

# **Pricos**

# **Audited annual report**

# **31 December 2022**

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

Pension savings fund under Belgian law

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No subscriptions will be accepted on the basis of this report. Subscriptions will only be valid if effected after a free copy of the simplified prospectus or prospectus has been provided



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# 1.1 Organisation of the Fund Pricos

## Name

Pricos

## Date of incorporation

30 January 1987

## Life

Unlimited

## Status

Collective investment fund 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.

## Management Company

KBC Asset Management N.V., Havenlaan 2, 1080 Brussel, België

## Date of incorporation of the management company:

30 december 1999.

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

Name	Title	
Wouter Vanden Eynde	<i>Independent Director</i>	
Stefan Van Riet	<i>Non-Executive Director</i>	
Pierre Konings	<i>Non-Executive Director</i>	
Katrien Mattelaer	<i>Non-Executive Director</i>	
Luc Vanderhaegen	<i>Independent Director</i>	appointed 26/04/2022
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, represented by Gregory Joos, company auditor and recognized auditor.

## Financial portfolio management

The intellectual management of the bonds portfolio, with the exception of van de creatie en het onderhoud van Fund op producttechnisch en juridisch vlak, wordt door de beheervenootschap gedelegeerd aan IVESAM NV, Havenlaan 2, B-1080, Brussels, Belgium.

## Statutory auditor of the fund

Mazars Bedrijfsrevisoren CVBA, Manhattan Office Tower -Bolwerklaan 21 b8, 1210 Brussel, represented by , company auditor and recognized auditor.

## Financial services

The financial services providers in Belgium are:  
Crelan NV, Sylvain Dupuislaan 251, B-1070 Brussel  
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 Fund and compliance with the standard obligations in this regard;
- b) Ensures that the sale, issue, purchase, redemption and withdrawal of units of the fund occur in compliance with the applicable legal and regulatory provisions, the management rules and the prospectus;
- c) Ensures that the net asset value of the units of the fund is calculated in accordance with the applicable legal and regulatory provisions, the management rules and the prospectus;
- d) Carries out the instructions of , provided that these do not contravene the applicable legal and regulatory provisions, the management rules and/or the prospectus;
- e) Ensures that in transactions relating to the assets of the Fund, the equivalent value is transferred to the Fund within the usual terms;
- f) Ascertains that:
  - i. The assets in custody correspond with the assets stated in the accounts of the Fund;
  - ii. The number of units in circulation stated in the accounts corresponds with the number of units in circulation as stated in the accounts of the Fund;
  - iii. The investment restrictions specified in the applicable legal and regulatory provisions, the management rules and the prospectus are respected;
  - iv. The rules regarding fees and costs specified in the applicable legal and regulatory provisions, the management rules and the prospectus are respected;
  - v. The returns of the Fund are appropriated in accordance with the applicable legal and regulatory provisions, the management rules and the prospectus.

The custodian ensures that the cash flows of the Fund are correctly monitored and in particular that all payments by or on behalf of subscribers on subscription to units of the fund, 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 Fund, 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 Fund, 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 Fund 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 Fund 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 Fund, in accordance with the applicable law.
- b) For other assets:
  - i. The custodian will verify that the Fund or the management company acting on its behalf is the owner of the assets by checking based on information or documents provided by the Fund or the management company and, where appropriate, of available external proofs, whether the Fund 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 Fund 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 Fund 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 Fund, or the management companies of other beveks or funds of which the custodian holds assets;
- The custodian and the Fund whose assets the custodian holds, or other beveks or funds of which the custodian holds assets;
- The custodian and the investors in this Fund whose assets the custodian holds, or other beveks or funds of which the custodian holds assets;
- These parties themselves.

The custodian of the Fund 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., avenue du Port 2, B-1080 Bruxelles.

## Distributor

IVESAM NV, Havenlaan 2, B-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 KBC group's International Markets Business Unit.

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 2022

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: 38.889.438 EUR Variable pay: 4.248.942 EUR Number of recipients: 384
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: 2.129.488 EUR Reward for the manager's staff whose acts affect the risk profile: 659.011 EUR

*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.



## 2. Management report of Pricos

### 2.1. Launch date and subscription price

Launch Date:	30 January 1987
Initial subscription price:	2000 BEF
Currency:	EUR

### 2.2. Stock exchange listing

not applicable.

### 2.3. Information for the shareholders

Pursuant to Article 96 of the Companies Code, 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.
- In anticipation of the entry into force of Regulation (EU) 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail investment products and the insurance-based investment products (PRIIPs) on January 1, 2023, the present report already mentions the risk indicator calculated in accordance with the aforementioned Regulation. To this end, the present report no longer discloses the synthetic risk and reward indicator referred to in Commission Regulation (EU) 583/2010 of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards key investor information and conditions to be met when the key investor information or the prospectus is provided in another durable medium of paper or by means of a website
- 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 Companies Code 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.

### 2.4. General market overview

*1 January 2022 - 31 December 2022*

*General overview*

*The economic context*

It was already clear in 2021 that the strong economic recovery that followed the Covid crisis had ended. In the US, especially, the pace of expansion slowed down from the very high levels seen at the start of 2021. The end of the very generous income support, combined with high inflation rates, tempered consumers' spending impulses. It also became clear that the stop-go scenario of the Covid lockdowns had seriously unsettled the world economy. Disrupted supply channels caused delays in the delivery of cars, building materials, furniture, etc. The fact that the Chinese government meanwhile worked on reducing the local economy's growth in debt and that some countries in Asia where vaccination rates are still low had to partially pause economic life again in order to contain Covid also contributed to the slowdown in growth. China's zero-Covid policy led to a slowdown in growth in that country.

The situation worsened dramatically after the invasion of Ukraine by Russian forces on 24 February. Prices of energy and industrial commodities went through the roof, fuelling inflation caused by the disruptions brought about by the Covid crisis. Central banks initially swept the inflation problem under the carpet as a 'temporary' issue but were soon forced to acknowledge that the problem was more entrenched and that a tighter monetary policy was required. A combination of financial tightening and purchasing power erosion due to skyrocketing inflation led to a continued downward revision of growth forecasts.

*Monetary policy*

The robust economic recovery and the spike in energy prices due to the war in Ukraine pushed up inflation further and made clear that the very accommodative monetary policy introduced during the Covid crisis could not be sustained indefinitely.

A number of central banks (including in Latin America, Northern Europe and Central Europe) already implemented their first interest rate hike in 2021.

The US Federal Reserve also changed tack. Since the summer of 2021, there have been hints already of a tapering of the bond purchase programme, and in December it became clear that this process would be more rapid than initially expected. It was soon announced that the reduction of the balance sheet would begin in June, and in March interest rates were raised for the first time, by 0.25%. However, a faster pace of interest rate hikes soon proved necessary to keep inflation expectations under control. This was followed in May by an increase of 0.5%, and in June the central rate was even raised by 0.75%. The persistently high inflation figures for the month of June prompted another interest rate hike of 0.75% in July. In his speech in Jackson Hole in August, Fed Chairman Powell indicated that the Fed would continue raising interest rates to combat inflation. The inflation figure in September (for the month of August) prompted the Fed to raise interest rates again by 0.75%, subsequently followed by two more rate hikes, by 0.75% and by 0.50% in November and December, respectively.

The European Central Bank initially tried to play for time, referring to the temporary nature of the surge in inflation in the euro area. However, this did not last long, and it soon announced that the purchase programme would be discontinued in June. The first rate hike took place in July, when the ECB raised interest rates by 0.5% – the first rate hike since 2011. The ECB raised interest rates again in September, but this time by 0.75%. This too was followed by two more rate hikes, by 0.75% and by 0.50% in October and December, respectively.

### Currency markets

Diverging monetary policy expectations caused the euro to lose ground against the US dollar by 5.85% and against the Swiss franc by 4.62% over the reporting period. The euro strengthened slightly against sterling (5.23%) and improved sharply against the Japanese yen (7.27%).

### Stock markets

The global stock market (euro-denominated MSCI World AC index) fell by 13% over the reporting period.

The first few months of 2022 were not a continuation of 2021 where stock markets performed particularly strongly in the second half of the year. Markets fell in January due to geopolitical tensions between Russia and Ukraine, and rising inflation, and this inflation caused nervousness among central banks. In late February and early March, the economic outlook darkened. This, of course, has everything to do with Russia's military strike in Ukraine, but also with the further rise in inflation due to increased energy prices. The stock markets therefore took a dive but were able to recover in the second half of March. In April, the stock markets stagnated for quite a while, but further rising interest rates, high inflation and uncertainty about growth prospects gave the stock markets a new shock between mid-April and mid-May. June brought no improvement. The further rise in inflation fuelled fears of a sharp rise in interest rates. A fall in interest rates caused a shift in the markets in July and August, in anticipation of a 'Fed pivot', i.e. taking a break from further rate hikes. The US stock market rose around 10% over that period. The turning point was reached as a result of Fed Chairman Powell's tough stance in Jackson Hole and the poor inflation figure in September. Stock markets fell again. Over the reporting period as a whole, the US stock market fell by 14.3%.

The euro area had a weak fourth quarter in 2021, partly due to the Omicron variant and fears of lockdowns. In the first half of the year, the war in Ukraine and fears of interest rate hikes on the back of high inflation played havoc with the markets. The euro area lost 12.5% last year. The situation in Ukraine carries a lot of weight because of the dependence of several European countries on energy supplies (gas and oil) from Russia. The gas tap being turned off in certain countries has led to persistently high energy prices. UK shares gained 1.4% during the reporting period. Japan recorded a very weak performance, despite the robust vaccination campaign and improving economic data. The weak Japanese yen pushed euro indices lower, and the Japanese stock market fell 11.2% over the past 12 months.

Shares from emerging markets (countries or regions that are expected to experience rapid economic growth to make up their lag relative to the West) experienced a number of challenges in 2021 and also got off to a bumpy start in 2022. Chinese shares lost 16.8% during the reporting period. The combination of a slowdown in growth that already became visible in the third quarter of 2021, the regulatory uncertainty at large media and technology companies, and the problems at real estate giant Evergrande prompted investors to be cautious. Despite supportive measures by the Chinese government to reduce banks' reserves and boost lending, the Chinese stock market continued to lose ground. The fact that the decline is sharper than in the US and Europe is due to the strict lockdowns that plagued the country. It wasn't until after the protests at the end of the year that the Chinese government announced an easing of Covid measures for early 2023. India's stock market fell slightly (1.9%), while Latin America recorded a handsome increase of 16.1% thanks to rising commodity prices. Brazil climbed 21.6% over the period, thanks mainly to a rock-solid first six months of 2022. The Russian stock market was hit by the conflict with Ukraine. It was closed and then reopened only for local traders. Turkey's stock market gained around 102.9% over the past 12 months. The sharp fall in the Turkish lira is responsible for this.

Cyclical companies had a tough time. Successive waves of Covid infections, China's flagging economy and supply chain problems all conspired to undermine hopes of further recovery, but they were still able to put in a solid performance at the end of last year and the beginning of this year. Over the reporting period, materials lost 5.8%. Commodity prices fell mainly in June but moved slightly higher towards the year-end. Industrial companies lost 7.4% over the past 12 months. Supply chain problems, ever-increasing inflation and fear of recession are weighing on sentiment. The transportation sector, despite benefiting from higher transport costs, lost 11.5%. The subsequent fall in transport costs, especially in the last few months of the period, largely offset the earlier gains for the sector.

The energy sector benefited from higher energy prices, gaining no less than 41.8% over the reporting period. This

was due in part to higher demand and the still limited supply, but the military events in Ukraine also pushed up prices of both gas and oil. Gas prices in particular rose explosively. There was a marked fall in energy prices after the summer, prompted by recessionary fears and lower growth in China.

The financial sector has fallen by 3.9% over the past 12 months. The sector surged in the first weeks of 2022, but lost ground in recent months on rising fears of weakening economic growth with lower demand for credit.

Consumer discretionary was the worst-performing sector, falling by 27.3% over the past 12 months. The retail sector, which did well in the Covid period, slumped by 27.4%. Supply chain problems and rising transportation costs adversely affected this sector, while the potential impact on consumer confidence due to rising inflation was also a negative factor. Consumer discretionary goods (e.g., luxury items) also fell by 21.6% due to the uncertainty. The automotive sector plummeted but recovered during 2022 (partly due to the improving situation in semiconductor supplies). Rising inflation and falling consumer confidence weighed on the automotive sector in the last quarter, which lost 41.2% overall over the past 12 months. Consumer services (tourism, restaurants) made gains in the middle of 2021 in particular, but saw most of them wiped out first by the wave of Delta infections, followed by the rise of the Omicron variant and in February, the situation in Ukraine. This sector fell by 7.6% over the past 12 months.

Consumer staples, which are typically defensive sectors, remained virtually unchanged (-0.4%). Food companies gained 4% while retail lost 6%. The household products subsector fell by 5.6%. Utilities, another defensive sector, also performed well in these uncertain times, gaining almost 1.6% over the past 12 months. Renewable energy companies did particularly well. Health care, another defensive sector, rose 11.7%, with pure pharma outperforming medical technology and biotechnology.

Technology lost 26.6% in recent months due to rising interest rates. Best subsector was hardware which, nonetheless, fell 22.2%. Semiconductors (computer chips) also lost 32.5%, making it the worst performing subsector. Software shared in the blows too, falling 26.1%, due primarily to climbing interest rates, which has caused a correction in prices of the more expensive software names since the beginning of 2022. Communication services also lost around 31.3%. This sector consists of the telecom subsector (defensive) plus the media and entertainment subsector (more focused on IT). Telecom fell by 4% over the past 12 months, while Media was even down 38.2%, due mainly to the waning interest in video games following the lifting of lockdowns and constrained advertising budgets.

## **Bond markets**

As early as 2021 already, bond yields in the US and the euro area have been on a bumpy but sharply upward trajectory. Overall, US and German 10-year yields have increased by more than 2.3% over that period. Inflation has risen sharply, due in part to mounting commodity prices. Price growth in the US accelerated from 5% to more than 8% year-on-year, recording an even sharper rise in the euro area, from 2% to 10%. This has left the central banks with no other choice but to adjust their monetary policy more quickly, thereby prompting investors to sell bonds, which explains the increase in interest rates.

The adjustment by central banks had been under way for some time, with the first major step being taken by the US central bank (Fed) in March 2022. The key rate was raised for the first time since 2015, and has since been raised substantially several times, lifting it to 2.5%. It is clear that more steps will follow. The ECB continues to support the economy and financial markets by pursuing a very loose monetary policy. However, the bond purchase programme was discontinued at the end of June 2022 and a first interest rate hike of 0.5% followed on 21 July, bringing an end to the era of negative key interest rates. In the months that followed, as described above, further steps were taken in raising interest rates.

Out-of-control inflation has prompted a worldwide response from central banks, which have had to sharply adjust their monetary policy in 2022. On the one hand, key rates were raised sharply in most countries. On the other hand, bond purchase programmes, a supportive measure from the Covid period, were discontinued and have mostly also been reversed already. This sour cocktail made for an exceptionally negative year for bond markets. The German 10-year yield increased by approximately 2%. This translated into historically unprecedented negative government bond yields of more than 10%. Riskier themes such as corporate bonds were not spared as fears of recession also sharply pushed up credit premiums. Inflation-linked bonds and bonds with shorter maturities have recorded smaller losses.

## **Outlook**

### **Economic context**

The war between Russia and Ukraine continues to destabilise the global economy. Oil prices rose to 120 US dollars per barrel but fell back again to 86 US dollars by the end of December 2022. Analysts are working on the assumption of an oil price of 95 US dollars for full-year 2022. Food prices also reached record highs as millions of tonnes of grain remained stuck in the port of Odessa. The situation changed in early August, and the first ships left Ukraine. The FAO (Food and Agriculture Organization of the United Nations) index of food prices fell from 157 in June to 132 at the end of December 2022. Deteriorating climatic conditions and high fertiliser prices make it unlikely that food prices will fall further in the near term.

High commodity prices have exacerbated the inflationary shock initially caused by problems in supply chains, strong fiscal stimulus measures and the rapid reopening of economies after the Covid pandemic. General inflation

continues to defy gravity all over the world. In November, inflation was running at 8.9% year-on-year in the euro area and 7.1% year-on-year in the US. In both economies, inflation is moreover becoming broader-based and more entrenched. Core inflation in November stood at 5% in the euro area and 5.95% in the US. We accordingly expect average inflation in the euro area and the US to reach 8.4% and 8.1%, respectively, over 2022 as a whole, falling to 6.3% and 3.9%, respectively, in 2023.

Higher and more persistent inflation, coupled with tighter monetary policy, are hitting growth expectations. Inflation erodes savings and reduces purchasing power since real wage growth remains negative, and there are negative wealth effects. Meanwhile, higher real interest rates and greater uncertainty are driving up savings volumes, while discouraging investment and consumption. Consequently, we expect lower growth dynamics (well below potential) in most advanced economies in the second half of 2022 and in 2023. In the euro area, where the economy is particularly vulnerable to rising energy prices, we are projecting growth of 3.2% in 2022 and 0.2% in 2023. In the US, where the central bank's tightening of the monetary reins began earlier and the fiscal stimulus measures are being phased out, we are expecting growth of 1.9% in 2022, falling to 0.4% in 2023.

In China, the economic damage caused by the government's Covid measures is becoming increasingly clear. Low retail sales combined with weak business and consumer confidence do not bode well for growth this year. We expect growth to be just 3.0% in 2022, though it is likely to pick up again in 2023, to 4.2%. The potential for new lockdowns and the vulnerability of the real estate sector remain downside risks.

### **Monetary policy**

The combination of mounting inflationary pressures and the squeeze on the labour market is increasing the pressure on central banks to normalise monetary policy. The ECB will continue to raise interest rates, with key rates likely to reach around 4% by 2023. In the US, too, the Fed will not take its foot off the pedal anytime soon. US interest rates are expected to peak around 5.38%.

### **Currency markets**

The developments in Ukraine and the increasing interest rate spreads have strengthened the US dollar. The US dollar is expected to weaken against the euro over time driven by the growing twin deficit, i.e. a current account deficit and a budget deficit, and the resultant borrowing requirements.

### **Financial markets**

With international stock markets trading, on average, between 15 and 20% below their record highs and bond yields rising to around 2%, 3.5% and even just shy of 4% (for safe German and US government paper and blue-chip corporate bonds, respectively), 2023 promises to be a good year for investors. What's more, a scenario where central banks quickly adjust their policies, and the global economy makes a soft landing (i.e. a mild recession) is not inconceivable now that inflation has peaked, and the worst of the energy crisis is behind us.

However, appearances can be deceptive and there is a real risk of investors having to endure even lower stock market prices and even higher interest rates first. As we described earlier, the inflation crisis in the US has by no means been averted. If we take account of expected additional rate hikes, the Federal Reserve will have raised key rates by about 5% in the period of a year. In terms of dimension as well as timeframe, this is one of the most stringent tightening cycles ever, and that's not counting the impact of scaling back the balance sheet. Moreover, Chairman Powell has repeatedly hinted that interest rates could peak at an even higher level. The European Central Bank is also making an unprecedented adjustment to its monetary policy. Nevertheless, we will have to wait and see how all of this ultimately impacts the willingness of households and businesses to spend. Consumer and business confidence indicators are ominous in every respect. They fell almost continuously in 2022 and are currently very low practically worldwide.

For some time now, share prices have been factoring in the fact that the climate of lower interest rates of the past few years has ended. What they haven't really factored in, however, is the likelihood that a somewhat harder economic landing will squeeze corporate earnings. Analysts still expect corporate earnings to increase in 2023, but harder economic landings in the past have been instrumental in causing earnings to contract by 20-25%. It seems imprudent to ignore this risk, especially now that profit margins are historically high and both labour costs and financial charges are increasing.

