.13	0.13
ARES MANAGEMENT CORP -	7,867.00	USD	118.920	846,914.08		0.05	0.05
ARISTA NETWORKS INC -	9,889.00	USD	235.510	2,108,322.45		0.12	0.12
ARTHUR J GALLAGHER & CO -	8,501.00	USD	224.880	1,730,597.82		0.10	0.10
AT&T INC -	270,228.00	USD	16.780	4,104,852.98		0.23	0.23
AUTODESK INC -	13,808.00	USD	243.480	3,043,472.45		0.17	0.17
AUTOMATIC DATA PROCESSING, INC. -	18,343.00	USD	232.970	3,868,527.33		0.22	0.22
AUTOZONE INC. -	1,300.00	USD	2,585.610	3,042,857.92		0.17	0.17
AVALONBAY COMMUNITIES INC -	11,214.00	USD	187.220	1,900,588.49		0.11	0.11
BALL CORPORATION -	24,504.00	USD	57.520	1,275,942.68		0.07	0.07
BANK OF AMERICA CORP -	259,906.00	USD	33.670	7,921,997.94		0.45	0.45
BANK OF NEW YORK MELLON CORP -	11,588.00	USD	52.050	546,014.94		0.03	0.03
BAXTER INTL INC -	16,739.00	USD	38.660	585,823.33		0.03	0.03
BECTON DICKINSON -	8,955.00	USD	243.830	1,976,642.06		0.11	0.11
BEST BUY -	14,486.00	USD	78.280	1,026,536.98		0.06	0.06
BILL.COM HOLDINGS INC -	8,110.00	USD	81.590	599,008.65		0.03	0.03
BIOGEN INC -	6,424.00	USD	258.770	1,504,855.37		0.09	0.09
BIOMARIN PHARMACEUTICAL INC -	6,140.00	USD	96.420	535,933.37		0.03	0.03
BLACKSTONE GROUP LP -	24,417.00	USD	130.920	2,893,833.92		0.16	0.16
BOOKING HOLDINGS INC -	1,537.00	USD	3,547.220	4,935,569.76		0.28	0.28
BORGWARNER INC -	25,839.00	USD	35.850	838,571.63		0.05	0.05
BOSTON PROPERTIES INC -	11,386.00	USD	70.170	723,265.85		0.04	0.04
BOSTON SCIENTIFIC -	67,164.00	USD	57.810	3,514,914.99		0.20	0.20
BRISTOL-MYERS SQUIBB CO -	81,563.00	USD	51.310	3,788,528.07		0.21	0.21
BROADCOM INC -	18,330.00	USD	1,116.250	18,522,484.50		1.04	1.04
BROADRIDGE FINANCIAL SOLUTIONS -	11,387.00	USD	205.750	2,120,920.88		0.12	0.12
BROWN & BROWN INC -	5,079.00	USD	71.110	326,952.15		0.02	0.02
BURLINGTON STORES INC -	3,213.00	USD	194.480	565,667.17		0.03	0.03
C.H. ROBINSON WORLDWIDE INC. -	8,996.00	USD	86.390	703,539.08		0.04	0.04
CADENCE DESIGN SYSTEMS -	15,153.00	USD	272.370	3,736,226.51		0.21	0.21
CAMPBELL SOUP CO -	22,993.00	USD	43.230	899,821.11		0.05	0.05
CAPITAL ONE FINANCIAL CORP -	6,982.00	USD	131.120	828,751.04		0.05	0.05
CARDINAL HEALTH INC -	17,777.00	USD	100.800	1,622,162.31		0.09	0.09
CARMAX GROUP -	8,724.00	USD	76.740	606,056.00		0.03	0.03
CARNIVAL CORP CORP	50,042.00	USD	18.540	839,884.74		0.05	0.05
CARRIER GLOBAL CORP -	33,075.00	USD	57.450	1,720,145.52		0.10	0.10
CATALENT INC -	13,925.00	USD	44.930	566,378.72		0.03	0.03
CB RICHARD ELLIS GROUP INC -	28,245.00	USD	93.090	2,380,235.41		0.13	0.13
CDW CORP/DE -	12,382.00	USD	227.320	2,548,025.38		0.14	0.14
CENCORA INC -	9,174.00	USD	205.380	1,705,658.91		0.10	0.10
CENTENE CORP -	18,320.00	USD	74.210	1,230,731.18		0.07	0.07
CHARTER COMMUNICATIONS INC. -	3,355.00	USD	388.680	1,180,483.77		0.07	0.07
CHIPOTLE MEXICAN GRILL INC -A-	926.00	USD	2,286.960	1,917,100.40		0.11	0.11
CHUBB LTD -	12,715.00	USD	226.000	2,601,357.90		0.15	0.15
CHURCH & DWIGHT CO. INC. -	4,313.00	USD	94.560	369,200.45		0.02	0.02
CIGNA CORP. -	13,045.00	USD	299.450	3,536,256.05		0.20	0.20
CINTAS CORPORATION -	4,743.00	USD	602.660	2,587,621.76		0.15	0.14
CISCO SYSTEMS INC -	169,555.00	USD	50.520	7,754,418.68		0.44	0.44
CITIGROUP INC -	58,596.00	USD	51.440	2,728,627.38		0.15	0.15
CITIZENS FINANCIAL GROUP -	29,664.00	USD	33.140	889,933.43		0.05	0.05
CLEVELAND-CLIFFS INC -	32,603.00	USD	20.420	602,682.53		0.03	0.03
CLOROX COMPANY -	11,398.00	USD	142.590	1,471,272.19		0.08	0.08
CLOUDFLARE INC -	12,553.00	USD	83.260	946,148.35		0.05	0.05
CME GROUP INC -	17,844.00	USD	210.600	3,401,934.01		0.19	0.19
COCA-COLA CO -	150,549.00	USD	58.930	8,031,369.73		0.45	0.45
COGNIZANT TECHNOLOGY SOLUTIONS CORP. -	28,053.00	USD	75.530	1,918,112.61		0.11	0.11
COINBASE GLOBAL INC -	5,959.00	USD	173.920	938,206.02		0.05	0.05
COLGATE - PALMOLIVE -	20,165.00	USD	79.710	1,455,078.21		0.08	0.08
COMCAST CORP -A-	145,901.00	USD	43.850	5,791,661.48		0.33	0.33
CONAGRA BRANDS INC -	19,665.00	USD	28.660	510,205.86		0.03	0.03
CONSTELLATION BRANDS INC A	5,412.00	USD	241.750	1,184,403.20		0.07	0.07
COPART INC. -	45,500.00	USD	49.000	2,018,286.34		0.11	0.11
CORTEVA INC -	12,110.00	USD	47.920	525,334.90		0.03	0.03
COSTAR GROUP INC -	6,565.00	USD	87.390	519,363.92		0.03	0.03
COSTCO WHOLESALE CORPORATION -	16,461.00	USD	660.080	9,836,216.79		0.55	0.55
CROWDSTRIKE HOLDINGS INC -	8,120.00	USD	255.320	1,876,792.11		0.11	0.11
CROWN CASTLE INTL CORP -	17,394.00	USD	115.190	1,813,800.62		0.10	0.10
CVS HEALTH CORP -	47,101.00	USD	78.960	3,366,763.19		0.19	0.19
DANAHER CORPORATION -	30,791.00	USD	231.340	6,448,368.21		0.36	0.36
DARDEN RESTAURANTS -	4,795.00	USD	164.300	713,183.81		0.04	0.04
DARLING INGREDIENTS INC -	14,453.00	USD	49.840	652,095.70		0.04	0.04
DATADOG INC -	10,250.00	USD	121.380	1,126,279.82		0.06	0.06
DECKERS OUTDOOR CORP -	2,558.00	USD	668.430	1,547,860.35		0.09	0.09

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
DEERE & COMPANY -	10,907.00	USD	399.870	3,948,202.68		0.22	0.22
DELL TECHNOLOGIES INC -	12,280.00	USD	76.500	850,423.21		0.05	0.05
DEXCOM INC -	15,351.00	USD	124.090	1,724,442.67		0.10	0.10
DIGITAL INSIGHT -	16,529.00	USD	134.580	2,013,735.41		0.11	0.11
DISCOVER FINANCIAL SERVICES -	16,026.00	USD	112.400	1,630,672.52		0.09	0.09
DISCOVERY INC -A-	91,698.00	USD	11.380	944,664.14		0.05	0.05
DOCUSIGN INC -	14,637.00	USD	59.450	787,733.35		0.04	0.04
DOLLAR GENERAL CORPORATION -	7,827.00	USD	135.950	963,274.02		0.05	0.05
DOLLAR TREE STORES INC. -	5,206.00	USD	142.050	669,453.94		0.04	0.04
DOORDASH INC -	9,872.00	USD	98.890	883,756.92		0.05	0.05
DOVER CORPORATION -	3,915.00	USD	153.810	545,119.40		0.03	0.03
DOWDUPONT INC -	8,813.00	USD	76.930	613,754.66		0.04	0.03
EBAY INC. -	36,116.00	USD	43.620	1,426,134.90		0.08	0.08
ECOLAB, INC. -	10,441.00	USD	198.350	1,874,776.94		0.11	0.11
EDWARDS LIFESCIENCES CORP. -	33,316.00	USD	76.250	2,299,683.16		0.13	0.13
ELECTRONIC ARTS -	14,205.00	USD	136.810	1,759,277.64		0.10	0.10
ENPHASE ENERGY INC -	5,458.00	USD	132.140	652,894.69		0.04	0.04
ENTEGRIS INC -	5,273.00	USD	119.820	571,955.70		0.03	0.03
EQUIFAX INC -	1,591.00	USD	247.290	356,165.65		0.02	0.02
EQUINIX INC -	3,744.00	USD	805.390	2,729,715.44		0.15	0.15
EQUITY RESIDENTIAL -	27,185.00	USD	61.160	1,505,123.43		0.09	0.09
ESTEE LAUDER -	13,501.00	USD	146.250	1,787,463.22		0.10	0.10
ETSY INC -	8,422.00	USD	81.050	617,936.09		0.04	0.04
EXACT SCIENCES CORP -	8,650.00	USD	73.980	579,302.95		0.03	0.03
EXPEDITORS INTL OF WASHINGTON INC. -	9,493.00	USD	127.200	1,093,115.10		0.06	0.06
EXTRA SPACE STORAGE INC -	4,254.00	USD	160.330	617,429.79		0.04	0.04
FACTSET RESEARCH SYSTEMS INC. -	3,761.00	USD	477.050	1,624,211.33		0.09	0.09
FAIR ISAAC INC -	1,293.00	USD	1,164.010	1,362,481.27		0.08	0.08
FASTENAL COMPANY -	16,790.00	USD	64.770	984,464.13		0.06	0.06
FEDEX CORP -	7,696.00	USD	252.970	1,762,419.88		0.10	0.10
FIDELITY NATIONAL INFORMATION -	11,311.00	USD	60.070	615,083.30		0.04	0.04
FIFTH THIRD BANCORPORATION -	68,001.00	USD	34.490	2,123,165.25		0.12	0.12
FIRST CITIZENS BANCSHARES INC/ -	423.00	USD	1,418.970	543,361.53		0.03	0.03
FIRST SOLAR INC -	4,738.00	USD	172.280	738,933.27		0.04	0.04
FISERV INC -	30,546.00	USD	132.840	3,673,317.92		0.21	0.21
FLEETCOR TECHNOLOGIES INC -	5,534.00	USD	282.610	1,415,800.24		0.08	0.08
FORD MOTOR CY -	146,784.00	USD	12.190	1,619,786.32		0.09	0.09
FORTINET INC -	23,618.00	USD	58.530	1,251,402.29		0.07	0.07
FRANKLIN RESOURCES INC -	35,447.00	USD	29.790	955,928.24		0.05	0.05
GARTNER INC A	2,393.00	USD	451.110	977,238.25		0.06	0.06
GENERAL MILLS IN -	38,684.00	USD	65.140	2,281,153.09		0.13	0.13
GENUINE PARTS -	14,502.00	USD	138.500	1,818,247.41		0.10	0.10
GILEAD SCIENCES -	49,769.00	USD	81.010	3,649,831.79		0.21	0.21
GLOBAL PAYMENTS INC -	4,736.00	USD	127.000	544,491.02		0.03	0.03
GODADDY INC -	5,939.00	USD	106.160	570,754.75		0.03	0.03
GOLDMAN SACHS -	10,745.00	USD	385.770	3,752,409.04		0.21	0.21
GOOGLE INC -C-	231,299.00	USD	140.930	29,508,865.31		1.66	1.66
HARTFORD FIN.SERV.GR. -	28,065.00	USD	80.380	2,042,153.35		0.12	0.12
HASBRO INC. -	36,975.00	USD	51.060	1,709,087.49		0.10	0.10
HCA HEALTHCARE INC -	8,232.00	USD	270.680	2,017,143.67		0.11	0.11
HEALTHCARE TRUST OF AMERICA IN -	36,417.00	USD	17.230	568,021.46		0.03	0.03
HEALTHPEAK PROPERTIES INC -	59,493.00	USD	19.800	1,066,366.18		0.06	0.06
HENRY SCHEIN INC. -	15,192.00	USD	75.710	1,041,222.40		0.06	0.06
HERSHEY CORP -	10,506.00	USD	186.440	1,773,175.79		0.10	0.10
HEWLETT PACKARD -	44,483.00	USD	30.090	1,211,690.10		0.07	0.07
HEWLETT PACKARD ENTERPRISE CO -	141,201.00	USD	16.980	2,170,454.88		0.12	0.12
HILTON WORLDWIDE HOLDINGS INC -	17,636.00	USD	182.090	2,907,110.16		0.16	0.16
HOME DEPOT -	37,952.00	USD	346.550	11,906,274.02		0.67	0.67
HOST HOTELS & RESORTS INC -	33,302.00	USD	19.470	586,964.14		0.03	0.03
HUBBELL INC -	3,689.00	USD	328.930	1,098,468.08		0.06	0.06
HUBSPOT INC -	3,104.00	USD	580.540	1,631,282.45		0.09	0.09
HUMANA INC. -	4,986.00	USD	457.810	2,066,392.67		0.12	0.12
HUNTINGTON BANCSHARES,INC. -	131,674.00	USD	12.720	1,516,220.78		0.09	0.09
HYATT HOTELS CORP -	4,842.00	USD	130.410	571,624.70		0.03	0.03
I.B.M. -	34,595.00	USD	163.550	5,121,995.43		0.29	0.29
IDEXX LABORATORIES INC. -	4,018.00	USD	555.050	2,018,911.78		0.11	0.11
ILLINOIS TOOL WORKS INC -	14,905.00	USD	261.940	3,534,346.35		0.20	0.20
ILLUMINA INC -	20,863.00	USD	139.240	2,629,759.76		0.15	0.15
INGERSOLL-RAND INC -	7,917.00	USD	77.340	554,293.92		0.03	0.03
INSULET CORP -	2,917.00	USD	216.980	572,969.41		0.03	0.03
INTEL CORP -	164,938.00	USD	50.250	7,502,950.71		0.42	0.42
INTERCONTINENTALEXCHANGE GROUP -	15,888.00	USD	128.430	1,847,187.65		0.10	0.10
INTERPUBLIC GROUP -	63,575.00	USD	32.640	1,878,502.69		0.11	0.11
INTUIT INC -	11,038.00	USD	625.030	6,245,490.55		0.35	0.35
INTUITIVE SURGICAL INC -	14,436.00	USD	337.360	4,408,752.96		0.25	0.25
IQVIA HOLDINGS INC -	2,577.00	USD	231.380	539,778.45		0.03	0.03
IRON MOUNTAIN INC -	25,131.00	USD	69.980	1,592,058.46		0.09	0.09
JABIL INC -	4,841.00	USD	127.400	558,315.67		0.03	0.03
JACK HENRY & ASSOCIATES INC -	6,912.00	USD	163.410	1,022,486.69		0.06	0.06
JB HUNT TRANSPORT SERVICES INC -	9,152.00	USD	199.740	1,654,841.33		0.09	0.09