Given the situation, we are waiting a little longer to go all out for shares. However, we are ready to adjust our course if the economic outlook and earnings picture turn out to be better than we fear. Likewise, we will quickly change course if the market were to show a highly negative response to economic headwinds. In such conditions, stock markets react very quickly, and gains can be made just as quickly as losses. So, it's a matter of keeping the finger on the pulse, something that applies equally as well to bonds. As soon as interest rates peak, we will quickly increase the weighting of bonds in our portfolios, which is currently below the benchmark level, in order to benefit from the higher current yield. It is not inconceivable that some price gains could be made too, as interest rates are usually cut when a monetary tightening cycle comes to an end.

### **Stock markets**

Central banks are maintaining a tight monetary policy for the time being, making a harder landing for the economy more likely in the coming quarters. In addition, internal producer confidence seems to be on the decline, not least in Europe, where an energy crisis is still looming. But consumers are also keeping a tight hold of the purse strings due to the high rate of inflation. The weaker economic climate is likely to weigh on corporate earnings in 2023. When the

third-quarter results were published, we already noticed higher earnings revisions, seeing as increased energy and transport costs are weighing on companies' profit margins. Lower demand by consumers is also weighing on companies' production. Still, it's very likely that the skies over the stock markets will clear up next year: forecasts for lower inflation coupled with fewer large interest rate hikes by central banks could mark a turning point for stock markets in 2023. The past has shown that recovery after a recession can be very strong. In the first instance, we remain cautious towards cyclical sectors and are overweighting defensive sectors to begin the year. As such, we are still overweight in energy and health care. However, we have already increased the technology sector which is valued cheaper due to the beating it took. During 2023, we may change tack and pick up cyclical sectors, specifically early-cyclical companies, at the expense of defensive players in the market.

### **Bond markets**

Bonds are seen as a safe haven. Positions are built up whenever fears of recession increase, which causes yields to fall. However, central banks are being forced to raise key rates further due to price increases that have been exceeding targets in many countries for some time now. This in turn keeps bond yields under upward pressure. The situation will remain complex for the coming months, and it is unclear whether investors will pay more attention to the economic slowdown or to high inflation and the likely additional actions of the European Central Bank. Against this backdrop, we still expect to see major fluctuations in bond yields, although German 10-year yields are expected to peak in the near future. We prefer government bonds and are keeping maturities shorter than usual. More companies will encounter difficulties due to the poorer economic climate. In anticipation of a further widening of the interest rate spread for government bonds, we remain cautious towards corporate bonds. We are including a limited number of indexed bonds as protection against higher-than-expected inflation and a small position in foreign currencies that offer attractive yields given the likelihood of a continued weak euro. On confirmation of much slower inflation and economic growth, key rates will peak in the first half of 2023. However, it is too early for the ECB and the Fed to change course this early in the year, as a result of which bond yields will leap up for a little while longer. We are limbering up to buy additional government bonds and/or extend maturities. If, later in the year, the economic climate were to brighten, we will shift the emphasis from government paper to corporate bonds.



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

### Fund's object

The main object of the Fund is to generate the highest possible return for its unit-holders 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.

### Fund's investment policy

#### Permitted asset classes

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

#### Selected strategy

The pension savings fund is primarily geared toward long-term capital growth, under the responsibility of the management company. Pursuant to the conditions of Article 145/11, 1°, 2°, 3°, 4°, 6° en 7° of the Belgian Income Tax Code 1992, the assets of the fund and the income from those assets, after deduction of costs, may be invested only in the investments stated and the limits established in a) to f) below:

a) Not more than 20% of the investments owned and described in b) to e) below may be denominated in a currency other than the euro;

b) Not more than 75% of the assets owned may be invested in bonds and other debt instruments that are traded on the capital market, in mortgage loans and in cash deposits within the following limits and according to the following terms and conditions:

- In bonds and other debt instruments in euros or in the currency of a Member State of the European Economic Area, issued or unconditionally guaranteed, in principal and in interest, by a Member State of the European Economic Area, by one of its political subsidiary departments, by other public bodies or institutions of a Member State of the European Economic Area or by a supranational organisation to which one or more Member States of the European Economic Area belong or in mortgage loans in euros or in the currency of a Member State of the European Economic Area;
- Not more than 40% of the total of these bonds and other debt instruments that are traded on the capital market, of these mortgage loans and of these cash deposits may consist of assets, in euros or in the currency of a Member State of the European Economic Area, issued by companies incorporated under public or private law from a Member State of the European Economic Area, or of cash deposits, in euros or in the currency of a Member State of the European Economic Area, with a term to maturity of more than one year at a credit institution that is recognised and supervised by a regulatory government body of this Member State;
- Not more than 40% of the total of these bonds and other debt instruments that are traded on the capital market, of these mortgage loans and of these cash deposits may consist of assets, in the currency of a State that is not a member of the European Economic Area, issued or unconditionally guaranteed, in principal and in interest, by a State that is not a member of the European Economic Area, by other public bodies or institutions of a State that is not a member of the European Economic Area, or by a supranational organisation of which none of the members is a Member State of the European Economic Area, with a term to maturity of more than one year, issued by companies from this same State incorporated under public or private law, or of cash deposits, in the currency of a State that is not a member of the European Economic Area, with a term to maturity of more than one year at a credit institution that is recognised and supervised by a regulatory government body of this State.

c) Not more than 75% of the assets owned may be directly invested in the following shares and other securities similar to shares within the following limits and in accordance with the following terms and conditions:

- Not more than 70% of the total of these shares and securities may directly consist of shares and other securities similar to shares of companies incorporated under the law of a Member State of the European Economic Area whose market capitalisation exceeds 3 000 000 000 euros or equivalent denominated in the currency of a Member State of the European Economic Area and listed on a regulated market;
- Not more than 30% of the total of these shares and securities may directly consist of shares and other securities similar to shares of companies incorporated under the law of a Member State of the European Economic Area whose market capitalisation is less than 3 000 000 000 euros or equivalent expressed in the currency of a Member State of the European Economic Area and listed on a regulated market;
- Not more than 20% of the total of these shares and securities may directly consist of shares and other securities similar to shares of companies incorporated under the law of a State that is not a member of the European Economic Area, that are not denominated in euros or in a currency of a Member State of the European Economic Area, and that are listed on a regularly operating market that is supervised by government bodies that are recognised by the public government of a Member State of the Organisation for Economic Co-operation and Development.

d) Not more than 10% of the assets may be invested (a) in cash in an account in euros or a currency of a Member State of the European Economic Area, at a credit institution that is recognised and supervised by a regulatory government body of a Member State of the European Economic Area or (b) in units of undertakings for collective investment referred to in Article 52, §1, 5° and 6° of the Royal Decree of 12 November 2012 on undertakings for collective investment that meet the conditions of Directive 2009/65/EC or in Article 35, §1, 5° and 6° of the Royal Decree of 25 February 2017 on certain public alternative undertakings for collective investment and their management companies, and stipulating various provisions for the purpose of primarily investing in money market instruments and liquid assets, in accordance with Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds;

e) a maximum of 20% of the assets may be invested in units of undertakings for collective investment referred to in Article 52, §1, 5° and 6° of the Royal Decree of 12 November 2012 on undertakings for collective investment that meet the conditions of Directive 2009/65/EC or in Article 35, §1, 5° and 6°, of the Royal Decree of 25 February 2017 on certain public alternative undertakings for collective investment and their management companies, and stipulating various provisions exclusively for the purpose of collective investment of capital raised from the public in assets referred to in b) and/or c);

f) holdings of assets described in b) to e) above denominated in a currency other than the euro may be fully or partially hedged with financial derivatives for the purpose of currency risk, so that the hedged portion is not taken into account in determining the maximum percentage referred to in (a).

The Fund does not invest in the assets referred to in article 145/11 (5°) of the Belgian Income Tax Code 1992. Within the above limits, the 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 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 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 Fund promotes environmental and social characteristics can be found in the ‘Annex for Pricos ’ 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 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 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 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 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 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: iBoxx EURO corporate ALL Maturities - Total Return Index, MSCI All Countries World Ex EMU - Net Return Index, MSCI EMU-Net Return index en MSCI EMU SMALL CAP - Net 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 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 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 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.

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. Instruments of companies that meet these requirements are designated as "sustainable investments", according to Article 2.17 of the SFDR.

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

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.

Instruments of governments, supranational debtors and/or government-linked agencies that only meet these



requirements will not be designated as 'sustainable investments', according to Article 2(17) of the SFDR. More information about this and the concrete goals of the 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 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 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 Fund;
- A planned update of the screening criteria as a result of which assets should be excluded from the 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 fund's net asset value is expressed in euros.

The Fund aims to use these investments to generate the following for its unit-holders:

- a return matching that of the reference currency, namely the euro;
- possible capital gains.

The Fund is actively managed with reference to the following benchmark: 9.9% iBoxx EURO corporate ALL Maturities - Total Return Index ; 23.10% JP Morgan EMU Government Bonds Investment Grade ALL Maturities - Total Return Index ; 12.06% MSCI ALL Countries EX EMU - Net Return Index ;40.87% MSCI EMU-Net Return index ; 14.07% MSCI EMU SMALL CAP - Net Return Index.

However, is not the aim of the Fund to replicate the benchmark. The composition of the benchmark is taken into account when compiling the portfolio. In line with its investment policy, the 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 Fund. The use of the benchmark does not detract from the responsible character of the portfolio. The responsible character is guaranteed by the aforementioned RI screening.

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

The longterm expected tracking error for this fund is 1.5%.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**

The Fund does not specifically seek to invest in environmentally sustainable economic activities within the meaning of the EU Taxonomy Framework. ("investments aligned with EU taxonomy"). Although the Fund does not aim to invest in investments aligned with the EU taxonomy, it cannot be ruled out that the Fund does contain investments aligned with the EU taxonomy.

The percentage invested in investments aligned with the EU taxonomy was set at 31 December 2022. Given limited guidance on how Taxonomy information should be made public, KBC Asset Management NV determined that insufficient reliable, timely and verifiable data from issuers or investee companies was available at that time, either from its own research or from services provided by data providers. The percentage invested in investments aligned with the EU taxonomy was therefore set at 0%.

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

The 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 Pricos'.

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 Pricos'.

More information on how the Fund aims to consider the principal adverse impacts on sustainability factors can also be found in the 'Annex for Pricos'.

#### **Required disclaimers for benchmark providers:**

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## Characteristics of the bonds and debt instruments

The Fund invests in bonds and debt instruments issued by both companies and public authorities.

The 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 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.

## Securities Financing Transactions (SFTs)

### General

**The Fund may lend financial instruments within the limits set by law and regulations.**

Lending financial instruments is a transaction where one the 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 Fund with comparable financial instruments at some future date or on the 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, the 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, the 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 the Fund and the counterparty or counterparties.

The 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 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 and 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 the Fund lends financial instruments, it receives financial collateral in return. This financial collateral protects the Fund fund from default on the part of the counterparty to which the financial instruments have been lent.

**The 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 the 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 the 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 Fund's total assets. Reinvestment in bonds issued by the same public authority may not exceed 20% of the Fund's total assets.

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

**The Fund is not permitted to accept financial collateral issued by the party offering them.**

The Fund's exposure to financial collateral issued by the same issuer may not exceed 20% of the 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 Fund's assets, as stated under 'B. Service providers to the Fund'.

### ***Influence of SFTs on the Fund's risk profile***

**This lending does not affect the 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 the Fund's assets.
- A margin management system is used to ensure that the 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 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, the Fund can generate additional income, which might consist of a fee paid by the principal or the counterparty (if the 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 the Fund. It should be noted in this regard that KBC Bank NV is an entity affiliated with the management company.**

## 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 management rules, the 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, the Fund may also sell currencies forward or exchange them in private transactions with prime financial institutions specialising in such transactions.

## Social, ethical and environmental aspects

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

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

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

This list of exclusion criteria is not exhaustive. A complete overview of the exclusion criteria can be found at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > *General exclusion policies for conventional funds and funds investing in responsible investments*. These exclusion criteria can be modified at any time by the management company.

For this Fund, additional criteria relating to responsible investing apply. These are further specified in '2. Investment information – Selected strategy' and on [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > *Exclusion policies for funds investing in responsible investments*.

### Integration of sustainability risk into the investment policy:

In the investment policy, the management company shall take into account the sustainability risk as defined under title "3. Information on the risk profile" as follows:

- I. by defining an exclusion policy (the "Exclusion Criteria") applicable to all funds and Sicavs. (Further information can be found at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > *General exclusion policies for conventional funds and responsible Investment funds*); and
- II. additional criteria relating to Socially Responsible Investing ("SRI") apply for this UCITS. 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 SRI research team assigns an ESG risk rating to the majority of companies included in the best-known benchmarks and to a selection of small and medium-sized companies, based on input from an ESG data provider, where ESG stands for "Environmental, Social and Governance". The ESG risk ratings are shared internally with portfolio managers and strategists so that they can use them as a factor in the investment decision-making process. This UCITS follows the Best-In-Class methodology and consequently, a binding rule applies: this UCITS only invests in companies with the lowest ESG risk rating in their sub-sector. The threshold varies. Relatively more companies are accepted from sub-sectors with a low ESG risk rating than from sub-sectors with a high ESG risk rating.

## 2.6. Index and benchmark

See 'Sub-fund's investment policy'.

## 2.7. Policy pursued during the financial year

We refer to '2.4. General overview of the markets' of this report for a review of the market.

## 2.8. Future policy

We refer to '2.4. General overview of the markets' of this report for an overview of the outlook.

## 2.9. Summary risk indicator

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

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. 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.

## 2.10. Leveraged finance

The total amount of leveraged finance used by the sub-fund is 0,00EUR.

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

## 2.11. Value-at-Risk

Not applicable



### 3. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2022</b> (in Euro)	<b>31/12/2021</b> (in Euro)
	<b>TOTAL NET ASSETS</b>	5,030,000,165.36	5,961,295,952.82
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds	1,579,354,275.47	1,448,191,182.81
	Of which bonds lent	137,940,340.76	
	Collateral received in the form of bonds	32,824,915.62	
B.	Money market instruments	56,699,422.93	75,739,245.25
C.	Shares and similar instruments		
	a) Shares	3,003,503,416.27	4,049,581,716.44
	Of which securities lent	29,852,605.34	
D.	Other securities	48,748.76	633,091.95
E.	Open-end undertakings for collective investment		
	a) Reinvested collateral in money market funds	139,727,439.10	
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	781,977.90	963,764.34
B.	Payables		
	a) Accounts payable (-)	-259,891.21	-603,704.85
	c) Borrowings (-)		-1,004.89
	d) Collateral (-)	-170,765,256.38	
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	395,085,033.02	393,869,752.48
C.	Collateral received cash	-295,894.56	
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	763,618.48	363,417.73
C.	Accrued expense (-)	-6,161,806.68	-7,441,508.44
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	5,030,000,165.36	5,961,295,952.82
<b>A.</b>	<b>Capital</b>	6,078,584,450.32	5,126,190,142.77
<b>B.</b>	<b>Income equalization</b>	1,739,981.03	459,006.09
<b>D.</b>	<b>Result of the bookyear</b>	-1,050,324,265.99	834,646,803.96

<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments	32,824,915.62	
I.A.b.	Cash at bank and in hand/deposits	139,246,174.12	
IX.	Financial instruments lent	167,792,946.10	



## 4. Profit and loss account

Income Statement		31/12/2022 (in Euro)	31/12/2021 (in Euro)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	-260,628,941.31	-65,707,467.47
B.	Money market instruments	-10,649.50	-20,741.40
C.	Shares and similar instruments		
	a) Shares	-858,357,677.96	834,612,959.52
D.	Other securities	-490,750.40	-535,067.66
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	18,184,596.67	27,790,883.47
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	273,410,749.12	649,894,824.82
	Unrealised gains on investments	-761,691,956.72	142,189,523.56
	Realised losses on investments	-238,313,431.31	-68,648,789.91
	Unrealised losses on investments	-374,708,783.59	72,705,007.99
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	87,397,036.22	73,976,930.73
B.	Interests		
	a) Securities and money market instruments	28,711,841.20	36,709,991.15
	b) Cash at bank and in hand and deposits	1,128,332.92	0.11
C.	Interest on borrowings (-)	-1,340,722.50	-1,358,655.46
F.	Other investment income	269,822.13	143,123.18
<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	-1.17	
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-2,649,818.95	-3,369,039.97
B.	Financial expenses (-)	-1,164.79	-1,102.39
C.	Custodian's fee (-)	-1,901,807.92	-2,066,882.81
D.	Manager's fee (-)		
	a) Financial management	-47,119,740.78	-50,657,743.71
	b) Administration and accounting management	-7,849,404.37	-8,437,311.64
	c) Commercial fee	-625.00	
F.	Formation and organisation expenses (-)	-1,120.00	-8,255.45
H.	Services and sundry goods (-)	-13,383.69	-4,898.30
J.	Taxes	-4,651,394.97	-5,515,164.45
L.	Other expenses (-)	-998,691.82	-904,753.49
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	50,979,156.51	38,506,237.50
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	-1,050,324,265.99	834,646,803.96
<b>VII.</b>	<b>Result of the bookyear</b>	-1,050,324,265.99	834,646,803.96

<b>Appropriation Account</b>		<b>31/12/2022</b> (in Euro)	<b>31/12/2021</b> (in Euro)
<b>I.</b>	<b>Profit to be appropriated</b>		
	Profit for the period available for appropriation	-1,048,584,284.96	835,105,810.05
	Income on the creation of shares (income on the cancellation of shares)	-1,050,324,265.99	834,646,803.96
		1,739,981.03	459,006.09
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	1,048,584,284.96	-835,105,810.05

## 5. Summary of recognition and valuation rules

### 5.1. Summary of the rules

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

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

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

## 5.2. Exchange rates

1 EUR =	31/12/2022		31/12/2021	
		1.446070	CAD	1.436454
	0.987419	CHF	1.036159	CHF
	7.436437	DKK	7.437572	DKK
	1.000000	EUR	1.000000	EUR
	0.887230	GBP	0.839602	GBP
	8.329832	HKD	8.865952	HKD
	140.818301	JPY	130.954266	JPY
	1,349.537630	KRW	1,351.846500	KRW
	20.797767	MXN	23.272798	MXN
	4.701236	MYR	4.737575	MYR
	10.513479	NOK	10.028170	NOK
	4.681225	PLN	4.583370	PLN
	11.120211	SEK	10.296038	SEK
	32.802462	TWD	31.462912	TWD
	1.067250	USD	1.137200	USD