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
JOHNSON & JOHNSON -	91,901.00	USD	156.740	13,039,933.68		0.73	0.73
JOHNSON CONTROLS INC -	14,554.00	USD	57.640	759,419.33		0.04	0.04
JPMORGAN CHASE & CO -	112,685.00	USD	170.100	17,351,847.64		0.98	0.98
KELLOGG CO. -	23,904.00	USD	55.910	1,209,860.72		0.07	0.07
KENVUE INC -	51,778.00	USD	21.530	1,009,170.63		0.06	0.06
KEURIG DR PEPPER INC -	74,655.00	USD	33.320	2,251,848.64		0.13	0.13
KEYSIGHT TECHNOLOGIES INC -	17,874.00	USD	159.090	2,574,186.09		0.14	0.14
KIMBERLEY-CLARK CORP -	13,074.00	USD	121.510	1,438,122.25		0.08	0.08
KIMCO REALTY -	73,230.00	USD	21.310	1,412,692.98		0.08	0.08
KLA CORPORATION -	5,141.00	USD	581.300	2,705,348.57		0.15	0.15
KNIGHT-SWIFT TRANSPORTATION -	14,324.00	USD	57.650	747,547.73		0.04	0.04
KRAFT HEINZ CO/THE -	23,643.00	USD	36.980	791,488.83		0.05	0.04
KROGER CY -	30,677.00	USD	45.710	1,269,402.68		0.07	0.07
LABORATORY CORP OF AMERICA HOLDINGS -	6,025.00	USD	227.290	1,239,688.82		0.07	0.07
LAM RESEARCH CORP -	5,870.00	USD	783.260	4,162,165.57		0.23	0.23
LAMB WESTON HOLDINGS INC -	10,110.00	USD	108.090	989,263.48		0.06	0.06
LATTICE SEMICONDUCTOR CORP -	9,330.00	USD	68.990	582,697.42		0.03	0.03
LEAR CORP -	6,975.00	USD	141.210	891,630.61		0.05	0.05
LENNAR CORP. -	7,104.00	USD	149.040	958,475.68		0.05	0.05
LIBERTY BROADBAND CORP -	7,347.00	USD	80.590	536,002.11		0.03	0.03
LILLY (ELI) & CO -	32,454.00	USD	582.920	17,125,864.01		0.96	0.96
LOWE'S CIE -	27,224.00	USD	222.550	5,484,724.75		0.31	0.31
LPL FINANCIAL HOLDINGS INC -	4,134.00	USD	227.620	851,836.40		0.05	0.05
MARKETAXESS HOLDINGS INC -	2,338.00	USD	292.850	619,819.22		0.04	0.04
MARRIOTT INTERNATIONAL -	7,173.00	USD	225.510	1,464,340.04		0.08	0.08
MARSH & MCLENNAN CO -	22,526.00	USD	189.470	3,863,668.33		0.22	0.22
MARTIN MARIETTA MATERIALS -	1,191.00	USD	498.910	537,909.57		0.03	0.03
MARVELL TECHNOLOGY INC -	33,299.00	USD	60.310	1,818,008.14		0.10	0.10
MASTERCARD INC -	32,011.00	USD	426.510	12,359,581.41		0.70	0.69
MATCH GROUP INC -	16,964.00	USD	36.500	560,526.86		0.03	0.03
MC DONALD'S CORP -	26,266.00	USD	296.510	7,050,316.08		0.40	0.40
MCGRAW HILL FINANCIAL INC -	15,405.00	USD	440.520	6,143,312.90		0.35	0.35
MCKESSON CORP -	6,885.00	USD	462.980	2,885,635.54		0.16	0.16
MEDTRONIC PLC -	65,359.00	USD	82.380	4,874,190.40		0.27	0.27
MERCK & CO -	99,345.00	USD	109.020	9,804,546.15		0.55	0.55
METLIFE INC. -	44,158.00	USD	66.130	2,643,523.78		0.15	0.15
METTLER-TOLEDO INTERNATIONAL INC -	2,038.00	USD	1,212.960	2,237,824.18		0.13	0.13
MICROCHIP TECHNOLOGY INC. -	10,889.00	USD	90.180	888,942.22		0.05	0.05
MICRON TECHNOLOGY -	42,424.00	USD	85.340	3,277,476.27		0.18	0.18
MICROSOFT CORP -	293,169.00	USD	376.040	99,799,276.48		5.62	5.61
MODERNA INC -	14,025.00	USD	99.450	1,262,649.93		0.07	0.07
MOHAWK INDUSTRIES INC -	6,369.00	USD	103.500	596,742.41		0.03	0.03
MOLINA HEALTHCARE INC -	1,571.00	USD	361.310	513,844.21		0.03	0.03
MOLSON COORS BREWING CO B	22,423.00	USD	61.210	1,242,485.70		0.07	0.07
MONDELEZ INTERNATIONAL INC A	67,975.00	USD	72.430	4,457,003.80		0.25	0.25
MONGODB INC -	2,667.00	USD	408.850	987,102.66		0.06	0.06
MONOLITHIC POWER SYSTEMS INC -	1,653.00	USD	630.780	943,900.19		0.05	0.05
MONSTER BEVERAGE CORP -	16,062.00	USD	57.610	837,669.69		0.05	0.05
MOODY S CORP -	9,853.00	USD	390.560	3,483,626.20		0.20	0.20
MORGAN STANLEY -	51,695.00	USD	93.250	4,363,878.83		0.25	0.25
MOTOROLA SOLUTIONS INC -	4,894.00	USD	313.090	1,387,102.21		0.08	0.08
MSCI INC -	4,902.00	USD	565.650	2,510,131.08		0.14	0.14
NASDAQ INC -	36,868.00	USD	58.140	1,940,438.62		0.11	0.11
NETFLIX INC -	17,096.00	USD	486.880	7,535,147.31		0.42	0.42
NEWMONT GOLDCORP CORP -	46,113.00	USD	41.390	1,727,802.53		0.10	0.10
NIKE B	45,795.00	USD	108.570	4,500,939.80		0.25	0.25
NORTONLIFELOCK INC -	25,310.00	USD	22.820	522,857.19		0.03	0.03
NUTRIEN LTD -	14,176.00	CAD	74.650	726,516.95		0.04	0.04
NVIDIA CORP NAS	102,550.00	USD	495.220	45,973,666.77		2.59	2.58
O'REILLY AUTOMOTIVE INC. -	3,546.00	USD	950.080	3,049,820.02		0.17	0.17
OKTA INC -	8,409.00	USD	90.530	689,147.49		0.04	0.04
OLD DOMINION FREIGHT LINE INC -	5,500.00	USD	405.330	2,018,118.86		0.11	0.11
OMNICOM GROUP -	8,164.00	USD	86.510	639,358.75		0.04	0.04
ON SEMICONDUCTOR CORP -	14,544.00	USD	83.530	1,099,769.45		0.06	0.06
ORACLE CORP -	67,086.00	USD	105.430	6,402,821.69		0.36	0.36
OTIS WORLDWIDE CORP -	31,027.00	USD	89.470	2,513,000.22		0.14	0.14
PACCAR, INC. -	21,954.00	USD	97.650	1,940,712.53		0.11	0.11
PALANTIR TECHNOLOGIES INC -	68,012.00	USD	17.170	1,057,136.69		0.06	0.06
PALO ALTO NETWORKS INC -	13,313.00	USD	294.880	3,553,829.21		0.20	0.20
PAYCHEX INC -	22,473.00	USD	119.110	2,423,173.88		0.14	0.14
PAYPAL HOLDINGS INC -	43,711.00	USD	61.410	2,429,993.67		0.14	0.14
PEPSICO INC -	65,933.00	USD	169.840	10,137,202.48		0.57	0.57
PFIZER -	209,331.00	USD	28.790	5,455,700.44		0.31	0.31
PINTEREST INC -	21,439.00	USD	37.040	718,870.74		0.04	0.04
PNC FINANCIAL SERVICES GROUP -	16,338.00	USD	154.850	2,290,263.25		0.13	0.13
PPG INDUSTRIES INC -	3,949.00	USD	149.550	534,624.50		0.03	0.03
PRINCIPAL FINANCIAL GROUP INC -	26,864.00	USD	78.670	1,913,176.92		0.11	0.11
PROGRESSIVE CORP OH -	25,537.00	USD	159.280	3,682,191.97		0.21	0.21
PROLOGIS TRUST -	45,857.00	USD	133.300	5,533,642.42		0.31	0.31
PRUDENTIAL FINANCIAL INC -	26,793.00	USD	103.710	2,515,459.22		0.14	0.14

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
PUBLIC STORAGE INC -	2,818.00	USD	305.000	778,065.45		0.04	0.04
PULTE GROUP INC -	16,199.00	USD	103.220	1,513,656.62		0.09	0.09
QUALCOMM CORP -	45,162.00	USD	144.630	5,912,986.07		0.33	0.33
QUEST DIAGNOSTICS INC -	4,074.00	USD	137.880	508,507.78		0.03	0.03
REALITY INCOME CORP. -	10,267.00	USD	57.420	533,681.38		0.03	0.03
REGENCY CENTERS CORP -	17,038.00	USD	67.000	1,033,400.62		0.06	0.06
REGENRON PHARMACEUTICALS -	4,896.00	USD	878.290	3,892,733.30		0.22	0.22
REGIONS FINANCIAL CORPORATION -	104,942.00	USD	19.380	1,841,104.39		0.10	0.10
RELIANCE STEEL & ALUMINIUM CO -	5,720.00	USD	279.680	1,448,214.00		0.08	0.08
REPLIGEN CORP -	3,455.00	USD	179.800	562,358.21		0.03	0.03
REPUBLIC SERVICES INC. -	11,180.00	USD	164.910	1,669,029.83		0.09	0.09
RESMED INC -	6,002.00	USD	172.020	934,652.64		0.05	0.05
REVVITY INC -	14,888.00	USD	109.310	1,473,233.40		0.08	0.08
RIVIAN AUTOMOTIVE INC -	31,813.00	USD	23.460	675,628.46		0.04	0.04
ROBERT HALF -	18,411.00	USD	87.920	1,465,346.60		0.08	0.08
ROBLOX CORP -	22,258.00	USD	45.720	921,229.13		0.05	0.05
ROKU INC -	5,162.00	USD	91.660	428,324.74		0.02	0.02
ROLLINS INC -	28,099.00	USD	43.670	1,110,834.50		0.06	0.06
ROSS STORES -	14,911.00	USD	138.390	1,868,042.63		0.11	0.11
ROYAL CARIBBEAN GROUP LTD -	12,055.00	USD	129.490	1,413,119.04		0.08	0.08
SALESFORCE.COM INC. -	40,275.00	USD	263.140	9,593,956.00		0.54	0.54
SBA COMMUNICATIONS CORP. -	2,248.00	USD	253.690	516,267.70		0.03	0.03
SCHWAB (CHARLES) CORP. -	54,581.00	USD	68.800	3,399,423.17		0.19	0.19
SCP POOL CORPORATION -	4,615.00	USD	398.710	1,665,728.19		0.09	0.09
SEI INVESTMENTS CO -	13,476.00	USD	63.550	775,268.00		0.04	0.04
SERVICENOW INC -	8,000.00	USD	706.490	5,116,480.33		0.29	0.29
SHERWIN-WILLIAMS COMPANY -	6,681.00	USD	311.900	1,886,392.88		0.11	0.11
SIMON PROPERTY GROUP INC -	21,564.00	USD	142.640	2,784,491.88		0.16	0.16
SNAP INC -	47,567.00	USD	16.930	729,017.62		0.04	0.04
SNAP-ON,INC. -	2,030.00	USD	288.840	530,797.27		0.03	0.03
SNOWFLAKE INC -	10,172.00	USD	199.000	1,832,460.96		0.10	0.10
SPLUNK INC -	8,273.00	USD	152.350	1,140,987.24		0.06	0.06
SQUARE INC -	21,040.00	USD	77.350	1,473,266.65		0.08	0.08
STANLEY WORKS -	6,025.00	USD	98.100	535,058.62		0.03	0.03
STARBUCKS CORP -	49,758.00	USD	96.010	4,324,687.08		0.24	0.24
STEEL DYNAMICS INC -	8,433.00	USD	118.100	901,586.29		0.05	0.05
STRYKER CORPORATION -	11,306.00	USD	299.460	3,064,947.96		0.17	0.17
SYNCHRONY FINANCIAL -	42,517.00	USD	38.190	1,469,899.27		0.08	0.08
SYNOPSYS INC -	8,192.00	USD	514.910	3,818,533.22		0.22	0.21
SYSCO CORPORATION -	36,794.00	USD	73.130	2,435,835.08		0.14	0.14
T-MOBILE US INC -	17,394.00	USD	160.330	2,524,582.47		0.14	0.14
TAKE-TWO INTERACTIVE SOFTWARE -	6,788.00	USD	160.950	989,026.93		0.06	0.06
TARGET CORP -	26,463.00	USD	142.420	3,411,814.11		0.19	0.19
TESLA INC -	114,137.00	USD	248.480	25,673,979.78		1.45	1.44
TEXAS INSTRUMENTS -	36,837.00	USD	170.460	5,684,366.11		0.32	0.32
THE JM SMUCKER CO -	5,075.00	USD	126.380	580,616.94		0.03	0.03
THERMO ELECTRONIC -	15,965.00	USD	530.790	7,671,264.52		0.43	0.43
TJX COMPANIES INC. -	46,539.00	USD	93.810	3,952,223.41		0.22	0.22
TRACTOR SUPPLY COMPANY -	6,874.00	USD	215.030	1,338,085.57		0.08	0.08
TRADE DESK INC/THE -	15,891.00	USD	71.960	1,035,184.32		0.06	0.06
TRANE TECHNOLOGIES PLC -	11,023.00	USD	243.900	2,433,811.34		0.14	0.14
TRAVELERS COS INC -	15,732.00	USD	190.490	2,712,885.24		0.15	0.15
TRIMBLE INC -	11,999.00	USD	53.200	577,872.45		0.03	0.03
TRUIST FINANCIAL CORP -	51,063.00	USD	36.920	1,706,645.51		0.10	0.10
TYSON FOODS INC -A-	11,701.00	USD	53.750	569,346.63		0.03	0.03
UIPATH INC -	27,730.00	USD	24.840	623,557.87		0.04	0.04
UNITED PARCEL SERVICE B	26,249.00	USD	157.230	3,736,142.91		0.21	0.21
UNITEDHEALTH GROUP INC. -	38,989.00	USD	526.470	18,581,938.92		1.05	1.04
UNITER RENTALS INC -	3,785.00	USD	573.420	1,964,780.43		0.11	0.11
UNITY SOFTWARE INC -	18,149.00	USD	40.890	671,807.91		0.04	0.04
US BANCORP -	41,374.00	USD	43.280	1,621,026.32		0.09	0.09
VEEVA SYSTEMS INC -	7,927.00	USD	192.520	1,381,529.03		0.08	0.08
VENTAS INC -	34,026.00	USD	49.840	1,535,197.43		0.09	0.09
VERALTO CORP -	9,783.00	USD	82.260	728,510.91		0.04	0.04
VERISK ANALYTICS INC -	2,313.00	USD	238.860	500,143.19		0.03	0.03
VERIZON COMMUNICATIONS INC -	173,757.00	USD	37.700	5,930,058.30		0.33	0.33
VERTEX PHARMAC. -	11,102.00	USD	406.890	4,089,343.03		0.23	0.23
VISA INC -	63,151.00	USD	260.350	14,883,775.72		0.84	0.84
VULCAN MATERIALS COMPANY -	2,591.00	USD	227.010	532,460.88		0.03	0.03
WABTEC CORPORATION -	6,156.00	USD	126.900	707,189.06		0.04	0.04
WALGREENS BOOTS ALLIANCE INC -	46,414.00	USD	26.110	1,097,062.00		0.06	0.06
WALMART INC -	54,126.00	USD	157.650	7,724,585.98		0.44	0.43
WALT DISNEY -	72,758.00	USD	90.290	5,946,969.47		0.34	0.33
WASTE CONNECTIONS INC -	2,602.00	CAD	197.860	353,449.63		0.02	0.02
WASTE MANAGEMENT INC. -	20,768.00	USD	179.100	3,367,174.04		0.19	0.19
WATERS CORP -	6,925.00	USD	329.230	2,063,927.71		0.12	0.12
WATSCO INC -	2,533.00	USD	428.470	982,496.27		0.06	0.06
WEBSTER FINANCIAL CORP -	20,636.00	USD	50.760	948,249.09		0.05	0.05
WEST PHARMACEUTICAL SERVICES INC -	3,268.00	USD	352.120	1,041,712.90		0.06	0.06
WESTERN DIGITAL CORP -	23,921.00	USD	52.370	1,134,063.07		0.06	0.06

Name	Quantity on 31/12/2023	Currency	Price in currency	Evaluation (in Euro)	% owned by UCI	% portfolio	% Net assets
WHIRLPOOL CORPORATION -	6,436.00	USD	121.770	709,466.09		0.04	0.04
WORKDAY INC -	12,369.00	USD	276.060	3,091,102.29		0.17	0.17
XYLEM INC/NY -	9,611.00	USD	114.360	994,988.42		0.06	0.06
YUM! BRANDS INC -	16,526.00	USD	130.660	1,954,725.17		0.11	0.11
ZEBRA TECHNOLOGIES CORP -A-	2,448.00	USD	273.330	605,722.93		0.03	0.03
ZOETIS INC -	21,363.00	USD	197.370	3,816,969.46		0.22	0.21
ZOOM VIDEO COMMUNICATIONS INC -	8,109.00	USD	71.910	527,875.97		0.03	0.03
ZSCALER INC -	3,241.00	USD	221.560	650,048.40		0.04	0.04
Total shares				1,776,855,926.01		100.00	99.80
TOTAL SECURITIES PORTFOLIO				1,776,855,926.01		100.00	99.80
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	157,331.74	AUD	1.000	97,184.91		0.00	0.01
KBC GROUP CAD	30,789.02	CAD	1.000	21,137.72		0.00	0.00
KBC GROUP CHF	-802.02	CHF	1.000	-862.64		0.00	0.00
KBC GROUP DKK	41,896.37	DKK	1.000	5,620.23		0.00	0.00
KBC GROUP EURO	-2,672,825.18	EUR	1.000	-2,672,825.18		0.00	-0.15
KBC GROUP GBP	-2,019.51	GBP	1.000	-2,330.58		0.00	0.00
KBC GROUP HKD	4,025.19	HKD	1.000	466.65		0.00	0.00
KBC GROUP ILS	11,439.06	ILS	1.000	2,875.77		0.00	0.00
KBC GROUP JPY	3,628,060.00	JPY	1.000	23,296.58		0.00	0.00
KBC GROUP NOK	3,599.97	NOK	1.000	320.90		0.00	0.00
KBC GROUP NZD	76.02	NZD	1.000	43.57		0.00	0.00
KBC GROUP PLN	-0.28	PLN	1.000	-0.06		0.00	0.00
KBC GROUP SEK	13,417.67	SEK	1.000	1,205.27		0.00	0.00
KBC GROUP SGD	140.69	SGD	1.000	96.55		0.00	0.00
KBC GROUP USD	1,052,626.18	USD	1.000	952,904.70		0.00	0.05
KBC GROUP ZAR	-0.25	ZAR	1.000	-0.01		0.00	0.00
Total demand accounts				-1,570,865.62		0.00	-0.09
TOTAL CASH AT BANK AND IN HAND				-1,570,865.62		0.00	-0.09
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	4,855,337.16	EUR	1.000	4,855,337.16		0.00	0.27
Total receivables				4,855,337.16		0.00	0.27
TOTAL RECEIVABLES AND PAYABLES				4,855,337.16		0.00	0.27
OTHER							
Interest receivable		EUR		1,344,251.45		0.00	0.08
Expenses payable		EUR		-1,036,512.30		0.00	-0.06
TOTAL OTHER				307,739.15		0.00	0.02
TOTAL NET ASSETS				1,780,448,136.70		0.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Argentina	0.21	0.25	0.25	0.13
Australia	1.92	2.07	1.96	1.95
Austria	0.00	0.00	0.02	0.03
Belgium	1.59	0.48	0.01	0.54
Bermuda	0.00	0.22	0.26	0.41
Canada	3.89	3.43	2.69	2.29
Switzerland	2.24	2.71	2.84	3.04
China	0.00	0.00	0.12	0.18
Cayman Islands	0.00	0.00	0.03	0.05
Cyprus	0.02	0.12	0.05	0.00
Germany	1.74	2.02	1.71	1.79
Denmark	0.76	0.72	0.83	1.01
Spain	1.29	1.08	0.95	0.74
Finland	0.55	0.29	0.17	0.20
France	2.63	3.15	3.07	2.93
U.K.	5.77	4.32	3.90	3.47
Hong Kong	1.58	1.04	0.70	0.57
Ireland	0.14	0.65	0.47	0.70
Israel	0.00	0.07	0.00	0.08
Italy	0.63	0.83	0.59	0.57
Japan	6.57	6.02	6.06	6.01