## 6. Composition of the assets and key figures

### 6.1. Composition of the assets of Pricos

Name	Quantity on 31/12/2022	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	5,000,000.00	EUR	110.250	5,677,363.01		0.12	0.11
AUSTRIA 9/26 4.85% 15/03	11,100,000.00	EUR	106.389	12,236,931.33		0.26	0.24
AUSTRIA 15/25 +1.20% 23/06 20/10	3,000,000.00	EUR	96.099	2,889,972.74		0.06	0.06
AUSTRIA 16/47 +1.50% 20/02 20/02	4,000,000.00	EUR	72.877	2,966,523.65		0.06	0.06
AUSTRIA 17/117 2.1% 20-9	600,000.00	EUR	71.281	431,172.57		0.01	0.01
AUSTRIA 97/27 6.25% 15/7	4,500,000.00	EUR	114.730	5,292,302.05		0.11	0.11
REPUBLIC OF AUSTRIA 19/24 0.00%	7,000,000.00	EUR	95.898	6,712,860.00		0.14	0.13
REPUBLIC OF AUSTRIA 19/29 +0.50%	7,000,000.00	EUR	86.109	6,057,643.70		0.13	0.12
REPUBLIC OF AUSTRIA 20/30 0.00%	5,000,000.00	EUR	80.480	4,024,000.00		0.09	0.08
REPUBLIC OF AUSTRIA 2020/2120 +0.85	3,000,000.00	EUR	39.620	1,188,600.00		0.03	0.02
REPUBLIC OF AUSTRIA 22/49 +1.85%	3,300,000.00	EUR	76.868	2,572,270.44		0.06	0.05
<u>Belgium</u>							
BELGIUM 11/26 4.5% 28/3	10,000,000.00	EUR	105.419	10,883,406.84		0.24	0.22
BELGIUM 14/24 2.60% 21/01 22/06	15,000,000.00	EUR	99.761	15,168,232.19		0.33	0.30
BELGIUM 15/25 +0.80% 14/01 22/06	5,000,000.00	EUR	95.510	4,796,437.51		0.10	0.10
BELGIUM 17/27 +1.375% 24/01 22/06	6,500,000.00	EUR	91.462	5,972,240.96		0.13	0.12
BELGIUM 18/28 +0.80% 23/01 22/06	6,000,000.00	EUR	90.051	5,428,177.81		0.12	0.11
BELGIUM 18/33 +1.25% 05/03 22/04	13,000,000.00	EUR	83.367	10,949,934.27		0.24	0.22
BELGIUM 21/31 0.00%	8,000,000.00	EUR	76.193	6,095,400.00		0.13	0.12
BELGIUM 21/71 +0.65%	2,000,000.00	EUR	42.411	855,022.74		0.02	0.02
BELGIUM 22/32 +0.35%	2,500,000.00	EUR	77.014	1,929,921.02		0.04	0.04
BELGIUM 22/53 +1.40%	2,500,000.00	EUR	62.560	1,582,315.07		0.03	0.03
FLEMISH COMMUNITY 16/26 +0.375% 11/10 13/10	5,400,000.00	EUR	90.445	4,888,357.39		0.11	0.10
FLEMISH COMMUNITY 18/38 +1.50%	5,000,000.00	EUR	74.973	3,783,786.99		0.08	0.08
FLEMISH COMMUNITY 21-46 0.875%	1,500,000.00	EUR	57.037	865,761.93		0.02	0.02
<u>Finland</u>							
FINLAND 9/25 4.00% 04/07	1,500,000.00	EUR	103.218	1,577,694.66		0.03	0.03
FINLAND 12/28 2.75% 04/07	5,900,000.00	EUR	99.275	5,936,779.43		0.13	0.12
FINLAND 17/47 +1.375% 15/04 15/04	1,500,000.00	EUR	72.737	1,105,690.27		0.02	0.02
FINLAND 18/34 +1.125% 13/02 15/04	2,000,000.00	EUR	81.102	1,638,005.75		0.04	0.03
FINLAND 19/24 0.00%	500,000.00	EUR	95.565	477,826.65		0.01	0.01
FINLAND 20/30 0.00%	1,500,000.00	EUR	79.299	1,189,480.65		0.03	0.02
<u>France</u>							
CAISSE DAMORTISSEMENT DE LA D 22/27 +1.75%	5,000,000.00	EUR	93.405	4,678,639.41		0.10	0.09
CAISSE DAMORTISSEMENT DE LA D 22/27 +2.875%	3,700,000.00	EUR	98.621	3,661,808.25		0.08	0.07
FRENCH REPUBLIC /32 5.75 % 25/10	20,000,000.00	EUR	122.260	24,659,907.20		0.53	0.49
FRENCH REPUBLIC 9/60 4.00% 25/04	3,300,000.00	EUR	115.076	3,887,557.31		0.08	0.08
FRENCH REPUBLIC 10/26 3.5% 25/04	28,500,000.00	EUR	102.164	29,797,357.39		0.64	0.59
FRENCH REPUBLIC 10/27 +1.85% 25/07 25/07	3,000,000.00	EUR	106.422	4,141,545.83		0.09	0.08
FRENCH REPUBLIC 13/24 2.25% 25/05 25/05	36,000,000.00	EUR	99.229	36,208,324.80		0.78	0.72
FRENCH REPUBLIC 13/30 +0.70% 25/07 25/07	4,000,000.00	EUR	100.639	4,876,589.43		0.11	0.10
FRENCH REPUBLIC 14/25 +0.10% 01/03 01/03	7,500,000.00	EUR	100.849	8,571,270.79		0.19	0.17
FRENCH REPUBLIC 14/25 +0.50% 25/05 25/05	31,500,000.00	EUR	94.745	29,939,175.00		0.65	0.60
FRENCH REPUBLIC 14/25 +1.00% 25/11 25/11	15,000,000.00	EUR	95.189	14,292,733.56		0.31	0.28
FRENCH REPUBLIC 15/31 +1.50% 25/05 25/05	23,500,000.00	EUR	89.629	21,274,226.88		0.46	0.42
FRENCH REPUBLIC 16/27 +1.00% 25/05 25/05	18,000,000.00	EUR	92.510	16,759,789.20		0.36	0.33
FRENCH REPUBLIC 16/28 +0.10% 01/03 01/03	4,750,000.00	EUR	100.083	5,378,268.85		0.12	0.11
FRENCH REPUBLIC 16/39 +1.75%	11,000,000.00	EUR	81.148	9,025,409.78		0.20	0.18
FRENCH REPUBLIC 17/28 +0.75% 25/05 25/05	19,000,000.00	EUR	89.535	17,097,150.00		0.37	0.34
FRENCH REPUBLIC 17/34 +1.25% 25/05 25/05	6,000,000.00	EUR	81.280	4,921,818.60		0.11	0.10
FRENCH REPUBLIC 18/29 0.00%	23,000,000.00	EUR	82.199	18,905,866.60		0.41	0.38
FRENCH REPUBLIC 19/25 0.00%	25,000,000.00	EUR	93.982	23,495,500.00		0.51	0.47
FRENCH REPUBLIC 19/52 +0.75%	9,000,000.00	EUR	52.825	4,794,738.75		0.10	0.10
FRENCH REPUBLIC 20/44 +0.50%	11,000,000.00	EUR	57.805	6,386,854.56		0.14	0.13
FRENCH REPUBLIC 20/72 +0.50%	6,000,000.00	EUR	37.242	2,252,520.00		0.05	0.05
FRENCH REPUBLIC 21/38 +0.10%	3,000,000.00	EUR	89.361	3,027,533.15		0.07	0.06
FRENCH REPUBLIC 97/29 5.5% 25/04	16,500,000.00	EUR	115.011	19,595,938.68		0.42	0.39
<u>Germany</u>							
FEDERAL REPUBLIC OF GERMANY 3/34 4.75% 04/07	17,000,000.00	EUR	121.409	21,035,515.59		0.45	0.42
FEDERAL REPUBLIC OF GERMANY 10/42 3.25% 04/07	3,000,000.00	EUR	110.048	3,349,262.57		0.07	0.07
FEDERAL REPUBLIC OF GERMANY 12/44 2.50% 04/07 04/07	1,000,000.00	EUR	98.851	1,000,767.77		0.02	0.02

FEDERAL REPUBLIC OF GERMANY 14/24 +1.00% 15/08 15/08	35,000,000.00	EUR	97.565	34,279,224.84	0.74	0.68
FEDERAL REPUBLIC OF GERMANY 15/25 +1.00% 17/07 15/08	26,500,000.00	EUR	96.126	25,572,855.74	0.55	0.51
FEDERAL REPUBLIC OF GERMANY 15/26 +0.10% 12/03 15/04	2,800,000.00	EUR	99.161	3,372,509.26	0.07	0.07
FEDERAL REPUBLIC OF GERMANY 17/27 +0.50% 14/07 15/08	6,000,000.00	EUR	91.333	5,491,215.07	0.12	0.11
FEDERAL REPUBLIC OF GERMANY 17/48 +1.25% 15/08 15/08	5,250,000.00	EUR	76.612	4,046,761.85	0.09	0.08
FEDERAL REPUBLIC OF GERMANY 18/28 +0.50% 12/01 15/02	4,000,000.00	EUR	90.414	3,633,994.66	0.08	0.07
FEDERAL REPUBLIC OF GERMANY 19/24 0.00%	61,000,000.00	EUR	96.937	59,131,265.00	1.27	1.18
FEDERAL REPUBLIC OF GERMANY 19/24 0.00%	12,000,000.00	EUR	95.593	11,471,160.00	0.25	0.23
FEDERAL REPUBLIC OF GERMANY 20/25 0.00%	26,000,000.00	EUR	93.681	24,356,962.50	0.53	0.48
FEDERAL REPUBLIC OF GERMANY 20/30 0.00%	11,000,000.00	EUR	82.928	9,122,080.00	0.20	0.18
FEDERAL REPUBLIC OF GERMANY 21/31 0.00%	3,199,119.00	EUR	80.786	2,584,440.28	0.06	0.05
FEDERAL REPUBLIC OF GERMANY 21/31 0.00%	17,000,000.00	EUR	80.808	13,737,360.00	0.30	0.27
FEDERAL REPUBLIC OF GERMANY 21/33 +0.10%	2,000,000.00	EUR	98.058	2,266,877.08	0.05	0.05
FEDERAL REPUBLIC OF GERMANY 21/36 0.00%	10,000,000.00	EUR	70.546	7,054,600.00	0.15	0.14
FEDERAL REPUBLIC OF GERMANY 21/50 0.00%	11,000,000.00	EUR	51.347	5,648,128.75	0.12	0.11
FEDERAL REPUBLIC OF GERMANY 21/52 0.00%	4,000,000.00	EUR	48.944	1,957,750.00	0.04	0.04
FEDERAL REPUBLIC OF GERMANY 22/24 +0.40%	20,000,000.00	EUR	96.278	19,286,516.10	0.42	0.38
FEDERAL REPUBLIC OF GERMANY 22/27 +1.30%	5,000,000.00	EUR	94.491	4,744,875.37	0.10	0.09
FEDERAL REPUBLIC OF GERMANY 22/32 +1.70%	7,000,000.00	EUR	92.755	6,549,932.79	0.14	0.13
GERMANY 14/30 +0.50% 15/04 15/04	3,000,000.00	EUR	101.323	3,712,286.78	0.08	0.07
<u>Ireland</u>						
IRELAND 9/25 5.40% 13/03 13/03	3,400,000.00	EUR	105.570	3,736,254.90	0.08	0.07
IRELAND 15/45 +2.00% 10/02 18/02	1,000,000.00	EUR	79.526	812,523.57	0.02	0.02
IRELAND 16/26 +1.00% 14/01 15/05	1,500,000.00	EUR	95.021	1,434,725.96	0.03	0.03
IRELAND 18/31 +1.35%	5,650,000.00	EUR	88.760	5,074,915.13	0.11	0.10
IRELAND 19/29 +1.10%	7,250,000.00	EUR	89.559	6,543,071.13	0.14	0.13
IRELAND 19/50 +1.50% 16/05 15/05	750,000.00	EUR	68.703	522,329.78	0.01	0.01
IRELAND 20/35 +0.40%	1,500,000.00	EUR	71.354	1,074,074.38	0.02	0.02
IRELAND 21/41 +0.55%	1,500,000.00	EUR	62.340	940,793.34	0.02	0.02
<u>Italy</u>						
REPUBLIC OF ITALY 3/34 5% 01/08-02	6,000,000.00	EUR	101.494	6,213,749.59	0.13	0.12
REPUBLIC OF ITALY 9/25 5.00% 01/03-09	23,000,000.00	EUR	103.409	24,162,165.99	0.52	0.48
REPUBLIC OF ITALY 9/40 5.00 01/03-09	2,000,000.00	EUR	102.068	2,074,234.21	0.05	0.04
REPUBLIC OF ITALY 13/24 4.5% 01/03 01/09	15,000,000.00	EUR	101.519	15,460,569.30	0.33	0.31
REPUBLIC OF ITALY 14/24 +2.35% 15/03 15/03	1,500,000.00	EUR	103.019	1,882,738.85	0.04	0.04
REPUBLIC OF ITALY 15/25 +1.50% 01/12 01/06	11,000,000.00	EUR	95.653	10,534,940.68	0.23	0.21
REPUBLIC OF ITALY 15/32 +1.65% 01/03 01/03	13,500,000.00	EUR	78.973	10,734,628.37	0.23	0.21
REPUBLIC OF ITALY 16/28 +1.30% 15/05 15/05	1,375,000.00	EUR	96.593	1,600,160.08	0.03	0.03
REPUBLIC OF ITALY 17/24 +1.45% 15/11 15/11	7,500,000.00	EUR	96.881	7,279,456.28	0.16	0.14
REPUBLIC OF ITALY 17/48 +3.45% 01/09 01/03	1,000,000.00	EUR	81.332	824,666.22	0.02	0.02
REPUBLIC OF ITALY 18/28 +2.00% 01/02 01/02	13,500,000.00	EUR	91.341	12,442,780.87	0.27	0.25
REPUBLIC OF ITALY 18/28 +2.80% 01/12 01/12	17,000,000.00	EUR	93.632	15,955,208.17	0.34	0.32
REPUBLIC OF ITALY 19/24 +1.75%	15,000,000.00	EUR	97.885	14,813,616.41	0.32	0.30
REPUBLIC OF ITALY 19/30 +0.40%	6,250,000.00	EUR	87.397	6,370,737.31	0.14	0.13
REPUBLIC OF ITALY 20/26 +0.50%	11,000,000.00	EUR	90.939	10,026,036.82	0.22	0.20
REPUBLIC OF ITALY 20/26 +0.65%	6,000,000.00	EUR	96.736	6,673,516.95	0.14	0.13
REPUBLIC OF ITALY 20/30 +1.65%	10,000,000.00	EUR	81.901	8,203,159.58	0.18	0.16
REPUBLIC OF ITALY 20/36 +1.45%	3,500,000.00	EUR	68.368	2,409,569.31	0.05	0.05
REPUBLIC OF ITALY 21/28 +0.50%	5,000,000.00	EUR	82.579	4,140,438.85	0.09	0.08
REPUBLIC OF ITALY 21/31 +0.60%	12,000,000.00	EUR	72.941	8,782,709.89	0.19	0.18
REPUBLIC OF ITALY 21/45 +1.50%	10,000,000.00	EUR	55.951	5,620,193.49	0.12	0.11
REPUBLIC OF ITALY 21/51 +0.15%	1,750,000.00	EUR	57.168	1,155,741.89	0.03	0.02
REPUBLIC OF ITALY 21/72 +2.15%	2,000,000.00	EUR	55.062	1,115,376.99	0.02	0.02
REPUBLIC OF ITALY 22/27 +1.10%	10,125,000.00	EUR	89.664	9,105,943.33	0.20	0.18
REPUBLIC OF ITALY 22/35 +4.00%	6,000,000.00	EUR	92.515	5,591,002.39	0.12	0.11
REPUBLIC OF ITALY 22/52 +2.15%	1,500,000.00	EUR	59.712	906,282.74	0.02	0.02
REPUBLIC OF ITALY 97/27 6.5% 1/5-11	20,000,000.00	EUR	111.893	22,588,778.98	0.49	0.45
<u>Luxembourg</u>						
GRAND DUCHY OF LUXEMBURG 17/27 +0.625% 01/02 01/02	2,000,000.00	EUR	90.760	1,826,566.86	0.04	0.04
GRAND DUCHY OF LUXEMBURG 19/26 0.00%	9,000,000.00	EUR	89.120	8,020,769.85	0.17	0.16
GRAND DUCHY OF LUXEMBURG 20/30 0.00%	3,300,000.00	EUR	80.442	2,654,569.83	0.06	0.05
<u>Netherlands</u>						
NETHERLANDS 10/42 3.75 % 15/01	2,000,000.00	EUR	112.445	2,320,612.33	0.05	0.05
NETHERLANDS 12/33 2.50% 15/01	6,000,000.00	EUR	96.559	5,936,964.65	0.13	0.12
NETHERLANDS 15/25 +0.25% 15/07 15/07	3,000,000.00	EUR	94.149	2,827,930.75	0.06	0.06
NETHERLANDS 17/27 +0.75% 15/07 15/07	4,000,000.00	EUR	91.900	3,689,808.22	0.08	0.07
NETHERLANDS 20/52 0.00%	5,000,000.00	EUR	47.803	2,390,150.00	0.05	0.05
NETHERLANDS 21/31 0.00%	5,000,000.00	EUR	78.742	3,937,114.50	0.09	0.08
NETHERLANDS 22/26 0.00%	13,000,000.00	EUR	92.089	11,971,570.00	0.26	0.24
NETHERLANDS 98/28 5.5% 15/1	5,000,000.00	EUR	112.836	5,904,745.21	0.13	0.12
<u>Portugal</u>						
PORTUGAL 13/24 +5.65% 15/02 15/02	4,500,000.00	EUR	103.157	4,863,576.41	0.11	0.10
PORTUGAL 14/30 +3.875% 15/02 15/02	6,500,000.00	EUR	104.068	6,983,840.32	0.15	0.14
PORTUGAL 15/45 +4.10% 20/01 15/02	550,000.00	EUR	103.881	590,991.80	0.01	0.01
PORTUGAL 16/26 +2.875% 21/07 21/07	2,000,000.00	EUR	100.009	2,025,702.75	0.04	0.04
PORTUGAL 18/28 +2.125% 17/10 17/10	5,000,000.00	EUR	95.351	4,789,110.10	0.10	0.10
PORTUGAL 18/34 +2.25% 18/04 18/04	2,000,000.00	EUR	87.573	1,783,021.64	0.04	0.04
PORTUGUESE REPUBLIC 22/42 +1.15%	500,000.00	EUR	63.430	322,584.93	0.01	0.01