Netherlands	1.72	1.02	1.48	1.78
Norway	0.66	0.61	0.49	0.13
New Zealand	0.21	0.24	0.00	0.09
Portugal	0.00	0.02	0.04	0.04
Singapore	1.13	0.97	0.66	0.34
Sweden	1.14	0.81	0.63	0.79
U.S.A.	63.61	66.86	70.02	70.14
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
Cyclicals	10.80	12.87	8.12	
Consum(cycl)	15.75	14.73	12.80	
Cons.goods	11.45	11.60	11.92	
Pharma	14.54	14.62	14.69	
Financials	15.75	15.41	14.37	
Technology	24.83	24.23	33.53	
Telecomm.	2.18	2.08	1.75	
Utilities	1.36	1.37	0.19	
Real est.	3.34	3.09	2.63	
TOTAL	100.00	100.00	100.00	

	31/12/2023
Software & Tech Services	16.33
Tech Hardware & Semiconductors	16.07
Health Care	14.53
Banking	6.64
Media	6.27
Retail & Wholesale - Discretionary	5.81
Consumer Staple Products	4.62
Consumer Discretionary Products	4.26
Insurance	3.74
Industrial Services	3.41
Financial Services	3.40
Industrial Products	3.36
Materials	3.11
Real Estate	3.02
Retail & Wholesale - Staples	2.17
Telecommunications	1.48
Consumer Discretionary Services	1.43
Utilities	0.21
Renewable Energy	0.14
TOTAL	100.00

*The internal classification system, on the basis of which this sectoral spread is calculated, has been changed as of 1/1/2023. In order to provide a meaningful comparison of the sectoral spread across reporting periods, the sectoral spread calculations will be de-duplicated in the annual reports. This means that a summary table will be shown for each classification system.*

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

	30/06/2022	31/12/2022	30/06/2023	31/12/2023
AUSTRALIAN DOLLAR	1.90	2.07	1.95	1.86
CANADIAN DOLLAR	3.93	3.47	2.70	2.33
SWISS FRANC	2.01	2.71	2.77	2.86
DANISH KRONE	0.76	0.72	0.82	1.01
EURO	10.14	9.07	8.03	8.50
POUND STERLING	5.03	4.10	3.62	3.39
HONG KONG DOLLAR	1.55	1.04	0.71	0.60
SHEQUEL ISRAEL	0.00	0.00	0.00	0.05
JAPANESE YEN	6.53	6.02	6.06	6.01
NORWEGIAN KRONE	0.66	0.61	0.49	0.13
NEW ZEALAND DOLLAR	0.21	0.24	0.00	0.06
SWEDISH KRONA	1.15	0.81	0.63	0.79
SINGAPORE DOLLAR	1.12	0.97	0.66	0.34
US DOLLAR	65.01	68.17	71.56	72.07
TOTAL	100.00	100.00	100.00	100.00

### 2.4.2. Changes in the composition of the assets of KBC Institutional Fund World Equity Responsible Investing (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	356,464,357.38	562,076,443.25	918,540,800.63
<b>Sales</b>	219,806,257.98	503,238,178.81	723,044,436.79
<b>Total 1</b>	576,270,615.36	1,065,314,622.06	1,641,585,237.42
<b>Subscriptions</b>	344,175,053.16	396,447,463.00	740,622,516.16
<b>Redemptions</b>	221,492,225.89	340,469,750.98	561,961,976.87
<b>Total 2</b>	565,667,279.05	736,917,213.98	1,302,584,493.03
<b>Monthly average of total assets</b>	1,509,833,010.80	1,603,688,376.55	1,557,148,525.76
<b>Turnover rate</b>	0.70%	20.48%	21.77%

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: 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
2021 - 12	4,198.23	2,246.75	6,371.78	102.17	26,280.56	2,788.72	29,069.28
2022 - 12	1,840.82	3,015.96	2,126.57	187.23	25,994.82	5,617.46	31,612.28
2023 - 12	1,276.60	62.76	4,180.61	4,970.81	23,090.81	709.41	23,800.22

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	54,713,256.34	24,444,381.10	82,700,895.99	1,121,952.52
2022 - 12	25,542,642.23	32,005,237.42	28,659,722.84	2,008,518.45
2023 - 12	17,980,687.06	673,277.18	58,686,509.21	52,916,470.97

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	432,573,363.71	15,198.47	11,886.79
2022 - 12	389,790,274.56	12,853.21	9,910.78
2023 - 12	358,904,554.45	15,189.46	11,513.21

## Institutional Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	15,267.53		34,895.58		70,155.12		70,155.12
2022 - 12	8,322.70		16,583.40		61,894.42		61,894.42
2023 - 12	16,983.89		7,797.68		71,080.64		71,080.64

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	195,056,391.86		492,200,649.85	
2022 - 12	118,412,716.52		227,796,792.07	
2023 - 12	241,041,120.64		109,437,012.96	

Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	1,077,181,814.84	15,354.29	
2022 - 12	804,267,029.20	12,994.18	
2023 - 12	1,092,269,325.50	15,366.62	

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2021 - 12	44,093.00		30,049.00		34,784.00		34,784.00
2022 - 12	34,409.00		57,568.00		11,625.00		11,625.00
2023 - 12	34,125.00		24,383.00		21,367.00		21,367.00

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2021 - 12	603,033,050.35		397,480,665.29	
2022 - 12	469,767,602.88		802,967,979.62	
2023 - 12	487,822,227.36		347,012,232.50	

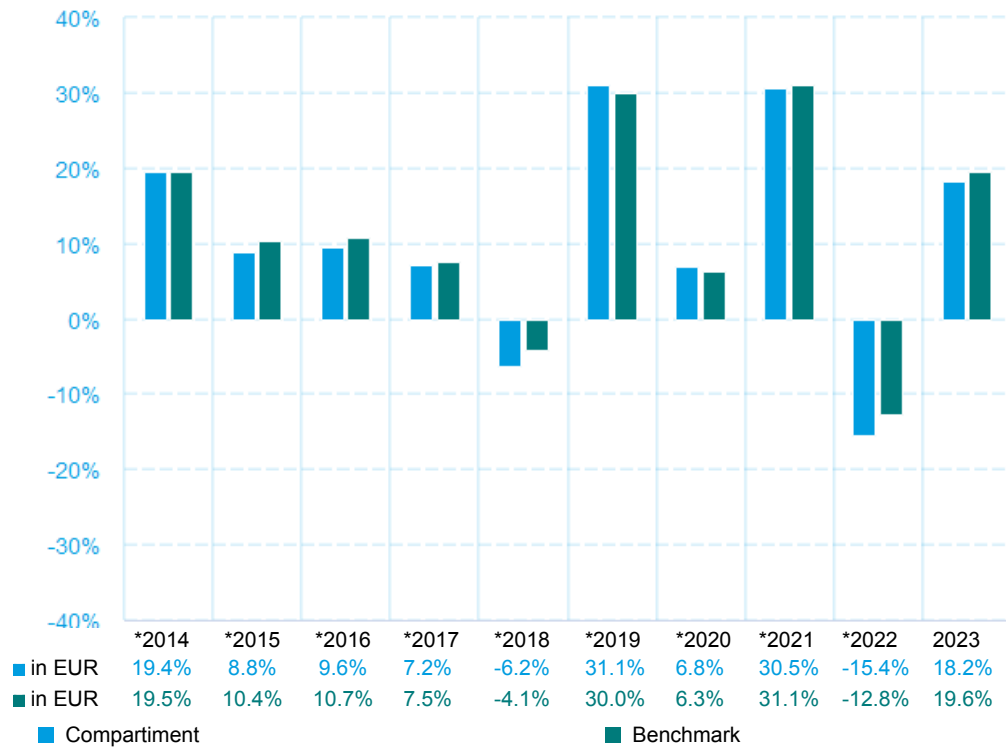
Period	Net asset value End of period (in Euro)		
	Of the class	Of one share	
		Capitalization	Distribution
2021 - 12	535,528,773.73	15,395.84	
2022 - 12	151,291,752.60	13,014.34	
2023 - 12	329,274,256.75	15,410.41	

## 2.4.5. Performance figures

**Classic Shares**

BE0168344498

KBC Institutional Fund World Equity Responsible Investing Classic Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)

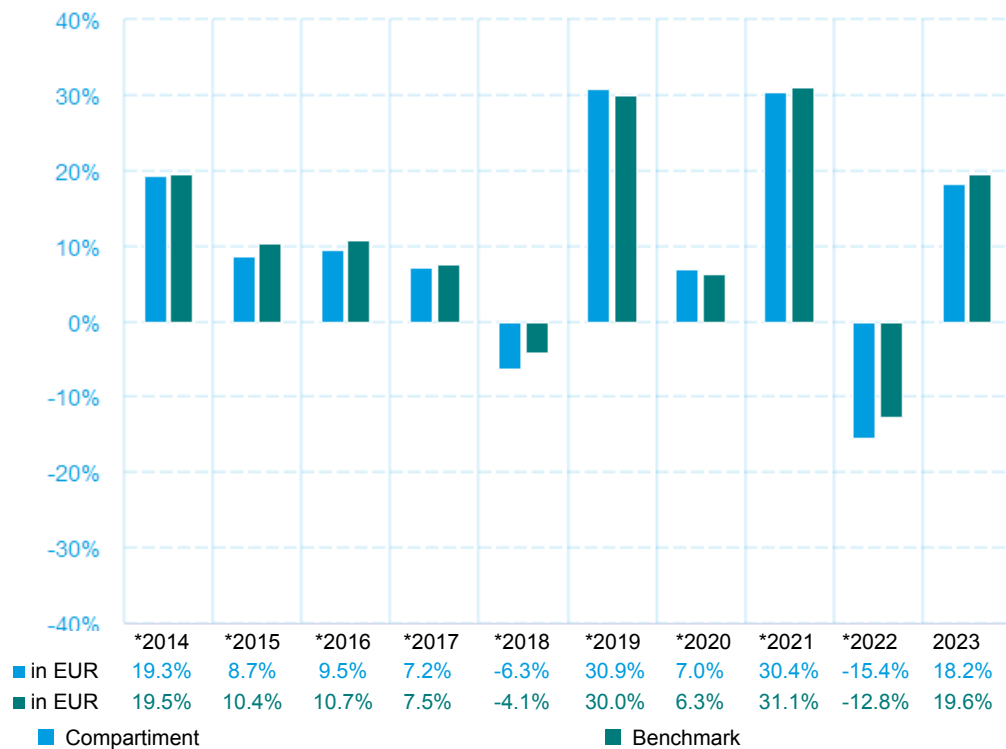


\* These performances were achieved under circumstances that no longer apply

**Classic Shares**

BE0168343482

KBC Institutional Fund World Equity Responsible Investing Classic Shares DIS  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



\* 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
CAP	BE0168344498	EUR	18.18%	19.62%	9.27%	11.01%	12.81%	13.58%	10.09%	11.03%	24/06/1998	4.49%
DIS	BE0168343482	EUR	18.20%	19.62%	9.26%	11.01%	12.80%	13.58%	10.05%	11.03%	24/06/1998	

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.
- 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.

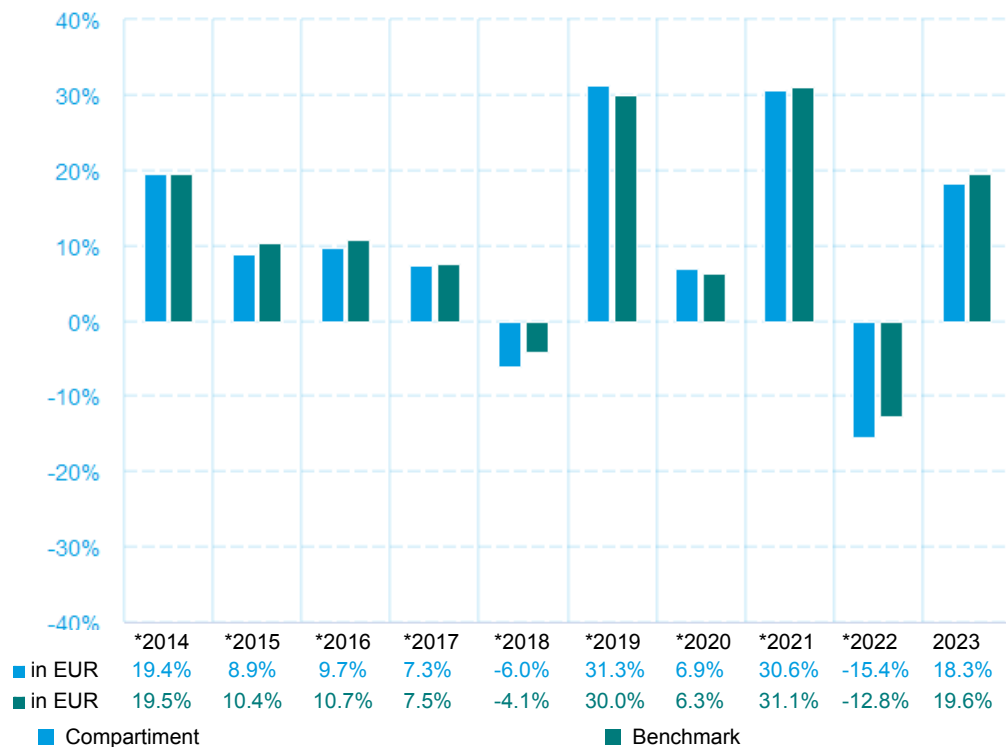
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the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

Dividend on ex-dividend date 28/03/2024: 132,6774 net (189,5392 gross).

## Institutional Shares

BE6221180852

KBC Institutional Fund World Equity Responsible Investing Institutional Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



\* 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
CAP	BE6221180852	EUR	18.26%	19.62%	9.35%	11.01%	12.91%	13.58%	10.19%	11.03%	14/06/2011	10.56%

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

\* Return on annual basis.

## Institutional Shares

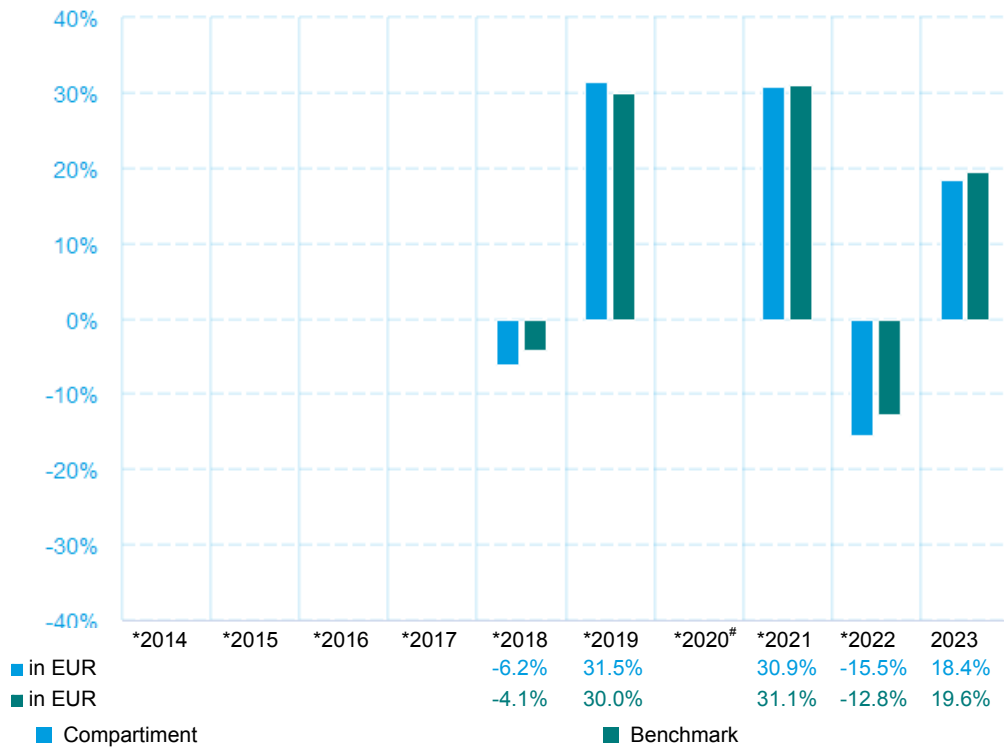
- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
**Capitalisation units (CAP)**  
Return on date D over a period of X years :  
$$\left[ \frac{NIW(D)}{NIW(Y)} \right]^{1/X} - 1$$
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.



## Institutional B Shares

BE6295237349

KBC Institutional Fund World Equity Responsible Investing Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/12/2023 (in EUR)



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

\* 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
CAP	BE6295237349	EUR	18.41%	19.62%	9.43%	11.01%					30/05/2017	

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

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Classic Shares Capitalisation :

Ongoing charges : 0,703%

Transaction costs: 0,047%

#### Classic Shares Distribution :

Ongoing charges : 0,688%

Transaction costs: 0,047%

#### Institutional Shares Capitalisation :

Ongoing charges : 0,634%

Transaction costs: 0,047%

#### Institutional B Shares Capitalisation :

Ongoing charges : 0,519%

Transaction costs: 0,047%

Percentage calculated at reporting date: 31 December 2023 .

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.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

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

### Classic Shares

Fee for managing the investment portfolio	Max 0.45%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	of the net assets of the sub-fund per year.

### Institutional Shares

Fee for managing the investment portfolio	Max 0.45%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	of the net assets of the sub-fund per year.

### Institutional B Shares

Fee for managing the investment portfolio	Max 0.55%	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.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Fee for financial services	Max 950 EUR	per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.04%	per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	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 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)	0.010%	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.

**Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:**  
KBC Institutional Fund World Equity Responsible Investing

**Legal entity identifier:**  
549300Y4JIN4LXG4HT56

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU-Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Did this financial product have a sustainable investment objective?**

Yes    No

<p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b>: %</p> <p style="margin-left: 20px;"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective</b>: %</p>	<p><input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 71.08% of sustainable investments</p> <p style="margin-left: 20px;"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>
--	---



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

This sub-fund:

- has promoted the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- has promoted climate change mitigation by preferring companies with lower carbon intensity, with the objective of meeting a predetermined carbon intensity target;
- has supported sustainable development, by including companies that contribute towards achieving the UN Sustainable Development Goals.