<u>Slovakia</u>						
SLOVAKIA GOVERNEMENT 18/68 +2.25%	5,100,000.00	EUR	71.657	3,717,698.09	0.08	0.07
SLOVAKIA GOVERNEMENT 22/32 +4.00%	1,500,000.00	EUR	103.016	1,557,068.12	0.03	0.03
<u>Slovenia</u>						
SLOVENIA 22/62 +1.175%	4,000,000.00	EUR	48.914	2,001,886.02	0.04	0.04
<u>Spain</u>						
COMUNIDAD DE MADRID 22/32 +1.723%	6,800,000.00	EUR	83.889	5,788,885.16	0.13	0.12
SPAIN 10/25 4.65% 30/07	15,000,000.00	EUR	104.255	15,930,611.70	0.34	0.32
SPAIN 13/24 1.80% 30/11 30/11	2,750,000.00	EUR	102.860	3,416,371.81	0.07	0.07
SPAIN 15/30 +1.00%	1,300,000.00	EUR	99.114	1,550,981.07	0.03	0.03
SPAIN 16/26 +1.30% 31/10 31/10	6,500,000.00	EUR	93.932	6,119,497.06	0.13	0.12
SPAIN 16/27 +0.65% 30/11 30/11	1,700,000.00	EUR	98.819	2,017,703.41	0.04	0.04
SPAIN 16/46 +2.90% 15/03 31/10	2,500,000.00	EUR	85.453	2,148,242.81	0.05	0.04
SPAIN 17/27 +1.45% 31/10 31/10	11,650,000.00	EUR	92.594	10,814,953.18	0.23	0.22
SPAIN 17/33 +0.70% 30/11 30/11	600,000.00	EUR	93.523	664,111.10	0.01	0.01
SPAIN 17/33 +2.35% 01/03 30/07	5,000,000.00	EUR	88.816	4,490,028.42	0.10	0.09
SPAIN 18/28 +1.40% 30/07 30/07	14,250,000.00	EUR	90.926	13,040,616.66	0.28	0.26
SPAIN 19/29 +0.60% 19/06 31/10	14,000,000.00	EUR	83.940	11,765,408.21	0.25	0.23
SPAIN 19/35 +1.85%	10,000,000.00	EUR	81.055	8,183,047.94	0.18	0.16
SPAIN 20/25 0.00%	21,250,000.00	EUR	94.200	20,017,574.38	0.43	0.40
SPAIN 20/27 +0.80%	5,000,000.00	EUR	90.246	4,529,045.62	0.10	0.09
SPAIN 21/27 0.00%	10,000,000.00	EUR	88.244	8,824,356.00	0.19	0.18
SPAIN 21/31 +0.50%	5,000,000.00	EUR	77.532	3,880,684.59	0.08	0.08
SPAIN 21/42 +1.00%	9,500,000.00	EUR	60.885	5,823,896.91	0.13	0.12
SPAIN 21/71 +1.45%	3,000,000.00	EUR	45.912	1,384,510.68	0.03	0.03
SPAIN 22/43 +3.45%	2,000,000.00	EUR	92.104	1,859,849.86	0.04	0.04
SPAIN 98/29 6% 31/01	8,000,000.00	EUR	115.343	9,665,337.81	0.21	0.19
Bonds issued by international institutions						
<u>EU institutions outside BLEU terr.</u>						
EUR. INV. BANK 21/27 0.00%	3,100,000.00	EUR	86.850	2,692,338.69	0.06	0.05
EUROPEAN UNION 20/30 0.00%	5,000,000.00	EUR	79.051	3,952,537.50	0.09	0.08
EUROPEAN UNION 21-36 0.2%	3,025,000.00	EUR	66.899	2,027,159.00	0.04	0.04
EUROPEAN UNION 21/26 0.00%	9,400,000.00	EUR	91.178	8,570,743.75	0.19	0.17
EUROPEAN UNION 21/28 0.00%	5,000,000.00	EUR	85.027	4,251,343.25	0.09	0.09
EUROPEAN UNION 22/48 +2.625%	1,850,000.00	EUR	89.606	1,682,315.62	0.04	0.03
<u>Germany</u>						
STATE OF BREMEN 22/29 +0.45%	7,300,000.00	EUR	85.319	6,254,387.00	0.14	0.12
Bonds issued by credit institutions						
<u>Austria</u>						
ERSTE GROUP BANK AG 19/26 +0.875% 22/05 22/05	400,000.00	EUR	89.527	360,235.49	0.01	0.01
ERSTE GROUP BANK AG 20/31 0.00%	2,400,000.00	EUR	86.608	2,078,598.00	0.05	0.04
ERSTE GROUP BANK AG 21/28 +0.125%	800,000.00	EUR	80.976	648,433.44	0.01	0.01
ERSTE GROUP BANK AG 21/31 +0.25%	700,000.00	EUR	73.957	519,311.67	0.01	0.01
ERSTE GROUP BANK AG 21/32 0.00%	500,000.00	EUR	79.483	397,954.86	0.01	0.01
<u>Belgium</u>						
AEDIFICA 21/31 +0.75%	2,700,000.00	EUR	65.345	1,770,523.03	0.04	0.04
ARGENTA SPAARBANK NV 22/27 +5.375% 29/11	900,000.00	EUR	99.788	902,201.01	0.02	0.02
KBC GROUP 20/30 +0.75%	500,000.00	EUR	78.958	398,282.20	0.01	0.01
<u>Denmark</u>						
NYKREDIT A/S 22/32 5.50%	500,000.00	EUR	98.526	492,706.69	0.01	0.01
<u>Finland</u>						
CASTELLUM HELSINKI FINANCE HOLDING 21-29 0.875%	650,000.00	EUR	65.065	424,541.59	0.01	0.01
NORDEA BANK FINLAND PLC 21/31 +0.50%	500,000.00	EUR	77.963	391,771.65	0.01	0.01
OP CORPORATE BANK PLC 19/29 +0.625%	700,000.00	EUR	77.556	543,469.65	0.01	0.01
OP CORPORATE BANK PLC 20/27 +0.10%	1,000,000.00	EUR	84.036	840,476.20	0.02	0.02
<u>France</u>						
BANQUE FEDERATIVE DU CREDIT MUTUEL 14/24 +2.625% 18/03 18/03	1,000,000.00	EUR	99.357	1,014,209.86	0.02	0.02
BANQUE FEDERATIVE DU CREDIT MUTUEL 17/27 +1.25% 26/05 26/05	1,500,000.00	EUR	90.010	1,361,344.06	0.03	0.03
BANQUE FEDERATIVE DU CREDIT MUTUEL 19/26 +0.75% 08/06 08/06	3,000,000.00	EUR	90.468	2,726,683.58	0.06	0.05
BANQUE FEDERATIVE DU CREDIT MUTUEL 20/27 +0.10%	1,500,000.00	EUR	84.845	1,273,012.95	0.03	0.03
BANQUE FEDERATIVE DU CREDIT MUTUEL 20/30 +1.25%	800,000.00	EUR	81.259	655,822.98	0.01	0.01
BANQUE FEDERATIVE DU CREDIT MUTUEL 20/31 +0.625%	500,000.00	EUR	75.493	380,137.16	0.01	0.01
BANQUE FEDERATIVE DU CREDIT MUTUEL 21/25 +0.01%	1,400,000.00	EUR	92.524	1,295,447.78	0.03	0.03
BANQUE FEDERATIVE DU CREDIT MUTUEL 21/26 +0.01%	2,000,000.00	EUR	88.404	1,768,217.57	0.04	0.04
BANQUE FEDERATIVE DU CREDIT MUTUEL 21/28 +0.25%	500,000.00	EUR	83.121	416,234.79	0.01	0.01
BANQUE FEDERATIVE DU CREDIT MUTUEL 22/32 +1.125%	700,000.00	EUR	77.289	548,465.97	0.01	0.01
BNP PARIBAS SA 17/24 +1.00% 27/06 27/06	2,000,000.00	EUR	96.658	1,943,357.78	0.04	0.04
BNP PARIBAS SA 17/28 +1.50% 23/05 23/05	2,000,000.00	EUR	86.276	1,743,691.08	0.04	0.04
BPCE SA 14/24 +3.00% 19/07 19/07	400,000.00	EUR	100.265	406,451.76	0.01	0.01
BPCE SA 18/26 +1.375% 23/03 23/03	1,500,000.00	EUR	92.169	1,398,465.96	0.03	0.03
BPCE SA 18/28 +1.625% 31/01 31/01	1,000,000.00	EUR	88.014	894,970.29	0.02	0.02



BPCE SA 19/27 +0.50%	2,000,000.00	EUR	86.498	1,738,427.35	0.04	0.04
BPCE SA 20/25 +0.625%	3,000,000.00	EUR	93.410	2,814,942.08	0.06	0.06
BPCE SA 20/27 +0.50%	700,000.00	EUR	86.687	607,825.48	0.01	0.01
BPCE SA 21/27 +0.01%	4,000,000.00	EUR	86.222	3,449,258.96	0.07	0.07
BPCE SFH - SOCIETE DE FINANCE 20/27 +0.01%	3,000,000.00	EUR	85.199	2,556,008.84	0.06	0.05
CREDIT AGRICOLE 22/34 +3.875%	400,000.00	EUR	95.971	385,243.60	0.01	0.01
CREDIT AGRICOLE (LONDON) 14/26 +3.125% 05/02 05/02	1,000,000.00	EUR	99.713	1,025,207.24	0.02	0.02
CREDIT AGRICOLE (LONDON) 16/26 +1.875% 20/12 20/12	2,000,000.00	EUR	92.215	1,845,335.80	0.04	0.04
CREDIT MUTUEL ARKEA SA 17/29 +1.875% 25/10	3,000,000.00	EUR	94.413	2,842,561.68	0.06	0.06
CREDIT MUTUEL ARKEA SA 20/26 +0.01%	1,000,000.00	EUR	88.818	888,271.20	0.02	0.02
CREDIT MUTUEL ARKEA SA 20/27 +0.875%	500,000.00	EUR	88.066	443,171.15	0.01	0.01
CREDIT MUTUEL ARKEA SA 20/29 +1.25% 11/06	500,000.00	EUR	85.086	428,889.50	0.01	0.01
CREDIT MUTUEL ARKEA SA 22/30 +0.75%	1,500,000.00	EUR	78.948	1,194,882.81	0.03	0.02
GECINA 17/28 +1.375%	500,000.00	EUR	88.852	450,625.29	0.01	0.01
HSBC FRANCE SA 18/28 +1.375%	1,500,000.00	EUR	88.625	1,335,991.18	0.03	0.03
HSBC FRANCE SA 19/27 +0.10% 03/09 03/09	4,500,000.00	EUR	85.473	3,847,754.64	0.08	0.08
ICADE 21/31 +0.625%	700,000.00	EUR	69.450	490,295.51	0.01	0.01
LA BANQUE POSTALE 21/31 +0.75%	500,000.00	EUR	74.639	375,149.53	0.01	0.01
PSA BANQUE FRANCE SA 21/25 0.00%	4,000,000.00	EUR	92.132	3,685,261.60	0.08	0.07
SOCIETE GENERALE SA 18/25 +1.125% 23/01 23/01	200,000.00	EUR	94.701	191,503.92	0.00	0.00
SOCIETE GENERALE SA 19/29 +1.75% 22/03 22/03	2,000,000.00	EUR	85.358	1,734,305.59	0.04	0.03
<u>Germany</u>						
AAREAL BANK AG 22/28 +0.75%	2,500,000.00	EUR	79.460	1,999,652.43	0.04	0.04
BERLIN HYP AG 19/29 +0.50%	1,500,000.00	EUR	80.144	1,203,289.99	0.03	0.02
LANDBK HESSEN-THUERINGEN 21/29 +0.375%	500,000.00	EUR	77.914	390,641.56	0.01	0.01
MUENCHENER HYPOTHEKENBANK EG 21/29 +0.375%	2,500,000.00	EUR	79.771	2,001,880.49	0.04	0.04
<u>Ireland</u>						
AIB GROUP PLC 22/29 +5.75% 16/02	450,000.00	EUR	102.543	464,562.84	0.01	0.01
ZURICH FINANCE IRELAND DESIGNA 20/50 +1.875% 17/06	3,000,000.00	EUR	78.947	2,384,436.20	0.05	0.05
<u>Italy</u>						
INTESA SANPAOLO SPA 19/26 +1.00%	2,000,000.00	EUR	89.036	1,782,959.27	0.04	0.04
INTESA SANPAOLO SPA 20/30 +2.925%	500,000.00	EUR	79.476	400,465.27	0.01	0.01
INTESA SANPAOLO VITA SPA 14/24 +4.75% 17/12 17/12	500,000.00	EUR	97.648	489,085.89	0.01	0.01
UNICREDIT SPA 16/26 +2.125% 24/10 24/10	1,500,000.00	EUR	94.607	1,424,955.51	0.03	0.03
UNICREDIT SPA 20/27 +2.20% 22/07	2,000,000.00	EUR	90.679	1,832,981.92	0.04	0.04
UNICREDIT SPA 20/30 +1.80%	3,300,000.00	EUR	80.717	2,719,647.26	0.06	0.05
UNICREDIT SPA 20/32 +2.731% 15/01	500,000.00	EUR	84.077	433,441.42	0.01	0.01
UNICREDIT SPA 21/26 +0.325%	1,500,000.00	EUR	88.984	1,339,366.31	0.03	0.03
UNICREDIT SPA 21/31 +0.85%	2,000,000.00	EUR	72.616	1,468,394.49	0.03	0.03
<u>Luxembourg</u>						
CPI PROPERTY GROUP SA 20/26 +2.75%	1,000,000.00	EUR	78.938	806,856.70	0.02	0.02
CPI PROPERTY GROUP SA 21/31 +1.50%	2,500,000.00	EUR	57.559	1,473,590.17	0.03	0.03
<u>Netherlands</u>						
ABN AMRO BANK NV 16/23 +2.875% 18/01 18/01	1,000,000.00	EUR	100.008	1,027,333.42	0.02	0.02
ABN AMRO BANK NV 21/29 +0.50%	1,400,000.00	EUR	79.368	1,113,030.54	0.02	0.02
BANK NED. GEMEENTEN 22/32 +0.25%	2,750,000.00	EUR	77.185	2,129,205.81	0.05	0.04
BANK NED. GEMEENTEN 22/37 +1.25%	11,000,000.00	EUR	77.124	8,587,219.39	0.19	0.17
COLOPLAST FINANCE BV 22-30 2.75%	200,000.00	EUR	92.371	188,131.66	0.00	0.00
COOPERATIEVE RABOBANK UA 19/24 +0.625% 27/02 27/02	900,000.00	EUR	97.179	879,326.62	0.02	0.02
COOPERATIEVE RABOBANK UA 19/29 +0.875%	5,800,000.00	EUR	87.137	5,100,133.45	0.11	0.10
CTP BV 21/26 +0.625%	2,000,000.00	EUR	77.034	1,543,891.68	0.03	0.03
ELM BV FOR HELVETIA SCHWEIZERI 17/47 +3.375% 29/09	1,000,000.00	EUR	90.640	914,901.85	0.02	0.02
ING GROEP NV 17/24 +1.625% 26/09 26/09	3,000,000.00	EUR	93.623	2,821,378.96	0.06	0.06
ING GROEP NV 18/25 +2.00% 22/03 22/03	1,000,000.00	EUR	92.684	942,350.65	0.02	0.02
ING GROEP NV 18/30 +2.50% 15/11 15/11	2,800,000.00	EUR	90.792	2,550,796.89	0.06	0.05
ING GROEP NV 21/32 +0.875% 09/06	500,000.00	EUR	84.390	424,394.39	0.01	0.01
LSEG NETHERLANDS BV 21/33 +0.75%	1,500,000.00	EUR	75.660	1,143,157.35	0.03	0.02
<u>Spain</u>						
BANCO SANTANDER CENTRAL HISPANO SA 20/27 +1.125%	4,000,000.00	EUR	88.885	3,578,821.26	0.08	0.07
CAIXABANK SA 18/30 +2.25% 17/04	500,000.00	EUR	91.268	464,263.16	0.01	0.01
CAIXABANK SA 19/24 +0.625%	800,000.00	EUR	94.857	760,092.52	0.02	0.02
CAIXABANK SA 19/26 +1.125%	3,000,000.00	EUR	91.087	2,758,323.43	0.06	0.06
CAIXABANK SA 19/26 +1.375%	1,000,000.00	EUR	90.678	914,083.27	0.02	0.02
CAIXABANK SA 20/26 +0.75% 10/07	1,000,000.00	EUR	91.907	922,621.99	0.02	0.02
CAIXABANK SA 22/28 +0.625% 21/01	1,800,000.00	EUR	86.906	1,574,886.04	0.03	0.03
<u>Sweden</u>						
SVENSKA HANDBK 18/24 +1.625% 05/03 05/03	6,500,000.00	EUR	96.156	6,336,957.35	0.14	0.13
SVENSKA HANDBK 19/26 +0.05% 03/09 03/09	1,200,000.00	EUR	87.100	1,045,398.11	0.02	0.02
SVENSKA HANDBK 20/30 +0.50%	300,000.00	EUR	78.134	235,695.88	0.01	0.01
SVENSKA HANDBK 22/29 +2.625%	1,080,000.00	EUR	93.617	1,020,077.13	0.02	0.02
Corporate bonds						
<u>Austria</u>						
MONDI FINANCE EUROPE GMBH 20/28 +2.375%	1,800,000.00	EUR	92.509	1,697,132.79	0.04	0.03
UNIQA INSURANCE GROUP AG 15/26 +6.00% 27/07 27/07	500,000.00	EUR	100.408	514,861.92	0.01	0.01
UNIQA INSURANCE GROUP AG 20/30 +1.375%	1,000,000.00	EUR	79.825	804,803.69	0.02	0.02



<u>Belgium</u>							
AGEAS NV 19/49 +3.25% 02/07	1,300,000.00	EUR	84.485	1,119,258.39	0.02	0.02	
AGEAS NV 20/51 +1.875% 24/05	500,000.00	EUR	71.501	358,429.31	0.01	0.01	
BPOST SA 18/26 +1.25% 11/07 11/07	4,000,000.00	EUR	92.253	3,713,678.64	0.08	0.07	
ELIA TRANSMISSION BELGIUM SA 19/26 +1.375%	500,000.00	EUR	93.144	472,312.02	0.01	0.01	
G.B.L. 18/25 +1.875%	200,000.00	EUR	96.396	194,785.19	0.00	0.00	
G.B.L. 22/29 +3.125%	300,000.00	EUR	96.266	291,752.52	0.01	0.01	
LONZA FINANCE INTERNATIONAL NV 20/27 +1.625%	1,300,000.00	EUR	91.012	1,197,799.07	0.03	0.02	
PROXIMUS 14/24 +2.375% 04/04 04/04	3,000,000.00	EUR	98.700	3,013,697.23	0.07	0.06	
PROXIMUS 21/36 +0.75%	2,000,000.00	EUR	67.164	1,345,039.12	0.03	0.03	
VGP NV 21/29 +1.50%	800,000.00	EUR	66.131	537,796.20	0.01	0.01	
<u>Cyprus</u>							
AROUNDTOWN PROPERTY HOLD SA 19/28 +1.45% 09/07 09/07	2,000,000.00	EUR	62.659	1,267,002.16	0.03	0.03	
<u>France</u>							
AEROPORTS DE PARIS 17/27 +1.00% 13/12 13/12	2,000,000.00	EUR	88.086	1,762,648.41	0.04	0.04	
AEROPORTS DE PARIS 18/38 +2.125%	500,000.00	EUR	73.414	369,400.07	0.01	0.01	
AEROPORTS DE PARIS 19/34 +1.125% 18/06 18/06	700,000.00	EUR	71.061	501,633.91	0.01	0.01	
ALD SA 22/27 +4.00%	500,000.00	EUR	100.141	510,457.02	0.01	0.01	
ARKEMA 15/25 +1.50%	1,500,000.00	EUR	95.974	1,460,821.56	0.03	0.03	
AUCHAN HOLDINGS SA 20/27 +3.25%	3,000,000.00	EUR	92.083	2,805,227.93	0.06	0.06	
AUTOROUTES DU SUD DE LA FRANCE 22/32 +2.75%	300,000.00	EUR	92.240	279,409.25	0.01	0.01	
AXA 13/43 5.125% 04/07	300,000.00	EUR	100.627	309,421.07	0.01	0.01	
AXA 18/29 +3.25% 26/03 28/05	300,000.00	EUR	88.787	272,130.05	0.01	0.01	
AXA 21/41 +1.375% 07/04	800,000.00	EUR	74.050	594,930.83	0.01	0.01	
AXA 22/30 +3.75%	400,000.00	EUR	100.514	405,301.10	0.01	0.01	
CARREFOUR 22/28 +4.125%	100,000.00	EUR	100.108	101,000.54	0.00	0.00	
CARREFOUR 22/28 +4.125%	600,000.00	EUR	99.931	604,942.85	0.01	0.01	
COVIVIO 20/30 +1.625%	700,000.00	EUR	84.657	598,519.01	0.01	0.01	
COVIVIO HOTELS SACA 21/29 +1.00%	400,000.00	EUR	76.518	307,781.17	0.01	0.01	
CREDIT AGRICOLE ASSURANCES SA 14/25 +4.50% 14/10 14/10	2,000,000.00	EUR	97.664	1,972,270.00	0.04	0.04	
CREDIT AGRICOLE ASSURANCES SA 15/25 +4.25% 13/01 13/01	500,000.00	EUR	97.534	508,103.68	0.01	0.01	
CREDIT AGRICOLE ASSURANCES SA 16/28 +4.75% 27/09 27/09	1,500,000.00	EUR	96.670	1,468,394.96	0.03	0.03	
CREDIT AGRICOLE ASSURANCES SA 20/30 +2.00%	1,500,000.00	EUR	79.486	1,205,936.02	0.03	0.02	
DANONE SA 17/23 +1.75% 30/10 23/06	4,200,000.00	EUR	98.927	4,193,194.27	0.09	0.08	
DANONE SA 21/99 1.00%	200,000.00	EUR	84.010	168,096.74	0.00	0.00	
EDENRED 15/25 +1.375% 10/03 10/03	2,000,000.00	EUR	95.214	1,926,497.93	0.04	0.04	
EDENRED 18/26 +1.875% 06/12 06/03	1,500,000.00	EUR	95.500	1,455,535.56	0.03	0.03	
ESSILOR LUXOTTICA 19/27 +0.375%	4,500,000.00	EUR	87.691	3,947,623.38	0.09	0.08	
ESSILOR LUXOTTICA 20/28 +0.50%	3,000,000.00	EUR	86.984	2,618,072.90	0.06	0.05	
GIE PSA TRESORERIE 3/33 +6.00%	2,500,000.00	EUR	109.573	2,781,253.56	0.06	0.06	
INDIGO GROUP SAS 18/28 +1.625%	1,400,000.00	EUR	86.350	1,224,795.37	0.03	0.02	
JCDECAUX SA 20/28 +2.625%	700,000.00	EUR	89.162	636,722.74	0.01	0.01	
KERING 22-25 1.25%	600,000.00	EUR	95.748	579,396.35	0.01	0.01	
KLEPIERRE (CIE FONCIERE) 17/27 +1.375% 16/02 16/02	300,000.00	EUR	89.166	271,079.54	0.01	0.01	
L'OREAL 22/26 +0.875%	600,000.00	EUR	93.028	562,137.23	0.01	0.01	
LA MONDIALE SAM 14/25 +5.05% 17/12 17/12	4,000,000.00	EUR	99.192	3,974,863.92	0.09	0.08	
LEGRAND 17/24 +0.75% 06/07 06/07	2,000,000.00	EUR	96.773	1,942,724.47	0.04	0.04	
LEGRAND 20/30 +0.75%	500,000.00	EUR	82.100	412,801.42	0.01	0.01	
LVMH-MOET HENNESSY LOUIS VUITT SE 20/25 +0.75%	3,300,000.00	EUR	95.370	3,165,313.47	0.07	0.06	
NEXANS SA 17/24 +2.75%	800,000.00	EUR	99.017	808,349.70	0.02	0.02	
ORANGE S.A. 3/33 8.125% 28/1	800,000.00	EUR	131.032	1,108,089.02	0.02	0.02	
ORANGE S.A. 19/25 +2.375% 15/04 15/04	100,000.00	EUR	94.798	96,483.15	0.00	0.00	
ORANGE S.A. 22/32 +2.375%	1,800,000.00	EUR	89.882	1,644,343.70	0.04	0.03	
PERNOD RICARD SA 14/24 +2.125% 27/09 27/09	500,000.00	EUR	97.969	492,580.03	0.01	0.01	
PERNOD RICARD SA 20/25 +1.125%	200,000.00	EUR	95.095	191,835.30	0.00	0.00	
SOCIETE DU GRAND PARIS EPIC 22/42 +1.625%	6,800,000.00	EUR	70.092	4,847,110.28	0.10	0.10	
SODEXO 20/25 +0.75%	2,000,000.00	EUR	94.751	1,905,161.48	0.04	0.04	
TDF INFRASTRUCTURE SASU 21/29 +1.75%	500,000.00	EUR	75.992	380,656.41	0.01	0.01	
TELEPERFORMANCE 18/25 +1.875% 02/07 02/07	400,000.00	EUR	94.560	381,957.54	0.01	0.01	
TELEPERFORMANCE 20/27 +0.25%	1,000,000.00	EUR	82.495	825,181.63	0.02	0.02	
UNIBAIL-RODAMCO SE 20/31 +1.375%	3,000,000.00	EUR	75.183	2,258,428.81	0.05	0.05	
UNIBAIL-RODAMCO SE 20/32 +2.00%	1,000,000.00	EUR	78.450	794,580.99	0.02	0.02	
VINCI S.A. 20/28 0.00%	800,000.00	EUR	82.645	661,161.64	0.01	0.01	
VIVENDI SA 19/28 +1.125% 11/06 11/12	1,000,000.00	EUR	84.675	847,333.57	0.02	0.02	
WORLDLINE SA 20/27 +0.875%	300,000.00	EUR	86.926	262,094.22	0.01	0.01	
WPP FINANCE SA 20/27 +2.375%	300,000.00	EUR	93.424	284,665.22	0.01	0.01	
<u>Germany</u>							
ALLIANZ AG 14/24 +3.375% 18/09 18/09	1,000,000.00	EUR	96.758	977,104.07	0.02	0.02	
ALLIANZ SE 17/27 +3.099% 13/01 06/07	1,000,000.00	EUR	92.413	939,155.08	0.02	0.02	
ALLIANZ SE 19/49 +1.301% 25/09	4,000,000.00	EUR	77.970	3,132,482.63	0.07	0.06	
AMPRION GMBH 22/32 +3.971%	400,000.00	EUR	98.532	398,435.04	0.01	0.01	
DEUTSCHE BOERSE AG 21/26 0.00%	1,000,000.00	EUR	90.048	900,483.90	0.02	0.02	
DEUTSCHE TELEKOM INT FIN 19/39 +2.25%	1,000,000.00	EUR	79.049	807,504.20	0.02	0.02	
EUROGRID GMBH 15/25 +1.875%	1,000,000.00	EUR	96.146	971,891.43	0.02	0.02	
EUROGRID GMBH 20/32 +1.113%	600,000.00	EUR	78.769	476,805.65	0.01	0.01	