The specific objectives of the sub-fund can be found in the table under title 'How did the sustainability indicators perform?' of this annex.

The sub-fund invested 71.08% of the assets in "sustainable investments" as defined by art. 2.17 SFDR and 28.66% in other investments aligned with environmental or social characteristics.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI World-Net Return index is used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

**How did the sustainability indicators perform?**

**Sustainability indicators**  
measure how the environmental or social characteristics promoted by the financial product are attained.

	Target	Target applied	Actuals	Objective attained
<b>Instruments issued by companies</b>				
ESG risk score	10% better than the following benchmark: MSCI World-Net Return index.	19.21	18.82	Yes
Carbon Intensity	A reduction of 50% by 2030 based on the following benchmark: MSCI World-Net Return index at end of 2019. An immediate reduction of 30% is envisaged for 2019, followed by an annual reduction of 3%.	109.95	41.27	Yes
<b>Minimum % Sustainable Investments</b>	A minimum of 55% of sustainable investments.	55	71.08	Yes
<b>Other specific objectives</b>	not applicable			

As indicated in the table above, the sub-fund has reached all targets during the reference period.

The sub-fund pursued these objectives (directly or indirectly) based on a dual approach: the negative screening and the positive selection methodology. The reference period of this annual report is 1 January 2023 to 31 December 2023. The objectives and results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year and, for this reason, are not a reliable indicator for future results.

All targets are also monitored by KBC Asset Management at month-end. Given the difference in the periodicity of the calculations, it cannot be excluded that the monitoring at month-end leads to different results than the situation at the end of the financial year as shown in the table above and section 2.1.7 of the general annual report.

No breaches at month-end have been identified for this sub-fund.

**... and compared to previous periods?**

Sustainability indicators	Achieved result	
	31/12/2022	31/12/2023
<b>Instruments issued by companies</b>		
ESG risk score		18.82
Carbon Intensity		41.27
<b>Sustainable Investments</b>	74.71	71.08

For both reporting periods, the results achieved described in this chapter only reflect the situation at the end of the sub-fund's financial year. Therefore, they are not a reliable indicator of future results.

For the reporting period 01/01/2022 - 31/12/2022, the results achieved were not reported for each sustainability indicator separately (except for the percentage of sustainable investments).

For the year 2022, it was only described in a general way whether or not the targets were achieved.

**What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The sub-fund promoted a combination of environmental and social characteristics and, even though it didn't have sustainable investments as an objective, the sub-fund invested 71.08% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this chapter only reflect the situation at the end of the financial year of the **sub-fund** and, for that reason, are not a reliable indicator for future results.

**(1) UN Sustainable Development Goals**

To support sustainable development, the sub-fund invested a part of its portfolio in companies that contribute to the UN Sustainable Development Goals (including both social and environmental objectives).

Instruments of companies that are aligned with at least one of the 15 first UN Sustainable Development Goals, while not being misaligned with any of these UN Sustainable Development Goals, were designated as 'sustainable investments'.

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

***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti corruption and anti-bribery matters.

The sustainable investments that the sub-fund partially made did not cause significant harm to the sustainable investment objective through the negative screening. The sub-fund took into account the indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 through the negative screening.

The negative screening amounts to the sub-fund's a priori exclusion of companies from the Responsible Investment universe which fall foul the exclusion policies.

The application of these policies means that companies involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment are excluded from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices are also excluded, and companies active in the palm oil industry are subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather are excluded. The negative screening also ensures that companies based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) are excluded from the sub-fund's investment universe.

These principles of negative screening are not exhaustive and may be modified on the advice of the Responsible Investing Advisory Board.

***How were the indicators for adverse impacts on sustainability factors taken into account?***

Through the exclusion policy for Responsible Investing funds and, in particular, the normative screening and ESG risk assessment, all indicators of the principle adverse impacts of investment decisions on sustainability factors as stated in Table 1 of Annex I of Delegated Regulation (EU) 2022/1288, as well as the relevant indicators for the principle adverse impacts of investments decisions on sustainability factors in Tables 2 and 3 of Annex I of Delegated Regulation (EU) 2022/1288 were taken into account for instruments issued by companies. The sub-fund did not invest in companies that seriously violate the principles of the United Nations Global Compact and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, and any companies involved in serious controversies related to environmental, social or good governance issues are also excluded. Also excluded were companies that deviate significantly (score of -10) from any of the UN's first 15 Sustainable Development Goals (based on MSCI SDG Net Alignment Score), as well as companies with an ESG risk score of more than 40 according to data provider Sustainalytics.

In addition to the normative screening and ESG risk assessment, through the positive selection methodology on carbon intensity and the exclusions in the exclusion policy for Responsible Investment funds, the following indicators of principle adverse impacts on sustainability factors were also considered for all investments of this sub-fund:

- **Indicator 4:** exposure to companies active in the fossil fuel sector was taken into account as the sub-fund did not invest in companies that are active in the fossil fuel sector.
- **Indicator 10:** Violations of the United Nations Global Compact (UNGC) Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises was taken into account as the sub-fund did not invest in companies that seriously violate UNGC principles or OECD guidelines.
- **Indicator 14:** exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) was taken into account as the sub-fund did not invest in companies that are active in controversial weapons.

In addition, the principal adverse impacts on sustainability factors were implicitly taken into

account through the Proxy Voting and Engagement Policy of KBC Asset Management NV. As part of its commitment to responsible investment, KBC Asset Management NV exercised the voting rights of the shares it manages in accordance with its proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting.

A complete overview of the indicators of principal adverse impacts on sustainability factors that the sub-fund can take into account can be found in Annex I of Delegated Regulation (EU) 2022/1288.

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Yes.

Companies seriously violating the basic good practices in terms of environmental, social and governance issues, as assessed by the UN Global Compact Principles, were excluded from the sub-fund. The United Nations Global Compact has formulated ten guiding sustainability principles regarding human rights, labour, environment and anti-corruption which are part of the internal screening. In addition, KBC AM assessed the companies' involvement in violations of the International Labour Organization's (ILO) Conventions, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

The sub-fund commits to respect the letter and the spirit of the United Nations Universal Declaration of Human Rights; the principles concerning fundamental rights in the eight International Labour Organisation core conventions as set out in the Declaration on Fundamental Principles and Rights at Work; the UN Declaration on the Rights of Indigenous Peoples; the UK Modern Slavery Act and other international and regional human rights treaties containing internationally recognised standards by which the business sector must abide.

KBC Asset Management NV assesses all companies on the 'Human Rights List' of KBC Group as well as all companies meeting the criteria below:

- a high or severe controversy score related to Human Rights, for subindustries for which Human Rights are considered a high or severe risk.
- a severe controversy score related to Human Rights, for all other subindustries.

Based on this assessment, appropriate measures were taken, ranging from engagement with the companies concerned to selling positions. More information on the Policy on Human Rights can be found on the KBC Asset Management NV website.

More information on negative screening can be found in the section on "How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?" of this annex.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

The principal adverse impacts on sustainability factors were explicitly taken into account for all investments of this sub-fund by the exclusion policies applied. In addition, the principle adverse impacts on sustainability factors were implicitly taken into account through KBC Asset Management NV's proxy voting and engagement policies. As part of its commitment to responsible investment, KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the proxy voting and engagement policy. Where appropriate, KBC Asset Management NV entered into dialogue with the management of the companies concerned, if necessary before voting. More information on the principal adverse impacts on sustainability factors can be found under the heading 'How were the indicators for adverse impacts on sustainability factors taken into account' of this Annex.





## What were the top investments of this financial product?

This list includes the investments constituting the greatest proportion of the financial product during the reference period which is:  
01/01/2023-31/12/2023

Largest investments	Sector	% assets	Country
APPLE INC	Tech Hardware & Semiconductors	5.50%	United States of America
MICROSOFT CORP	Software & Tech Services	4.93%	United States of America
NVIDIA CORP	Tech Hardware & Semiconductors	2.19%	United States of America
AMAZON.COM INC	Retail & Wholesale - Discretionary	2.15%	United States of America
ALPHABET INC-CL A	Media	1.44%	United States of America
TESLA INC	Consumer Discretionary Products	1.31%	United States of America
ALPHABET INC-CL C	Media	1.26%	United States of America
UNITEDHEALTH GROUP INC	Health Care	1.02%	United States of America
Cash	Financial Services	0.96%	Belgium
VISA INC-CLASS A SHARES	Software & Tech Services	0.85%	United States of America
Cash	Financial Services	- 0.82%	Belgium
JOHNSON & JOHNSON	Health Care	0.81%	United States of America
ELI LILLY & CO	Health Care	0.80%	United States of America
JPMORGAN CHASE & CO	Banking	0.74%	United States of America
BROADCOM INC	Tech Hardware & Semiconductors	0.70%	United States of America



## What was the proportion of sustainability-related investments?

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results. At the end of the year, the proportion of sustainable investments was 71.08%.

### What was the asset allocation?

Asset allocation describes the

The sub-fund could invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar

share of investments in specific assets.

as permitted by the applicable laws and regulations and consistent with the object as described in the prospectus under title "Information concerning the sub-fund World Equity Responsible Investing".

Within these categories of eligible assets, the sub-fund invested 99.74% in assets that promote environmental or social characteristics and 0.26% in other investments. The category "other investments" contained technical items, such as cash and derivatives, and assets in which the sub-fund invests temporarily following a planned update of the eligible universe, which determines the assets that promote environmental and/or social characteristics, for which there are no environmental or social safeguards. The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.

Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund World Equity Responsible Investing' of the prospectus.

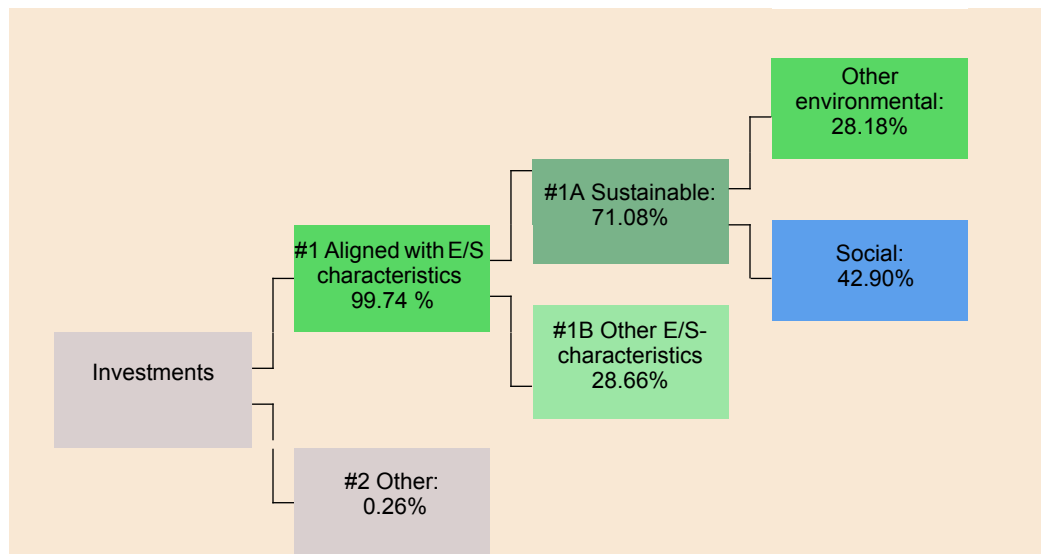
Investments in derivatives are not used to attain the environmental or social characteristics promoted by the financial product and will not affect them.

28.18% of the sustainable investments are environmentally sustainable investments and 42.90% are socially sustainable investments.

The sustainable investments are equal to the sum of investments that are considered "sustainable" based on the published methodology on contributing to the achievement of the UN Sustainable Development Goals, plus instruments that are considered "sustainable" by the Responsible Investing Advisory Board.

More information can be found at the section 'What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?' of this Annex.

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product;

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S-characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**In which economic sectors were the investments made?**

On 31/12/2023 the investments were made in the following sectors:

Sector	%Assets
Software & Tech Services	16.33%
Tech Hardware & Semiconductors	16.07%
Health Care	14.53%
Banking	6.64%
Media	6.27%
Retail & Wholesale - Discretionary	5.81%
Consumer Staple Products	4.62%
Consumer Discretionary Products	4.26%
Insurance	3.74%
Industrial Services	3.41%
Financial Services	3.40%
Industrial Products	3.36%
Materials	3.11%
Real Estate	3.02%
Retail & Wholesale - Staples	2.17%
Telecommunications	1.48%
Consumer Discretionary Services	1.43%
Utilities	0.21%
Renewable Energy	0.14%

Sectors and sub-sectors of the economy that derive income from exploration, mining, extraction, production, processing, storage, refining or distribution - including transportation, storage and trading - in fossil fuels are excluded by the exclusion policy. Consequently, the sub-fund has not invested in these sectors and sub-sectors.



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The sub-fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework ("investments aligned with the EU Taxonomy"). Although the sub-fund does not aim to invest in investments aligned with the EU Taxonomy, it cannot be ruled out that the sub-fund does contain investments aligned with the EU Taxonomy. The percentage invested in EU Taxonomy-aligned investments was set at 31 December 2023. KBC Asset Management NV determined that insufficient reliable, timely and verifiable data from issuers or investee companies were available at that time for consistent reporting, and this based on its own research and services from data suppliers. The percentage invested in investments aligned with the EU Taxonomy was therefore set at 0%.

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>(1)</sup>?**

Yes:

In fossil gas

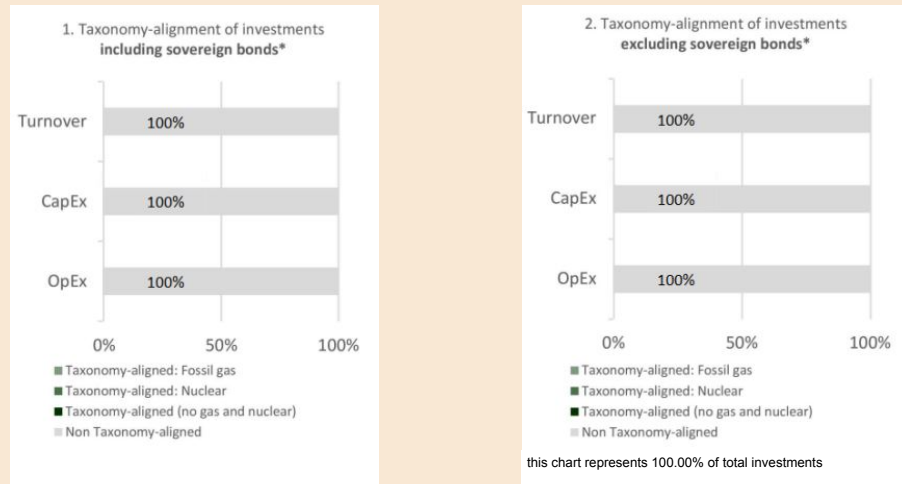
In nuclear energy

No

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in

Taxonomy-aligned activities are expressed as a share of: -turnover reflecting the share of revenue from green activities of investee companies. -capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. -operational expenditure (OpEx) reflecting green operational activities of investee companies.

**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy--alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



**\*For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.**

● **What was the share of investments made in transitional and enabling activities?**

Not applicable.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The previous reference period (which ran from 1 January 2022 tot 31 December 2022) also reported 0% on EU taxonomy-aligned investments.

KBC Asset Management NV determined, based on its own research and services from data suppliers, that insufficient reliable, timely and verifiable data of issuers in which investments were made were available for the previous and current financial year. The percentage of investments aligned with the EU taxonomy was therefore set at 0% for both reference periods.

● **What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

The sub-fund invested 71.08% in sustainable investments as defined by art. 2.17 SFDR. At the end of the financial year of the sub-fund, the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 28.18%.

Asset managers depend on available sustainability data relating to their investee companies. Currently, there is a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.

● **What was the share of socially sustainable investments?**

The reference period of this annual report is from 1 January 2023 to 31 December 2023. The figures described in this section only reflect the situation at the end of the financial year of the sub-fund and, for this reason, are not a reliable indicator for future results.

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



At the end of the financial year of the sub-fund, the share of socially sustainable investments was 42.90%,



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

At the end of the financial year, the "not sustainable" category may include the following investments:

Assets	Purpose of investments and presence of minimum environmental or social safeguards
Investments in cash	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in assets that no longer met screening criteria	The sub-fund held or invested in these types of assets to achieve investment objectives, to diversify the portfolio, for liquidity management purposes and to hedge risks.
Investments in derivatives	Derivatives were used to hedge risks as described in permitted derivatives transactions as set out in section 2. 'Investment information' under title 'Information concerning the sub-fund World Equity Responsible Investing' of the prospectus. Investments in derivatives were not used to attain the environmental or social characteristics promoted by the sub-fund and did not affect them.

For investments included under “#2 not sustainable”, there were no environmental or social safeguards.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The sub-fund

- promoted the integration of sustainability into the policy decisions of companies by preferring companies with a better ESG riskscore;
- promoted climate change mitigation, by preferring companies with lower Carbon Intensity, with the objective of meeting a predetermined carbon intensity target;
- supported sustainable development, by including companies that contribute to the UN Sustainable Development Goals.

The sub-fund excluded companies involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment from the sub-fund's investment universe. Investments in financial instruments linked to livestock and food prices were also excluded, and companies active in the palm oil industry were subject to strict criteria. Companies that derive at least 5% of their income from production or 10% of their income from the sale of fur or special leather were excluded. The negative screening also ensured that companies based in countries that encourage unfair tax practices, that seriously violate basic environmental, social or good governance principles (through normative screening, through a poor ESG risk score, due to involvement in unsustainable countries and controversial regimes) were excluded from the sub-fund's investment universe.

KBC Asset Management NV executed the voting rights of shares managed in the sub-fund according to the Proxy Voting and Engagement Policy. As such, KBC Asset Management monitored the companies in which the sub-fund is invested in, intervened with investee companies (avoiding insider information), took part in appropriate collective engagement initiatives and exercised voting rights in a considered way. These responsibilities were executed in the exclusive concern of defending the interests of the investors of the funds.



**How did this financial product perform compared to the reference benchmark?**

Reference benchmarks are indexes to measure whether the financial

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this sub-fund.

For investments issued by companies the benchmark MSCI World-Net Return index was used as a basis for comparison, to compare certain ESG characteristics promoted by the sub-fund.

product attains the environmental or social characteristics that they promote.

More information can be found in the table under the "How did the sustainability indicators perform" section of this annex.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.