HANNOVER RUECK SE 19/29 +1.125% 09/10 09/10	1,300,000.00	EUR	76.754	1,001,088.53	0.02	0.02
INFINEON TECHNOLOGIES AG 20/32 +2.00%	1,500,000.00	EUR	83.261	1,264,453.23	0.03	0.03
KNORR-BREMSE AG 18/25 +1.125%	200,000.00	EUR	95.540	192,312.86	0.00	0.00
KNORR-BREMSE AG 22/27 +3.25%	400,000.00	EUR	97.977	395,467.92	0.01	0.01
MERCK FIN SERVICES GMBH 19/31 +0.875%	1,000,000.00	EUR	79.734	801,606.87	0.02	0.02
MERCK KGAA 14/24 +3.375% 12/12 12/12	1,000,000.00	EUR	98.735	989,011.03	0.02	0.02
MERCK KGAA 19/79 +1.625% 18/12	500,000.00	EUR	94.471	472,619.62	0.01	0.01
MERCK KGAA 20/80 0.00%	1,300,000.00	EUR	89.117	1,158,525.68	0.03	0.02
ROBERT BOSCH 14/24 +1.75% 08/07 08/07	1,000,000.00	EUR	97.825	986,636.46	0.02	0.02
TALANX AG 17/27 +2.25% 05/12 05/12	700,000.00	EUR	85.695	600,944.16	0.01	0.01
TALANX AG 22/29 +4.00%	500,000.00	EUR	99.595	501,589.32	0.01	0.01
VOLKSWAGEN FIN SERV AG 22/25 +0.25%	1,500,000.00	EUR	92.782	1,395,149.36	0.03	0.03
VONOVIA SE 22/30 +5.00%	200,000.00	EUR	98.206	197,426.64	0.00	0.00
WPP FINANCE DEUTSCHLAND GMBH 15/30 +1.625% 23/03 23/03	5,000,000.00	EUR	85.426	4,334,057.72	0.09	0.09
WUERTH FINANCE INTERNATIONAL B 18/25 +1.00% 26/05 26/02	2,000,000.00	EUR	95.392	1,919,776.40	0.04	0.04
<u>Ireland</u>						
ABBOTT IRELAND FINANCING DAC 18/26 +1.50%	900,000.00	EUR	93.656	846,380.17	0.02	0.02
CLOVERIE PLC FOR ZURICH INSURA 18/28 +1.50% 24/10 15/12	500,000.00	EUR	87.217	436,394.25	0.01	0.01
DXC CAPITAL FUNDING LTD 21/27 +0.45%	1,200,000.00	EUR	82.732	994,435.47	0.02	0.02
DXC CAPITAL FUNDING LTD 21/31 +0.95%	2,500,000.00	EUR	76.058	1,908,354.76	0.04	0.04
JOHNSON CONTROLS INTERNATIONAL 20/27 +0.375%	3,500,000.00	EUR	85.461	2,994,944.72	0.07	0.06
MEDTRONIC GLOBAL HOLDINGS SCA 19/25 +0.25%	2,000,000.00	EUR	92.530	1,853,076.35	0.04	0.04
MEDTRONIC GLOBAL HOLDINGS SCA 19/27 +1.125% 07/03 07/03	2,500,000.00	EUR	90.918	2,295,924.46	0.05	0.05
MEDTRONIC GLOBAL HOLDINGS SCA 19/39 +1.50% 02/07 02/07	3,000,000.00	EUR	68.475	2,076,568.82	0.05	0.04
MEDTRONIC GLOBAL HOLDINGS SCA 20/25 0.00%	1,000,000.00	EUR	90.921	909,214.90	0.02	0.02
<u>Italy</u>						
AEROPORTI DI ROMA SPA 21/31 +1.75%	700,000.00	EUR	74.473	526,446.11	0.01	0.01
FCA BANK SPA IRELAND 19/24 +0.50% 13/09 13/09	2,500,000.00	EUR	94.209	2,358,914.13	0.05	0.05
FCA BANK SPA IRELAND 21/24 0.00%	6,000,000.00	EUR	95.193	5,711,592.60	0.12	0.11
TERNA RETE ELETTRICA NAZIONALE 17/27 +1.375% 26/07 26/07	4,000,000.00	EUR	90.372	3,638,553.73	0.08	0.07
TERNA RETE ELETTRICA NAZIONALE 19/25 +0.125%	3,500,000.00	EUR	91.730	3,212,449.26	0.07	0.06
<u>Luxembourg</u>						
DH EUROPE FINANCE II SARL 19/39 +1.35% 18/09 18/09	1,000,000.00	EUR	68.214	685,952.24	0.02	0.01
HANNOVER FINANCE SA 12/43 5% 30/06	1,000,000.00	EUR	100.295	1,028,018.49	0.02	0.02
HELVETIA EUROPE SA 20/41 +2.75% 30/06	1,500,000.00	EUR	77.564	1,173,743.50	0.03	0.02
MOHAWK CAPITAL FINANCE SA 20/27 +1.75%	6,000,000.00	EUR	90.125	5,465,300.62	0.12	0.11
NESTLE FINANCE INTERNATIONAL LTD 20/30 +1.50%	2,500,000.00	EUR	88.332	2,236,342.08	0.05	0.04
NESTLE FINANCE INTERNATIONAL LTD 21/26 0.00%	500,000.00	EUR	90.099	450,494.98	0.01	0.01
NOVARTIS FINANCE SA 18/30 +1.375% 14/08 14/08	2,000,000.00	EUR	86.621	1,742,825.66	0.04	0.04
TELENET FINANCE LUXEMBOURG NOT 17/28 +3.50%	1,300,000.00	EUR	90.875	1,202,317.47	0.03	0.02
<u>Netherlands</u>						
ARGENTUM NETHER FOR ZURICH INSURANCE 16/26 3.5% 01/10	500,000.00	EUR	94.273	475,681.15	0.01	0.01
ARGENTUM NETHER FOR ZURICH INSURANCE 19/49 +2.75% 19/02	3,000,000.00	EUR	86.666	2,670,959.50	0.06	0.05
ASML HOLDING NV 20/30 +0.25%	1,500,000.00	EUR	80.196	1,206,110.23	0.03	0.02
ASML HOLDING NV 22/32 +2.25%	1,200,000.00	EUR	90.553	1,103,426.94	0.02	0.02
COCA-COLA HBC FINANCE BV 22/25 +2.75%	100,000.00	EUR	97.236	97,974.10	0.00	0.00
COMPASS GROUP FINANCE NETHERLA 17/24 +0.625%	1,500,000.00	EUR	96.164	1,447,082.32	0.03	0.03
DEMETER (SWISS LIFE) 15/25 +4.375% 16/06 16/06	3,000,000.00	EUR	97.511	2,996,169.04	0.07	0.06
DEUTSCHE BAHN FIN 19/25 +0.95% 18/10 22/04	6,800,000.00	EUR	91.185	6,245,182.59	0.14	0.12
DEUTSCHE BAHN FIN 19/29 +1.60% 18/10 18/10	1,300,000.00	EUR	78.896	1,029,803.13	0.02	0.02
DEUTSCHE BAHN FIN 20/39 +0.875%	1,000,000.00	EUR	65.641	660,963.79	0.01	0.01
DEUTSCHE BAHN FIN 21-51 1.125	3,000,000.00	EUR	55.779	1,673,355.45	0.04	0.03
DEUTSCHE BAHN FIN 21/31 +0.35%	860,000.00	EUR	76.141	655,575.11	0.01	0.01
DEUTSCHE TELEKOM INTERNATIONAL 17/24 +0.625% 13/12 13/12	2,000,000.00	EUR	95.455	1,909,675.19	0.04	0.04
DEUTSCHE TELEKOM INTERNATIONAL 17/27 +1.375% 30/01 30/01	1,000,000.00	EUR	92.769	940,270.39	0.02	0.02
DEUTSCHE TELEKOM INTERNATIONAL 18/29 +2.00% 01/06 01/12	1,200,000.00	EUR	90.384	1,086,510.17	0.02	0.02
DIAGEO CAPITAL BV 20/28 +0.125%	1,500,000.00	EUR	83.343	1,250,616.89	0.03	0.03
DSV PANALPINA FINANCE BV 21/31 +0.50%	2,500,000.00	EUR	75.235	1,891,210.72	0.04	0.04
DSV PANALPINA FINANCE BV 21/36 +0.875%	800,000.00	EUR	63.839	512,702.92	0.01	0.01
HEINEKEN 16/26 +1.00% 04/05 04/05	1,000,000.00	EUR	92.219	928,765.14	0.02	0.02
HEINEKEN 20/25 +1.625%	500,000.00	EUR	96.035	486,295.13	0.01	0.01
HEINEKEN 20/40 +1.75%	1,000,000.00	EUR	71.928	730,647.81	0.02	0.02
KON. AHOLD DELHAIZE NV 21/30 +0.375%	1,000,000.00	EUR	79.128	794,224.33	0.02	0.02
KONINKLIJKE D.S.M. NV 16/26 +0.75% 28/09 28/09	1,000,000.00	EUR	89.930	901,213.76	0.02	0.02
KONINKLIJKE KPN NV 16/25 +0.625% 09/09 09/04	2,400,000.00	EUR	93.716	2,260,077.53	0.05	0.05
KONINKLIJKE KPN NV 20/32 +0.875%	700,000.00	EUR	73.112	512,050.04	0.01	0.01
KONINKLIJKE KPN NV 21/33 +0.875%	2,500,000.00	EUR	71.193	1,782,517.17	0.04	0.04
MUNICH RE FINANCE BV 18/29 +3.25% 22/11 26/05	1,000,000.00	EUR	89.512	914,527.11	0.02	0.02
NN GROUP NV 14/26 +4.50% 15/07 15/01	500,000.00	EUR	97.565	498,181.16	0.01	0.01
NN GROUP NV 22/43 +5.25% 30/08	500,000.00	EUR	92.693	472,240.42	0.01	0.01

NOVO NORDISK FINANCE NETHERLAN 21/28 +0.125%	1,000,000.00	EUR	84.148	842,197.40	0.02	0.02
NOVO NORDISK FINANCE NETHERLAN 22/27 +1.125%	250,000.00	EUR	90.362	226,606.64	0.01	0.01
ROCHE FINANCE EUROPE BV 15/25 +0.875% 25/02 25/02	3,500,000.00	EUR	96.768	3,412,716.69	0.07	0.07
SIKA CAPITAL BV 19/27 +0.875%	8,000,000.00	EUR	88.917	7,160,363.90	0.15	0.14
SWISSCOM FINANCE BV 20/28 +0.375%	2,200,000.00	EUR	83.044	1,828,010.03	0.04	0.04
TENNET HOLDING BV 20/40 +0.50%	600,000.00	EUR	55.789	334,983.15	0.01	0.01
TENNET HOLDING BV 22/34 +4.50%	470,000.00	EUR	103.818	491,594.28	0.01	0.01
THERMO FISHER SCIENTIFIC FINAN 21-25 0	2,000,000.00	EUR	90.658	1,813,158.20	0.04	0.04
THERMO FISHER SCIENTIFIC FINAN 21/41 +1.625%	2,300,000.00	EUR	67.030	1,549,160.98	0.03	0.03
UNILEVER FINANCE NETHERLANDS BV 18/33 +1.625% 12/02 12/02	500,000.00	EUR	83.796	426,127.00	0.01	0.01
UNILEVER FINANCE NETHERLANDS BV 22/34 +2.25%	500,000.00	EUR	87.552	444,788.98	0.01	0.01
<u>Romania</u>						
NE PROPERTY COOPERATIEF UA 17/24 +1.75%	2,000,000.00	EUR	93.548	1,874,507.94	0.04	0.04
NE PROPERTY COOPERATIEF UA 19/26 +1.875%	1,500,000.00	EUR	84.358	1,271,692.02	0.03	0.03
NE PROPERTY COOPERATIEF UA 20/27 +3.375%	1,000,000.00	EUR	86.630	881,925.11	0.02	0.02
<u>Spain</u>						
CANAL DE ISABEL II GESTION SA 15/25 +1.68%	1,000,000.00	EUR	95.141	965,543.26	0.02	0.02
FCC AQUALIA SA 17/27 +2.629%	3,500,000.00	EUR	91.407	3,250,912.06	0.07	0.07
HOLDING D'INFRASTRUCTURES DE T 21/28 +0.625%	1,000,000.00	EUR	80.315	804,984.59	0.02	0.02
INMOBILIARIA COLONIAL SOCIMI SA 20/28 +1.35%	2,000,000.00	EUR	82.765	1,660,987.49	0.04	0.03
MERLIN PROPERTIES SOCIMI SA 17/25 +1.75%	1,000,000.00	EUR	94.161	952,063.90	0.02	0.02
MERLIN PROPERTIES SOCIMI SA 19/34 +1.875%	3,000,000.00	EUR	69.363	2,084,901.65	0.05	0.04
MERLIN PROPERTIES SOCIMI SA 21/30 +1.375%	2,000,000.00	EUR	77.257	1,561,106.30	0.03	0.03
O2 TELEFONICA DEUTSCHLAND FINA 18/25 +1.75% 05/07 05/07	6,400,000.00	EUR	95.036	6,136,915.17	0.13	0.12
RED ELECTRICA FINANCIACIONES S 16/26 +1.00% 21/04 21/04	1,000,000.00	EUR	92.571	932,644.56	0.02	0.02
TELEFONICA EMISIONES SAU 22/31 +2.592%	200,000.00	EUR	90.445	184,000.08	0.00	0.00
<u>Sweden</u>						
ATLAS COPCO AB 16/26 +0.625% 30/08 30/08	3,400,000.00	EUR	90.651	3,089,250.00	0.07	0.06
TELIA CO AB 12/27 +3.00% 07/09 07/09	1,500,000.00	EUR	97.040	1,469,657.79	0.03	0.03
TELIA CO AB 15/35 +1.625%	1,000,000.00	EUR	77.659	790,391.82	0.02	0.02
Total bonds				1,579,354,275.00	34.04	31.40
<b>Money market instruments</b>						
Government money market instruments						
<u>Netherlands</u>						
NETHERLANDS 17/24 0.00%	3,000,000.00	EUR	97.356	2,920,680.00	0.06	0.06
<u>Spain</u>						
SPAIN 8/24 4.8% 31/01	13,500,000.00	EUR	102.260	14,396,355.18	0.31	0.29
Money market instruments issued by credit instit.						
<u>France</u>						
BPCE SA 18/24 +0.875% 31/01 31/01	1,500,000.00	EUR	97.430	1,473,430.99	0.03	0.03
PSA BANQUE FRANCE SA 18/23 +0.75% 19/04 19/04	2,000,000.00	EUR	99.532	2,001,119.45	0.04	0.04
SOCIETE GENERALE SA 13/23 +4.00% 07/06 07/06	2,500,000.00	EUR	100.217	2,561,863.36	0.06	0.05
SOCIETE GENERALE SA 16/23 +0.75% 26/05 26/05	2,000,000.00	EUR	99.377	1,996,498.90	0.04	0.04
<u>Italy</u>						
UNICREDIT SPA 18/23 +1.00% 18/01 18/01	2,000,000.00	EUR	99.952	2,017,998.90	0.04	0.04
<u>Netherlands</u>						
ABN AMRO BANK NV 13/23 2.5% 29/11	2,500,000.00	EUR	99.925	2,503,433.22	0.05	0.05
<u>Spain</u>						
CAIXABANK SA 19/24 +2.375% 18/01 01/02	1,000,000.00	EUR	99.048	1,012,084.54	0.02	0.02
<u>Sweden</u>						
LANSFORSKRINGAR HYPOTEK AB 18/23 +0.875% 25/09 25/09	1,000,000.00	EUR	98.314	985,441.37	0.02	0.02
NORDEA BANK AB 18/23 +0.875% 26/06 26/06	2,000,000.00	EUR	99.245	1,993,865.75	0.04	0.04
Corporate money market instruments						
<u>France</u>						
CAPGEMINI SA 15/23 +2.50% 01/07 01/07	2,000,000.00	EUR	99.768	2,020,291.51	0.04	0.04
LVMH-MOET HENNESSY LOUIS VUITT SE 19/23 +0.125% 28/02 28/02	1,900,000.00	EUR	99.731	1,896,873.59	0.04	0.04
ORANGE S.A. 13/24 +3.125% 09/01 09/01	1,000,000.00	EUR	100.409	1,034,485.84	0.02	0.02
PUBLICIS GROUPE SA 16/23 +0.50% 03/11 03/11	400,000.00	EUR	98.071	392,596.33	0.01	0.01
<u>Germany</u>						
ALLIANZ AG 13/23 4.75% 24/10 24/10	2,000,000.00	EUR	99.452	2,006,478.36	0.04	0.04
SAP AG 14/23 +1.125%	3,000,000.00	EUR	99.870	3,025,041.78	0.07	0.06
VOLKSWAGEN FIN SERV AG 20/23 +2.50%	1,000,000.00	EUR	99.919	1,017,546.16	0.02	0.02
<u>Ireland</u>						
ABBOTT IRELAND FINANCING DAC 18/23 +0.875%	3,000,000.00	EUR	98.705	2,967,910.27	0.06	0.06
CRH FUNDING BV 15/24 +1.875% 02/12 09/01	2,500,000.00	EUR	98.619	2,511,061.88	0.05	0.05
RYANAIR LTD 15/23 +1.125% 10/03 10/03	2,000,000.00	EUR	99.645	2,011,084.93	0.04	0.04

RYANAIR LTD 17/23 +1.125%	1,000,000.00	EUR	98.840	992,622.60		0.02	0.02
<u>Italy</u>							
FCA BANK SPA IRELAND 20/23 +0.125%	1,500,000.00	EUR	97.021	1,455,541.03		0.03	0.03
FCA BANK SPA IRELAND 20/23 +0.50%	500,000.00	EUR	97.932	490,365.48		0.01	0.01
<u>Netherlands</u>							
ASML HOLDING NV 13/23 +3.375% 19/09 19/09	1,000,000.00	EUR	100.532	1,014,751.51		0.02	0.02
Total money market instruments				56,699,422.93		1.22	1.13
<b>Shares</b>							
Exchange-listed shares							
<u>Austria</u>							
ANDRITZ AG -	170,169.00	EUR	53.550	9,112,549.95		0.20	0.18
AUSTRIA TECHNOLOGIE & SYSTEMTE -	108,944.00	EUR	32.000	3,486,208.00		0.08	0.07
ERSTE GROUP BANK AG -	192,633.00	EUR	29.900	5,759,726.70		0.12	0.12
LENZING AG (WIEN)	29,402.00	EUR	54.800	1,611,229.60		0.04	0.03
PALFINGER AG -	152,269.00	EUR	23.650	3,601,161.85		0.08	0.07
ROSENBAUER INTERNATIONAL AG -	30,100.00	EUR	30.100	906,010.00		0.02	0.02
S&T AG -	318,020.00	EUR	15.290	4,862,525.80		0.11	0.10
UNIQA INSURANCE GROUP AG -	616,334.00	EUR	7.000	4,314,338.00		0.09	0.09
WIENERBERGER AG (WIEN)	232,937.00	EUR	22.560	5,255,058.72		0.11	0.10
<u>Belgium</u>							
ACKERMANS VH NV -	31,183.00	EUR	160.200	4,995,516.60		0.11	0.10
AEDIFICA -	46,452.00	EUR	75.800	3,521,061.60		0.08	0.07
AGEAS NV -	343,804.00	EUR	41.420	14,240,361.68		0.31	0.28
AGFA GEVAERT -	472,914.00	EUR	2.670	1,262,680.38		0.03	0.03
ANHEUSER-BUSCH INBEV NV -	250,629.00	EUR	56.270	14,102,893.83		0.30	0.28
BARCO NV NEW	181,955.00	EUR	23.080	4,199,521.40		0.09	0.08
D'IETTEREN -	39,082.00	EUR	179.200	7,003,494.40		0.15	0.14
ELIA SYSTEM OPERATOR -	79,970.00	EUR	132.800	10,620,016.00		0.23	0.21
GALAPAGOS GENOMICS NV -	63,783.00	EUR	41.350	2,637,427.05		0.06	0.05
JENSEN-GROUP NV (BRU)	157,000.00	EUR	26.500	4,160,500.00		0.09	0.08
KBC GROUP -	1,382,853.00	EUR	60.080	83,081,808.24		1.79	1.65
SIPEF (BRU)	35,141.00	EUR	58.900	2,069,804.90		0.05	0.04
SOLVAY -	63,436.00	EUR	94.460	5,992,164.56		0.13	0.12
TELENET -	500,858.00	EUR	15.250	7,638,084.50		0.17	0.15
UMICORE -	509,076.00	EUR	34.320	17,471,488.32		0.38	0.35
WAREHOUSE DISTR. DE PAUW -	184,715.00	EUR	26.700	4,931,890.50		0.11	0.10
<u>Bermuda</u>							
EVEREST RE GROUP LTD -	15,930.00	USD	331.270	4,944,606.32		0.11	0.10
<u>Canada</u>							
BANK OF MONTREAL -	75,376.00	CAD	122.660	6,393,616.95		0.14	0.13
ROYAL BK CANADA -	164,078.00	CAD	127.300	14,444,061.33		0.31	0.29
<u>China</u>							
JIANGSU EXPRESSWAY COMP LTD -	1,342,628.00	HKD	7.130	1,149,235.26		0.03	0.02
<u>Denmark</u>							
CHRISTIAN HANSEN HOLDING A/S -	81,198.00	DKK	499.700	5,456,193.02		0.12	0.11
DFDS A/S -	20,397.00	DKK	256.400	703,265.58		0.02	0.01
DSV PANALPINA A S -	35,370.00	DKK	1,096.500	5,215,293.33		0.11	0.10
FLUEGGER GROUP A/S -	6,523.00	DKK	425.000	372,796.09		0.01	0.01
H+H INTERNATIONAL A/S -	184,842.00	DKK	102.600	2,550,251.80		0.06	0.05
MATAS A/S -	40,237.00	DKK	69.700	377,132.03		0.01	0.01
NOVO NORDISK A/S B	39,473.00	DKK	938.000	4,978,952.89		0.11	0.10
NOVOZYMES A/S B	177,451.00	DKK	351.900	8,397,166.45		0.18	0.17
RTXTELECOM -	67,121.00	DKK	117.800	1,063,258.23		0.02	0.02
SCHOUW & CO -	14,389.00	DKK	524.000	1,013,904.25		0.02	0.02
SOLAR A/S -	39,823.00	DKK	620.000	3,320,172.95		0.07	0.07
VESTAS WINDS SYSTEMS -	988,812.00	DKK	202.100	26,872,934.01		0.58	0.53
<u>Finland</u>							
ALMA MEDIA CORP -	160,186.00	EUR	9.400	1,505,748.40		0.03	0.03
ANORA GROUP OYJ -	92,425.00	EUR	7.360	680,248.00		0.02	0.01
ASPO OYJ -	51,321.00	EUR	8.200	420,832.20		0.01	0.01
CAVERION CORP -	128,851.00	EUR	6.930	892,937.43		0.02	0.02
DETECTION TECHNOLOGY OY -	43,665.00	EUR	16.900	737,938.50		0.02	0.02
ETTEPLAN OYJ -	107,660.00	EUR	14.600	1,571,836.00		0.03	0.03
EVLI PLC -	51,292.00	EUR	15.150	777,073.80		0.02	0.02
EXEL COMPOSITES OYJ -	23,292.00	EUR	5.420	126,242.64		0.00	0.00
F-SECURE CORP -	427,771.00	EUR	2.830	1,210,591.93		0.03	0.02
FELLOW BANK PLC -	49,302.00	EUR	0.363	17,896.63		0.00	0.00
FISKARS OYJ ABP -	34,346.00	EUR	15.380	528,241.48		0.01	0.01
HARVIA OYJ -	39,191.00	EUR	17.680	692,896.88		0.02	0.01
HUHTAMAKI OYJ -	203,124.00	EUR	32.000	6,499,968.00		0.14	0.13
KONE CORP. -	77,096.00	EUR	48.300	3,723,736.80		0.08	0.07
KONECRANES OYJ -	250,390.00	EUR	28.760	7,201,216.40		0.16	0.14
LASSILA & TIKANOJA OYJ -	113,581.00	EUR	10.640	1,208,501.84		0.03	0.02
MARIMEKKO OYJ -	293,236.00	EUR	8.760	2,568,747.36		0.06	0.05

NOKIA A	2,518,144.00	EUR	4.327	10,896,009.09		0.24	0.22
NORDEA BANK ABP -	16,016.00	EUR	10.030	160,640.48		0.00	0.00
OLVI OYJ -	44,868.00	EUR	33.150	1,487,374.20		0.03	0.03
ORIOLA OYJ_B -B-	508,199.00	EUR	1.740	884,266.26		0.02	0.02
PONSSE OY -	59,757.00	EUR	25.300	1,511,852.10		0.03	0.03
RAISIO GROUP (HEL) 'V'	524,844.00	EUR	2.490	1,306,861.56		0.03	0.03
SAMPO OYJ SAMPO OYJ	205,738.00	EUR	48.820	10,044,129.16		0.22	0.20
SCANFIL OYJ -	264,642.00	EUR	6.580	1,741,344.36		0.04	0.04
SUOMINEN OYJ -	236,699.00	EUR	2.995	708,913.51		0.02	0.01
TELESTE OYJ -	133,483.00	EUR	3.540	472,529.82		0.01	0.01
TIETOEVRY CORP -	332,010.00	EUR	26.520	8,804,905.20		0.19	0.18
UPONOR OYJ -	306,678.00	EUR	16.610	5,093,921.58		0.11	0.10
VAISALA OYJ -	111,460.00	EUR	39.450	4,397,097.00		0.10	0.09
WITHSECURE OYJ (HELS)	427,771.00	EUR	1.373	587,329.58		0.01	0.01
<u>France</u>							
ACCOR -	174,128.00	EUR	23.350	4,065,888.80		0.09	0.08
AKWEL -	118,613.00	EUR	17.400	2,063,866.20		0.04	0.04
ALD SA -	376,181.00	EUR	10.760	4,047,707.56		0.09	0.08
ALSTOM -	748,985.00	EUR	22.820	17,091,837.70		0.37	0.34
ALTEN -	74,138.00	EUR	116.800	8,659,318.40		0.19	0.17
ARKEMA -	41,044.00	EUR	83.880	3,442,770.72		0.07	0.07
AUBAY -	103,044.00	EUR	48.750	5,023,395.00		0.11	0.10
AXA -	1,747,346.00	EUR	26.055	45,527,100.03		0.98	0.91
BASSAC SA -	89,808.00	EUR	47.900	4,301,803.20		0.09	0.09
BENETEAU -	112,862.00	EUR	14.140	1,595,868.68		0.03	0.03
BIOMERIEUX -	16,810.00	EUR	97.920	1,646,035.20		0.04	0.03
BONDUELLE -	106,146.00	EUR	13.380	1,420,233.48		0.03	0.03
BURELLE SA -	1,868.00	EUR	473.000	883,564.00		0.02	0.02
CAPGEMINI SA -	202,200.00	EUR	155.950	31,533,090.00		0.68	0.63
CEGEDIM SA -	32,713.00	EUR	14.560	476,301.28		0.01	0.01
CHARGEURS SA (PAR)	153,682.00	EUR	14.080	2,163,842.56		0.05	0.04
DANONE SA -	474,392.00	EUR	49.230	23,354,318.16		0.50	0.46
DELTA PLUS GROUP -	37,709.00	EUR	72.200	2,722,589.80		0.06	0.05
EKINOPS SAS -	96,927.00	EUR	8.400	814,186.80		0.02	0.02
ELIS SA -	504,595.00	EUR	13.820	6,973,502.90		0.15	0.14
FAURECIA (PAR)	129,668.00	EUR	14.130	1,832,208.84		0.04	0.04
GERARD PERRIER INDUSTRIE SA -	17,485.00	EUR	90.400	1,580,644.00		0.03	0.03
GUERBET -	44,115.00	EUR	16.960	748,190.40		0.02	0.02
HERMES INTL. (PAR)	21,855.00	EUR	1,445.000	31,580,475.00		0.68	0.63
IPSEN -	85,428.00	EUR	100.500	8,585,514.00		0.19	0.17
IPSOS -	113,651.00	EUR	58.500	6,648,583.50		0.14	0.13
KERING -	51,973.00	EUR	475.500	24,713,161.50		0.53	0.49
L'OREAL -	131,126.00	EUR	333.600	43,743,633.60		0.94	0.87
LDC S.A. -	13,194.00	EUR	107.500	1,418,355.00		0.03	0.03
LECTRA -	104,759.00	EUR	35.200	3,687,516.80		0.08	0.07
LEGRAND (PAR)	129,673.00	EUR	74.820	9,702,133.86		0.21	0.19
LISI -	194,273.00	EUR	19.460	3,780,552.58		0.08	0.08
LVMH-MOET HENNESSY LOUIS VUITT SE -	120,588.00	EUR	679.900	81,987,781.20		1.77	1.63
MAISON FRANCE CONFORT -	10,983.00	EUR	18.600	204,283.80		0.00	0.00
MANITOU BF SA -	21,814.00	EUR	24.800	540,987.20		0.01	0.01
MANUTAN INTERNATIONAL -	18,245.00	EUR	103.000	1,879,235.00		0.04	0.04
MERSEN (PAR)	89,832.00	EUR	37.750	3,391,158.00		0.07	0.07
MICHELIN (PAR)	323,997.00	EUR	25.985	8,419,062.05		0.18	0.17
NEXANS SA (PAR)	91,436.00	EUR	84.450	7,721,770.20		0.17	0.15
NEXITY -	253,699.00	EUR	26.060	6,611,395.94		0.14	0.13
ORANGE S.A. -	1,393,066.00	EUR	9.281	12,929,045.55		0.28	0.26
PERNOD RICARD SA -	64,171.00	EUR	183.750	11,791,421.25		0.25	0.23
PHARMAGEST INTERACTIVE -	21,611.00	EUR	74.700	1,614,341.70		0.04	0.03
PLASTIC OMNIUM (PAR)	212,673.00	EUR	13.580	2,888,099.34		0.06	0.06
PUBLICIS GROUPE SA -	274,703.00	EUR	59.420	16,322,852.26		0.35	0.33
QUADIENT SAS -	72,460.00	EUR	13.770	997,774.20		0.02	0.02
REXEL SA (PAR)	951,528.00	EUR	18.440	17,546,176.32		0.38	0.35
ROCHE BOBOIS SAS -	16,307.00	EUR	35.500	578,898.50		0.01	0.01
ROTHSCHILD & CO -	16,614.00	EUR	37.350	620,532.90		0.01	0.01
SARTORIUS STEDIM BIOTECH -	36,933.00	EUR	369.400	13,643,050.20		0.29	0.27
SCHNEIDER ELECTRIC SE -	219,793.00	EUR	130.720	28,731,340.96		0.62	0.57
SCOR SE (PAR)	192,593.00	EUR	21.490	4,138,823.57		0.09	0.08
SEB (PAR)	33,404.00	EUR	78.250	2,613,863.00		0.06	0.05
SMCP SA -	229,133.00	EUR	6.490	1,487,073.17		0.03	0.03
SOCIETE GENERALE SA -	407,096.00	EUR	23.480	9,558,614.08		0.21	0.19
SODEXHO ALLIANCE -	64,511.00	EUR	89.480	5,772,444.28		0.12	0.12
SOPRA STORIA GROUP SA (PAR)	84,585.00	EUR	141.200	11,943,402.00		0.26	0.24
SPIE SA -	138,689.00	EUR	24.360	3,378,464.04		0.07	0.07
STMICROELECTRONICS NV -	696,368.00	EUR	32.995	22,976,662.16		0.50	0.46
SWORDGROUP -	19,677.00	EUR	39.400	775,273.80		0.02	0.02
TELEPERFORMANCE -	72,790.00	EUR	222.700	16,210,333.00		0.35	0.32
TRIGANO SA -	73,046.00	EUR	127.600	9,320,669.60		0.20	0.19
UBI SOFT ENTERTAINMENT -	255,106.00	EUR	26.410	6,737,349.46		0.14	0.13
UNIBAIL-RODAMCO SE -	101,004.00	EUR	48.630	4,911,824.52		0.11	0.10
VALEO -	274,624.00	EUR	16.700	4,586,220.80		0.10	0.09
VERALLIA SA -	222,228.00	EUR	31.680	7,040,183.04		0.15	0.14

VINCI S.A. -	203,360.00	EUR	93.290	18,971,454.40		0.41	0.38
VIVENDI SA -	1,426,648.00	EUR	8.914	12,717,140.27		0.27	0.25
VOYAGEURS DU MONDE -	21,639.00	EUR	87.000	1,882,593.00		0.04	0.04
<u>Germany</u>							
AAREAL BANK AG -	149,647.00	EUR	32.000	4,788,704.00		0.10	0.10
ADIDAS AG -	74,376.00	EUR	127.460	9,479,964.96		0.20	0.19
ALLGEIER SE -	131,310.00	EUR	28.350	3,722,638.50		0.08	0.07
ALLIANZ AG REG	251,594.00	EUR	200.900	50,545,234.60		1.09	1.00
ALZCHEM GROUP AG -	52,911.00	EUR	16.900	894,195.90		0.02	0.02
AMADEUS AG (FRA)	37,292.00	EUR	115.600	4,310,955.20		0.09	0.09
AURELIUS EQUITY OPPORTUNITIES -	74,021.00	EUR	18.320	1,356,064.72		0.03	0.03
AURUBIS AG (FRA)	150,409.00	EUR	76.360	11,485,231.24		0.25	0.23
BASLER AG (FRA)	84,861.00	EUR	29.550	2,507,642.55		0.05	0.05
CANCOM SE -	95,198.00	EUR	27.360	2,604,617.28		0.06	0.05
CEWE STIFTUNG & CO KGAA -	37,603.00	EUR	88.700	3,335,386.10		0.07	0.07
COMPUGROUP MEDICAL SE &CP KGAA -	78,917.00	EUR	35.980	2,839,433.66		0.06	0.06
CONTINENTAL AG -	258,916.00	EUR	55.980	14,494,117.68		0.31	0.29
DATA MODUL AG -	10,715.00	EUR	55.500	594,682.50		0.01	0.01
DERMAPHARM HOLDING SE -	87,310.00	EUR	37.520	3,275,871.20		0.07	0.07
DEUTSCHE BETEILIGUNGS AG -	21,365.00	EUR	27.900	596,083.50		0.01	0.01
DEUTSCHE BOERSE AG -	95,156.00	EUR	161.400	15,358,178.40		0.33	0.31
DEUTSCHE POST AG -	837,120.00	EUR	35.180	29,449,881.60		0.64	0.59
DEUTSCHE TELEKOM INT FIN REG	1,695,290.00	EUR	18.638	31,596,815.02		0.68	0.63
DEUTZ AG (FRA)	455,196.00	EUR	4.046	1,841,723.02		0.04	0.04
DR HOENLE AG -	22,553.00	EUR	19.200	433,017.60		0.01	0.01
DUERR AG (FRA)	200,601.00	EUR	31.520	6,322,943.52		0.14	0.13
ECKERT & ZIEGLER STRAHLEN UN -	88,432.00	EUR	46.400	4,103,244.80		0.09	0.08
ELMOS SEMICONDUCTOR AG (FRA)	24,224.00	EUR	53.600	1,298,406.40		0.03	0.03
EVONIK INDUSTRIES AG -	470,879.00	EUR	17.935	8,445,214.87		0.18	0.17
EVOTEC SE -	373,463.00	EUR	15.260	5,699,045.38		0.12	0.11
FIRST SENSOR AG -	12,024.00	EUR	59.000	709,416.00		0.02	0.01
FLATEX AG -	146,253.00	EUR	6.326	925,196.48		0.02	0.02
FRAPORT AG -	85,567.00	EUR	38.050	3,255,824.35		0.07	0.07
FREENET AG FRA	258,427.00	EUR	20.420	5,277,079.34		0.11	0.11
FRESENIUS MEDICAL CARE AG & CO -	90,053.00	EUR	30.570	2,752,920.21		0.06	0.06
FRESENIUS SE & CO KGAA (FRA)	251,691.00	EUR	26.250	6,606,888.75		0.14	0.13
GEA AG -	233,972.00	EUR	38.200	8,937,730.40		0.19	0.18
GERRESHEIMER AG -	27,843.00	EUR	62.800	1,748,540.40		0.04	0.04
GFT TECHNOLOGY AG (FRA)	19,832.00	EUR	33.950	673,296.40		0.02	0.01
H&R AG -	86,441.00	EUR	6.020	520,374.82		0.01	0.01
HAMBURGER HAFEN UND LOGISTIK -	76,544.00	EUR	11.900	910,873.60		0.02	0.02
HENKEL KGAA PREF	218,295.00	EUR	65.020	14,193,540.90		0.31	0.28
HORNBAACH HOLDING AG & CO KGAA PREF	5,290.00	EUR	77.250	408,652.50		0.01	0.01
IVU TRAFFIC TECHNOLOGIES AG (FRA)	77,055.00	EUR	16.080	1,239,044.40		0.03	0.03
JUNGHEINRICH AG PREF	232,776.00	EUR	26.580	6,187,186.08		0.13	0.12
KION GROUP AG -	112,283.00	EUR	26.770	3,005,815.91		0.07	0.06
KRONES AG (FRA)	31,636.00	EUR	105.000	3,321,780.00		0.07	0.07
KSB AG -	9,366.00	EUR	400.000	3,746,400.00		0.08	0.07
MERCK KGAA -	189,794.00	EUR	180.900	34,333,734.60		0.74	0.68
MUNCHENER RUCKVERSICHERUNG AG REG	60,850.00	EUR	304.000	18,498,400.00		0.40	0.37
NAGARRO -	92,745.00	EUR	110.600	10,257,597.00		0.22	0.20
NFON AG -	130,874.00	EUR	6.220	814,036.28		0.02	0.02
NORMA GROUP -	127,322.00	EUR	17.000	2,164,474.00		0.05	0.04
PAUL HARTMAN AG -	3,960.00	EUR	208.000	823,680.00		0.02	0.02
PFEIFFER CACUUM TECHNOLOGY AG -	14,161.00	EUR	171.600	2,430,027.60		0.05	0.05
SAF HOLLAND SA -	572,134.00	EUR	8.815	5,043,361.21		0.11	0.10
SAP AG -	483,359.00	EUR	96.390	46,590,974.01		1.00	0.93
SCHAEFFLER AG -	593,130.00	EUR	6.365	3,775,272.45		0.08	0.08
SIEMENS HEALTHINEERS AG -	401,897.00	EUR	46.730	18,780,646.81		0.41	0.37
SILTRONIC AG -	34,832.00	EUR	68.150	2,373,800.80		0.05	0.05
STABILUS GMBH -	28,444.00	EUR	62.900	1,789,127.60		0.04	0.04
STO SE & CO KGAA -	30,891.00	EUR	150.400	4,646,006.40		0.10	0.09
STRATEC SE -	40,823.00	EUR	81.100	3,310,745.30		0.07	0.07
SUESS MICROTEC AG -	107,904.00	EUR	15.140	1,633,666.56		0.04	0.03
SURTECO SE -	20,548.00	EUR	19.100	392,466.80		0.01	0.01
TAKKT AG (FRA)	284,209.00	EUR	13.540	3,848,189.86		0.08	0.08
UNITED INTERNET AG -	236,905.00	EUR	18.890	4,475,135.45		0.10	0.09
VARTA AG -	180,231.00	EUR	22.540	4,062,406.74		0.09	0.08
VILLEROY & BOCH AG PFD	137,313.00	EUR	16.750	2,299,992.75		0.05	0.05
VONOVIA SE -	692,749.00	EUR	22.020	15,254,332.98		0.33	0.30
WASHTEC AG -	53,111.00	EUR	34.500	1,832,329.50		0.04	0.04
ZAPF CREATION AG -	23,902.00	EUR	28.000	669,256.00		0.01	0.01
2G ENERGY AG -	313,231.00	EUR	23.450	7,345,266.95		0.16	0.15
<u>Greece</u>							
ENTERSOFT SA SOFTWARE DEVELOPM -	167,503.00	EUR	3.810	638,186.43		0.01	0.01
SARANTIS SA -	72,012.00	EUR	6.490	467,357.88		0.01	0.01
<u>Hong Kong</u>							
CHINA MENGNIU DAIRY CO LTD -	1,200,946.00	HKD	35.400	5,103,762.46		0.11	0.10



<u>Ireland</u>							
BANK OF IRELAND GROUP PLC -	898,184.00	EUR	8.900	7,993,837.60		0.17	0.16
C.R.H. PLC -	730,536.00	EUR	37.010	27,037,137.36		0.58	0.54
C&C GROUP PLC -	288,427.00	GBP	1.753	569,877.08		0.01	0.01
GREENCORE GROUP PLC -	290,000.00	GBP	0.642	209,680.49		0.01	0.00
KERRY GROUP PLC -	135,733.00	EUR	84.240	11,434,147.92		0.25	0.23
LINDE PLC -	75,228.00	EUR	305.450	22,978,392.60		0.50	0.46
ORIGIN ENTERPRISES PLC -	344,357.00	EUR	4.310	1,484,178.67		0.03	0.03
SMURFIT KAPPA PLC -	218,294.00	EUR	34.560	7,544,240.64		0.16	0.15
<u>Italy</u>							
AMPLIFON SPA -	359,412.00	EUR	27.820	9,998,841.84		0.22	0.20
ASSICURAZIONI GENERALI -	477,578.00	EUR	16.615	7,934,958.47		0.17	0.16
AZIMUT HOLDING SPA -	326,783.00	EUR	20.930	6,839,568.19		0.15	0.14
BANCA IFIS SPA -	87,600.00	EUR	13.310	1,165,956.00		0.03	0.02
BASIC NET SPA (MIL)	136,074.00	EUR	5.310	722,552.94		0.02	0.01
BIESSE SPA -	127,777.00	EUR	12.680	1,620,212.36		0.04	0.03
DELONGHI SPA -	76,847.00	EUR	20.980	1,612,250.06		0.04	0.03
DIASORIN SPA -	62,290.00	EUR	130.400	8,122,616.00		0.18	0.16
DIGITAL BROS SPA -	21,316.00	EUR	22.420	477,904.72		0.01	0.01
EL.EN. SPA -	529,010.00	EUR	14.250	7,538,392.50		0.16	0.15
EMAK SPA -	692,002.00	EUR	1.166	806,874.33		0.02	0.02
ENAV SPA -	445,981.00	EUR	3.960	1,766,084.76		0.04	0.04
ESPRINET SPA -	346,182.00	EUR	6.735	2,331,535.77		0.05	0.05
INTESA SANPAOLO SPA -	14,179,568.00	EUR	2.078	29,465,142.30		0.64	0.59
MARR SPA -	214,092.00	EUR	11.400	2,440,648.80		0.05	0.05
MEDIOBANCA (MIL)	437,742.00	EUR	8.984	3,932,674.13		0.09	0.08
MONCLER SPA -	210,032.00	EUR	49.500	10,396,584.00		0.22	0.21
NEWLAT FOOD SPA -	116,467.00	EUR	4.345	506,049.12		0.01	0.01
NEXI SPA -	425,536.00	EUR	7.366	3,134,498.18		0.07	0.06
PIAGGIO & C SPA -	501,786.00	EUR	2.804	1,407,007.94		0.03	0.03
PIRELLI & C SPA -	1,566,842.00	EUR	4.004	6,273,635.37		0.14	0.13
PRIMA INDUSTRIE SPA -	99,162.00	EUR	24.800	2,459,217.60		0.05	0.05
RATTI SPA -	208,420.00	EUR	3.050	635,681.00		0.01	0.01
SABAF SPA -	29,838.00	EUR	16.680	497,697.84		0.01	0.01
SIT SPA -	53,245.00	EUR	6.140	326,924.30		0.01	0.01
TECHNOGYM SPA -	366,265.00	EUR	7.150	2,618,794.75		0.06	0.05
TELECOM ITALIA SPA (MIL)	19,064,903.00	EUR	0.216	4,123,738.52		0.09	0.08
TELECOM ITALIA SPA (MIL) DI RISPARMIO NWE	13,027,107.00	EUR	0.208	2,713,546.39		0.06	0.05
TERNA RETE ELETTRICA NAZIONALE -	1,416,335.00	EUR	6.900	9,772,711.50		0.21	0.19
UNICREDIT SPA -	653,044.00	EUR	13.272	8,667,199.97		0.19	0.17
<u>Japan</u>							
ASTELLAS PHARMA INC -	614,300.00	JPY	2,006.500	8,753,073.58		0.19	0.17
HOYA CORPORATION -	39,650.00	JPY	12,705.000	3,577,327.99		0.08	0.07
KUBOTA CORP -	365,000.00	JPY	1,817.000	4,709,650.63		0.10	0.09
NITTO DENKO -	83,300.00	JPY	7,650.000	4,525,299.59		0.10	0.09
TAKEDA PHARMACEUTICAL CO LTD -	908,677.00	JPY	4,111.000	26,527,597.06		0.57	0.53
<u>Luxembourg</u>							
B&S GROUP SARL -	75,567.00	EUR	4.835	365,366.45		0.01	0.01
BEFESA SA -	61,667.00	EUR	45.060	2,778,715.02		0.06	0.06
GRAND CITY PROPERTIES SA -	523,874.00	EUR	9.190	4,814,402.06		0.10	0.10
THIEL LOGISTIK AG -	8,088.00	EUR	270.000	2,183,760.00		0.05	0.04
<u>Malaysia</u>							
PUBLIC BANK BERHAD -	3,108,035.00	MYR	4.320	2,855,995.85		0.06	0.06
<u>Netherlands</u>							
A.K.Z.O. NOBEL -	184,024.00	EUR	62.560	11,512,541.44		0.25	0.23
ABN AMRO GROUP N.V. -	1,430,094.00	EUR	12.925	18,483,964.95		0.40	0.37
AEGON -	6,571,835.00	EUR	4.738	31,137,354.23		0.67	0.62
APERAM -	244,036.00	EUR	29.490	7,196,621.64		0.16	0.14
ARCADIS N.V. (AMS)	204,672.00	EUR	36.700	7,511,462.40		0.16	0.15
ASM INTERNATIONAL -	79,503.00	EUR	235.650	18,734,881.95		0.40	0.37
ASML HOLDING NV -	201,809.00	EUR	503.800	101,671,374.20		2.19	2.02
ASR NEDERLAND NV -	405,608.00	EUR	44.350	17,988,714.80		0.39	0.36
BE SEMICONDUCTOR -	183,038.00	EUR	56.560	10,352,629.28		0.22	0.21
CORBION NV (AMS)NRC	217,833.00	EUR	31.840	6,935,802.72		0.15	0.14
EURONEXT NV -	74,113.00	EUR	69.160	5,125,655.08		0.11	0.10
HEIJMANS NV (AMS)	37,223.00	EUR	10.120	376,696.76		0.01	0.01
HEINEKEN -	357,245.00	EUR	87.880	31,394,690.60		0.68	0.62
IMCD GROUP NV -	83,246.00	EUR	133.150	11,084,204.90		0.24	0.22
ING GROEP NV -	2,641,103.00	EUR	11.388	30,076,880.96		0.65	0.60
KENDRION NV -	149,525.00	EUR	15.500	2,317,637.50		0.05	0.05
KON. AHOLD DELHAIZE NV -	710,488.00	EUR	26.840	19,069,497.92		0.41	0.38
KONINKLIJKE D.S.M. NV (AMS)	138,166.00	EUR	114.300	15,792,373.80		0.34	0.31
KONINKLIJKE KPN NV -	3,301,822.00	EUR	2.890	9,542,265.58		0.21	0.19
NN GROUP NV -	643,551.00	EUR	38.160	24,557,906.16		0.53	0.49
ORDINA BEHEER -	304,547.00	EUR	3.875	1,180,119.63		0.03	0.02
PHARMING GROUP -	1,438,548.00	EUR	1.084	1,559,386.03		0.03	0.03
POSTNL NV -	2,052,063.00	EUR	1.701	3,489,533.13		0.08	0.07

PROSUS NV -	336,956.00	EUR	64.450	21,716,814.20		0.47	0.43
RANDSTAD NV (AMS)	333,857.00	EUR	56.960	19,016,494.72		0.41	0.38
RHI MAGNESITA NV -	17,763.00	EUR	25.900	460,061.70		0.01	0.01
SHOP APOTHEKE EUROPE NV -	39,060.00	EUR	44.110	1,722,936.60		0.04	0.03
TKH GROUP NV -	119,291.00	EUR	37.160	4,432,853.56		0.10	0.09
UNIVERSAL MUSIC GROUP NV -	487,408.00	EUR	22.510	10,971,554.08		0.24	0.22
VAN LANSCHOT KEMPEN NV -	312,878.00	EUR	21.900	6,852,028.20		0.15	0.14
<u>Norway</u>							
BOUVET ASA -	460,984.00	NOK	60.000	2,630,816.87		0.06	0.05
DNB BANK ASA -	285,175.00	NOK	194.450	5,274,398.18		0.11	0.11
GRIEG SEAFOOD ASA -	222,617.00	NOK	78.600	1,664,310.63		0.04	0.03
KID ASA -	118,365.00	NOK	72.400	815,108.43		0.02	0.02
SALMAR ASA -	76,912.00	NOK	384.800	2,815,027.77		0.06	0.06
SELVAAG BOLIG ASA -	321,451.00	NOK	32.050	979,932.88		0.02	0.02
SPAREBANK 1 HELGELAND -	71,542.00	NOK	120.000	816,574.55		0.02	0.02
STOREBRAND ASA -	1,073,553.00	NOK	85.400	8,720,369.27		0.19	0.17
<u>Portugal</u>							
ALTRI SGPS SA -	491,216.00	EUR	5.005	2,458,536.08		0.05	0.05
CORTICEIRA AMORIM SGPS SA (LIS)	301,322.00	EUR	8.720	2,627,527.84		0.06	0.05
GREENVOLT-ENERGIAS RENOVAVEIS SA -	111,447.00	EUR	7.800	869,286.60		0.02	0.02
NOS SPGS (LIS)	1,272,160.00	EUR	3.784	4,813,853.44		0.10	0.10
<u>South Korea</u>							
CJ CHEILJEDANG CORP -	18,848.00	KRW	380,500.000	5,314,163.79		0.12	0.11
LG ELECTRONICS INC NEW	53,308.00	KRW	86,500.000	3,416,830.99		0.07	0.07
LG UPLUS LTD -	353,331.00	KRW	11,050.000	2,893,070.53		0.06	0.06
WOONGJIN COWAY CO LTD -	63,755.00	KRW	55,900.000	2,640,833.74		0.06	0.05
<u>Spain</u>							
ACCIONA SA -	241,944.00	EUR	171.900	41,590,173.60		0.90	0.83
AENA SA -	100,140.00	EUR	117.300	11,746,422.00		0.25	0.23
ALMIRALL SA -	742,377.00	EUR	9.040	6,711,088.08		0.14	0.13
AMADEUS IT GROUP SA -	231,290.00	EUR	48.550	11,229,129.50		0.24	0.22
BANCO BILBAO VIZCAYA ARGENTARIA -	2,575,882.00	EUR	5.634	14,512,519.19		0.31	0.29
BANCO SANTANDER CENTRAL HISPANO SA -	5,665,962.00	EUR	2.803	15,878,858.51		0.34	0.32
CIE AUTOMOTIVE SA -	244,125.00	EUR	24.060	5,873,647.50		0.13	0.12
CONSTRUCCIONES Y AUXILIAR DE F -	54,600.00	EUR	26.500	1,446,900.00		0.03	0.03
EDP RENOVAVEIS SA -	594,980.00	EUR	20.580	12,244,688.40		0.26	0.24
ENCE ENERGIA Y CELULOSA SA (MAD)	1,078,986.00	EUR	2.810	3,031,950.66		0.07	0.06
ERCROS SA -	756,382.00	EUR	3.240	2,450,677.68		0.05	0.05
FABRICA ESP. DE PROD. QUIMICOS Y FAR (MAD)	1,337,361.00	EUR	3.510	4,694,137.11		0.10	0.09
FLUIDRA SA -	503,045.00	EUR	14.520	7,304,213.40		0.16	0.14
GREENERGY RENOVABLES SA -	117,656.00	EUR	27.720	3,261,424.32		0.07	0.07
INDUSTRIA DE DISENO TEXTIL SA -	440,761.00	EUR	24.850	10,952,910.85		0.24	0.22
LABORATORIOS FARMACEUTICOS ROV -	101,024.00	EUR	36.060	3,642,925.44		0.08	0.07
MERLIN PROPERTIES SOCIMI SA -	522,615.00	EUR	8.775	4,585,946.63		0.10	0.09
PRIM SA -	107,504.00	EUR	10.800	1,161,043.20		0.03	0.02
RED ELECTRICA DE ESPANA -	1,834,594.00	EUR	16.260	29,830,498.44		0.64	0.59
SACYR SA -	2,848,456.00	EUR	2.600	7,405,985.60		0.16	0.15
TELEFONICA SA -	3,081,756.00	EUR	3.385	10,431,744.06		0.23	0.21
VIDRALA SA -	39,671.00	EUR	80.400	3,189,548.40		0.07	0.06
VISCOFAN IND.NAVARRA DE ENV.CEL.S.A. (MAD)	46,869.00	EUR	60.200	2,821,513.80		0.06	0.06
<u>Sweden</u>							
AQ GROUP AB -	53,045.00	SEK	309.500	1,476,359.30		0.03	0.03
BEIJER ALMA AB -	31,054.00	SEK	163.400	456,306.40		0.01	0.01
BERGMAN & BEVING AB -	22,826.00	SEK	111.200	228,255.66		0.01	0.01
BIOGAIA AB -	137,334.00	SEK	83.570	1,032,084.91		0.02	0.02
BIOTAGE -	198,773.00	SEK	185.500	3,315,799.51		0.07	0.07
BULTEN AB -	162,676.00	SEK	59.500	870,417.09		0.02	0.02
CATELLA AB B	461,862.00	SEK	36.400	1,511,821.69		0.03	0.03
COOR SERVICE MANAGEMENT HOLDIN -	100,827.00	SEK	64.300	583,008.35		0.01	0.01
COREM PROPERTY GROUP AB -	87,172.00	SEK	10.450	81,918.17		0.00	0.00
COREM PROPERTY GROUP AB B-SHARE	864,536.00	SEK	8.390	652,276.90		0.01	0.01
DORO AB -	88,289.00	SEK	14.860	117,981.08		0.00	0.00
DUNI AB -	141,099.00	SEK	86.200	1,093,750.23		0.02	0.02
ESSITY AB -	246,808.00	SEK	273.300	6,065,768.35		0.13	0.12
HUMANA AB -	304,540.00	SEK	38.500	1,054,367.55		0.02	0.02
INDUSTRIVARDEN AB -	5,945.00	SEK	253.500	135,524.18		0.00	0.00
INTRUM JUSTITIA AB -	31,557.00	SEK	126.200	358,131.09		0.01	0.01
JM AB -	44,207.00	SEK	172.100	684,161.88		0.02	0.01
KABE GROUP AB -	71,793.00	SEK	194.000	1,252,479.97		0.03	0.03
KNOW IT AB -	67,692.00	SEK	203.800	1,240,590.59		0.03	0.03
LAGERCANTZ AB -	387,783.00	SEK	103.300	3,602,268.20		0.08	0.07
LOOMIS AB -	79,834.00	SEK	286.000	2,053,245.50		0.04	0.04
MOMENTUM GROUP AB -	49,218.00	SEK	79.300	350,981.40		0.01	0.01
MYCRONIC AB -	131,553.00	SEK	195.800	2,316,329.83		0.05	0.05
NET INSIGHT AB -	1,757,578.00	SEK	6.055	957,008.32		0.02	0.02
NEW WAVE GROUP AB -	153,513.00	SEK	206.400	2,849,323.82		0.06	0.06
NOBIA AG -	129,704.00	SEK	21.300	248,439.09		0.01	0.01
NORDIC WATERPROOFING HOLDING AB -	90,062.00	SEK	145.600	1,179,206.65		0.03	0.02



NOTE AB -	128,715.00	SEK	179.000	2,071,901.71		0.05	0.04
OEM INTERNATIONAL AB -	302,078.00	SEK	72.300	1,964,012.97		0.04	0.04
PRICER AB -	712,809.00	SEK	16.360	1,048,681.07		0.02	0.02
PROACT IT GROUP AB -	197,882.00	SEK	83.000	1,476,968.86		0.03	0.03
ROTTNEROS AB -	658,769.00	SEK	12.220	723,921.24		0.02	0.01
SCA-SVENSKA CELLULOSA AB B	156,204.00	SEK	131.950	1,853,482.55		0.04	0.04
SVEDBERGS I DALSTORP AB -	6,869.00	SEK	25.200	15,566.14		0.00	0.00
SVENSKA HANDBK A	390,133.00	SEK	105.100	3,687,248.09		0.08	0.07
THULE GROUP AB -	304,909.00	SEK	217.700	5,969,193.11		0.13	0.12
VBG GROUP AB -	71,226.00	SEK	140.000	896,713.17		0.02	0.02
XANO INDUSTRI AB -	154,009.00	SEK	111.000	1,537,290.83		0.03	0.03
<u>Switzerland</u>							
ROCHE HOLDING GENOTS	54,466.00	CHF	290.500	16,023,959.21		0.35	0.32
<u>Taiwan</u>							
ADVANTECH CO LTD -	720,107.00	TWD	331.000	7,266,387.93		0.16	0.14
TAIWAN SEMICONDUCTOR -	948,337.00	TWD	448.500	12,966,378.54		0.28	0.26
<u>U.K.</u>							
CARLISLE SUPPORT SERVICES GROUP LTD -	275,075.00	GBP	0.010	3,100.38		0.00	0.00
RECKITT BENCKISER PLC -	157,598.00	GBP	57.540	10,220,777.18		0.22	0.20
UNILEVER PLC -	99,443.00	EUR	46.870	4,660,893.41		0.10	0.09
<u>U.S.A.</u>							
ADOBE SYSTEMS -	38,481.00	USD	336.530	12,133,999.47		0.26	0.24
AMGEN -	37,625.00	USD	262.640	9,259,152.03		0.20	0.18
APPLE INC -	181,833.00	USD	129.930	22,136,857.99		0.48	0.44
AT&T INC -	307,250.00	USD	18.410	5,300,044.51		0.11	0.11
BIOGEN INC -	9,993.00	USD	276.920	2,592,889.73		0.06	0.05
BOOKING HOLDINGS INC -	6,921.00	USD	2,015.280	13,068,871.29		0.28	0.26
BOSTON SCIENTIFIC -	246,665.00	USD	46.270	10,694,016.91		0.23	0.21
BRISTOL-MYERS SQUIBB CO -	49,991.00	USD	71.950	3,370,206.09		0.07	0.07
CB RICHARD ELLIS GROUP INC -	38,233.00	USD	76.960	2,757,003.21		0.06	0.06
CIGNA CORP. -	19,342.00	USD	331.340	6,004,945.68		0.13	0.12
CVS HEALTH CORP -	56,621.00	USD	93.190	4,944,025.29		0.11	0.10
DISCOVERY INC -A-	84,926.00	USD	9.480	754,367.28		0.02	0.02
HOME DEPOT -	43,933.00	USD	315.860	13,002,274.42		0.28	0.26
INGREDION INC -	38,965.00	USD	97.930	3,575,397.00		0.08	0.07
JONES LANG LASALLE INC -	53,445.00	USD	159.370	7,980,819.54		0.17	0.16
LILLY (ELI) & CO -	22,875.00	USD	365.840	7,841,264.93		0.17	0.16
MANPOWER GROUP -	48,131.00	USD	83.210	3,752,617.02		0.08	0.08
MC DONALD'S CORP -	70,824.00	USD	263.530	17,488,169.33		0.38	0.35
MERCK & CO -	84,785.00	USD	110.950	8,814,144.53		0.19	0.18
METLIFE INC. -	112,791.00	USD	72.370	7,648,334.20		0.17	0.15
MICROSOFT CORP -	23,959.00	USD	239.820	5,383,787.66		0.12	0.11
MONDELEZ INTERNATIONAL INC A	396,481.00	USD	66.650	24,760,326.68		0.53	0.49
MOODY S CORP -	25,102.00	USD	278.620	6,553,215.50		0.14	0.13
MORGAN STANLEY -	120,797.00	USD	85.020	9,623,013.30		0.21	0.19
NEWELL BRANDS INC -	13,394.00	USD	13.080	164,154.15		0.00	0.00
NVIDIA CORP NAS	87,403.00	USD	146.140	11,968,212.15		0.26	0.24
PEPSICO INC -	136,751.00	USD	180.660	23,148,686.49		0.50	0.46
PFIZER -	301,488.00	USD	51.240	14,474,813.89		0.31	0.29
SALESFORCE.COM INC. -	122,730.00	USD	132.590	15,247,384.12		0.33	0.30
TARGET CORP -	7,818.00	USD	149.040	1,091,772.99		0.02	0.02
THERMO ELECTRONIC -	38,224.00	USD	550.690	19,723,190.03		0.43	0.39
UNITEDHEALTH GROUP INC. -	31,708.00	USD	530.180	15,751,649.04		0.34	0.31
VERIZON COMMUNICATIONS INC -	359,991.00	USD	39.400	13,289,899.65		0.29	0.26
WALT DISNEY -	271,577.00	USD	86.880	22,107,856.42		0.48	0.44
Total shares				3,003,503,416.00		64.74	59.71
<b>Rights</b>							
<u>Belgium</u>							
AEDIFICA -	38,373.00	EUR	1.270	48,739.47		0.00	0.00
<u>France</u>							
ALD SA -	1.00	EUR	1.610	1.61		0.00	0.00
<u>Spain</u>							
VIDRALA SA -	2.00	EUR	3.840	7.68		0.00	0.00
Total rights				48,748.76		0.00	0.00
TOTAL SECURITIES PORTFOLIO				4,639,605,863.00		100.00	92.24
COLLATERAL RECEIVED							
<u>Belgium</u>							
COLLATERAL ONTVANGEN SECURITIES LENDING	32,824,915.62	EUR	1.000	32,824,915.62		0.00	0.60
<u>Belgium</u>							
COLLATERAL BONDLENDING GEHERINVESTEERD	139,542,068.70	EUR	1.000	139,542,068.70		0.00	2.77
<u>Belgium</u>							
COLLATERAL CASH BONDLENDING	-295,894.56	EUR	1.000	-295,894.56		0.00	-0.01
TOTAL RECEIVED COLLATERAL				169,584,772.70		0.00	3.37

CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP CAD	98,846.63	CAD	1.000	68,355.34	0.00	0.00	
KBC GROUP CHF	3,713.92	CHF	1.000	3,761.24	0.00	0.00	
KBC GROUP DKK	635,650.10	DKK	1.000	85,477.77	0.00	0.00	
KBC GROUP EURO	393,640,504.80	EUR	1.000	393,640,504.80	0.00	7.85	
KBC GROUP GBP	163,242.39	GBP	1.000	183,990.88	0.00	0.00	
KBC GROUP HKD	829,601.49	HKD	1.000	99,594.01	0.00	0.00	
KBC GROUP JPY	5,446,860.00	JPY	1.000	38,680.06	0.00	0.00	
KBC GROUP MXN	10,959.24	MXN	1.000	526.94	0.00	0.00	
KBC GROUP NOK	639,311.99	NOK	1.000	60,808.79	0.00	0.00	
KBC GROUP PLN	319,722.79	PLN	1.000	68,298.95	0.00	0.00	
KBC GROUP SEK	779,569.53	SEK	1.000	70,103.84	0.00	0.00	
KBC GROUP USD	816,371.99	USD	1.000	764,930.42	0.00	0.02	
Total demand accounts				395,085,033.00	0.00	7.86	
<b>TOTAL CASH AT BANK AND IN HAND</b>				395,085,033.00	0.00	7.86	
<b>OTHER RECEIVABLES AND PAYABLES</b>							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	781,977.90	EUR	1.000	781,977.90	0.00	0.02	
Total receivables				781,977.90	0.00	0.02	
<b>Payables</b>							
<u>Belgium</u>							
COLLATERAL BONDLENDING GEHERINVESTEERD TEGENP	-139,542,068.70	EUR	1.000	-139,542,068.68	0.00	-2.77	
COLLATERAL CASH BONDLENDING TEGENPOST	295,894.56	EUR	1.000	295,894.56	0.00	0.01	
COLLATERAL ONTVANGEN SECURITIES LENDING TEGENP	-32,824,915.62	EUR	1.000	-32,824,915.62	0.00	-0.60	
KBC GROUP EUR PAYABLE	-259,891.21	EUR	1.000	-259,891.21	0.00	-0.01	
Payables				-172,330,980.95	0.00	-3.38	
<b>TOTAL RECEIVABLES AND PAYABLES</b>				-171,549,003.05	0.00	-3.36	
<b>OTHER</b>							
Interest receivable		EUR		763,618.48	0.00	0.02	
Accrued interest		EUR		185,370.42	0.00	0.00	
Expenses payable		EUR		-6,161,806.68	0.00	-0.12	
<b>TOTAL OTHER</b>				-5,212,817.78	0.00	-0.10	
<b>TOTAL NET ASSETS</b>				5,030,000,165.00	0.00	100.00	

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

	30/06/2021	31/12/2021	30/06/2022	31/12/2022
Austria	1.63	1.69	1.79	1.88
Belgium	7.40	9.83	10.58	13.32
Bermuda	0.08	0.08	0.09	0.10
Canada	0.07	0.20	0.15	0.41
Switzerland	0.66	0.86	0.66	0.36
China	0.20	0.03	0.03	0.02
Cayman Islands	0.05	0.01	0.00	0.00
Cyprus	0.07	0.07	0.03	0.03
Germany	19.06	17.77	18.97	15.90
Denmark	1.50	1.51	1.25	1.20
Spain	6.05	6.66	7.55	7.97
Finland	2.05	1.96	1.91	1.85
France	23.01	21.01	21.65	22.14
U.K.	0.28	0.49	0.41	0.32
Greece	0.07	0.03	0.02	0.02
Hong Kong	0.77	0.28	0.26	0.10
Ireland	2.01	2.14	2.24	2.50
Italy	8.21	7.37	6.84	7.73
Japan	0.93	1.02	1.25	0.95
South Korea	0.17	0.19	0.17	0.29
Latvia	0.00	0.02	0.00	0.00
Luxembourg	0.86	0.91	0.89	0.77
Malaysia	0.10	0.09	0.06	0.06
Netherlands	11.89	13.18	11.78	11.54
Norway	1.05	0.51	0.50	0.47
Portugal	0.62	0.49	0.51	0.64
Romania	0.00	0.09	0.09	0.08
Slovenia	0.00	0.00	0.05	0.04
Slovakia	0.00	0.00	0.09	0.10
Sweden	1.92	2.00	1.57	1.47
Taiwan	0.65	0.56	0.50	0.40
U.S.A.	8.57	8.86	7.68	6.88
EU institutions outside BLEU terr.	0.07	0.09	0.43	0.46
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2021	31/12/2021	30/06/2022	31/12/2022
Cyclicals	17.00	14.23	13.02	11.75
Consum(cycl)	15.58	15.64	12.23	10.84
Cons.goods	6.80	5.83	6.65	6.79
Pharma	5.84	6.04	7.33	6.59
Financials	18.80	22.85	21.22	23.88
Technology	13.08	13.22	9.68	9.67
Telecomm.	2.34	2.59	2.95	2.72
Utilities	2.21	1.01	1.04	1.13
Real est.	2.01	2.09	1.75	1.68
Governm.	15.82	15.77	23.22	24.16
Various	0.52	0.73	0.91	0.79
TOTAL	100.00	100.00	100.00	100.00

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

	30/06/2021	31/12/2021	30/06/2022	31/12/2022
CANADIAN DOLLAR	0.00	0.15	0.15	0.41
SWISS FRANC	0.67	0.86	0.64	0.32
DANISH KRONE	1.39	1.41	1.27	1.19
EURO	84.09	84.01	85.75	87.45
POUND STERLING	0.09	0.31	0.34	0.21
HONG KONG DOLLAR	0.71	0.32	0.29	0.12
JAPANESE YEN	0.93	1.02	1.25	0.95
KOREAN WON	0.17	0.19	0.17	0.29
MALAYSIAN RINGGIT	0.10	0.09	0.06	0.06
NORWEGIAN KRONE	0.77	0.46	0.50	0.47
SWEDISH KRONA	1.47	1.68	1.29	1.13
NEW TAIWAN DOLLAR	0.65	0.56	0.50	0.40
US DOLLAR	8.96	8.94	7.79	7.00
TOTAL	100.00	100.00	100.00	100.00

### 6.2. Changes in the composition of the assets of Pricos (in Euro)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	1,747,019,115.58	1,065,100,326.97	2,812,119,442.56
<b>Sales</b>	1,605,368,323.92	1,061,003,085.59	2,666,371,409.52
<b>Total 1</b>	3,352,387,439.51	2,126,103,412.57	5,478,490,852.07
<b>Subscriptions</b>	134,166,962.72	131,777,914.26	265,944,876.98
<b>Redemptions</b>	87,754,253.17	60,902,126.63	148,656,379.80
<b>Total 2</b>	221,921,215.89	192,680,040.89	414,601,256.78
<b>Monthly average of total assets</b>	5,434,968,445.05	5,049,367,155.76	5,240,625,395.24
<b>Turnover rate</b>	57.60%	38.29%	96.63%

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%).

Due to strategy implementations

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

Crelan NV, Sylvain Dupuislaan 251, B-1070 Brussel

KBC Bank NV, Havenlaan 2, B-1080 Brussels

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

Nil

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

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2020 - 12	572,117.86		367,242.95		10,849,487.93		10,849,487.93
2021 - 12	476,395.84		417,004.21		10,908,879.56		10,908,879.56
2022 - 12	564,749.10		311,167.07		11,162,461.59		11,162,461.59

Period	Amounts received and paid by the UCITS (in Euro)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2020 - 12	247,011,146.12		162,289,603.96	
2021 - 12	245,710,127.73		214,274,321.45	
2022 - 12	269,219,311.84		150,190,833.31	

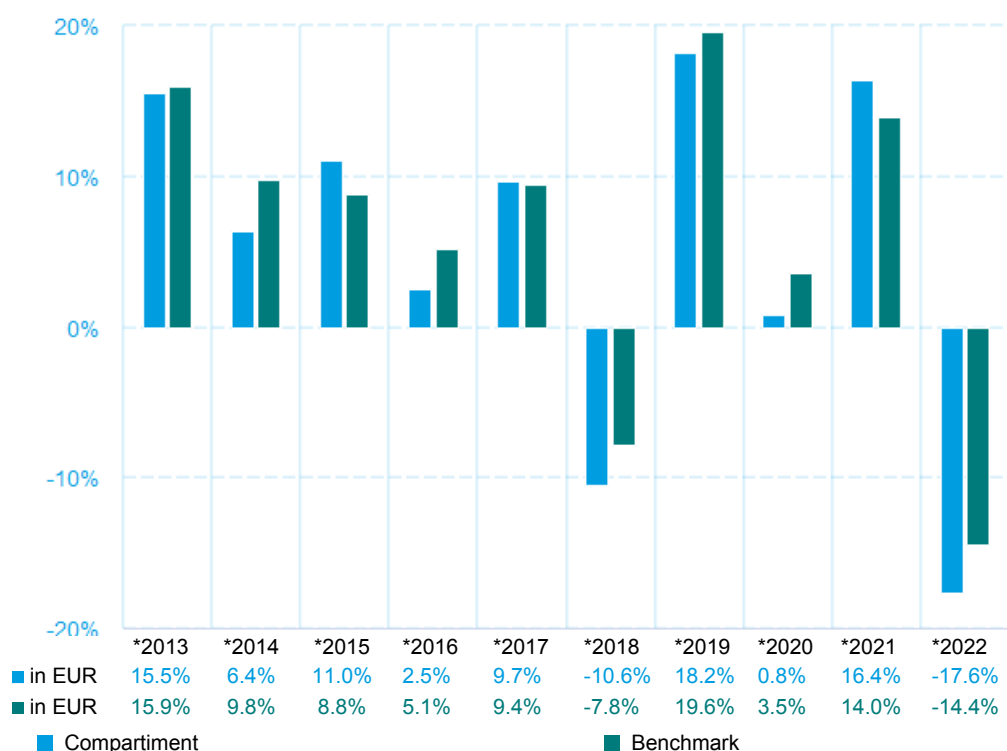
Period	Net asset value End of period (in Euro)			
	Of the sub-fund	Of one share		
		Capitalization	Distribution	
2020 - 12	5,095,191,290.13	469.63		
2021 - 12	5,961,295,952.82	546.46		
2022 - 12	5,030,000,165.00	450.62		

## 6.5. Performance figures

BE0026535543

Pricos CAP

Annual performance compared to the benchmark on 31/12/2022 (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	BE0026535543	EUR	-17.65%	-14.43%	-1.12%	0.32%	0.43%	2.16%	4.60%	5.89%	30/01/1987	6.34%

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.
- 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.

## 6.6. Costs

### *Ongoing Charges and Transaction costs:*

Ongoing Charges : 1,19%  
Transaction costs : 0,05%

The ongoing charges are calculated in accordance with the provisions of Commission Regulation No 583/2010 of 1 July 2010

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

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

### *Existence of Commission Sharing Agreements*

The Management Company, or where applicable, the appointed manager has entered into a Commission Sharing Agreement with one or more brokers for transactions in units on behalf of one or more 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 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 funds in the interest of this the 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 funds.

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

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

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

The management company has shared 52,77% of its fee with the distributor, and institutional and/or professional parties.

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

Fee-sharing does not affect the amount of the management fee paid by **the Fund** to the management company. This management fee is subject to the limitations laid down in **the management rules**. 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 by using multiple distribution channels. It is in the interests of the **holders of shares of a fund** and of the distributor for the largest possible **holders of shares of a fund** to be sold and for the assets of **the Fund** to be maximised in this way. In this respect, there is therefore no question of any conflict of interest.



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

Fee for managing the investment portfolio	0.90%	per year calculated on the basis of the average total net assets of the , no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group. IVESAM NV receives a fee from the management company of per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.
	0.02%	IVESAM NV ontvangt van de beheervenootschap een vergoeding van per jaar berekend op basis van de gemiddelde totale netto activa van het compartiment, zonder dat de totale provisies en kosten voor de toewijzing van de activa die de beheervenootschap ontvangt zullen worden overschreden. (* ) De vergoeding voor het beheer van de beleggingsportefeuille van de instellingen voor collectieve belegging waarin het belegt zal per jaar bedragen.
Administration fee	0.15%	per year calculated on the basis of the average total net assets of the Fund.
Custodian's fee	0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the statutory auditor of the Fund	1844.00 EUR	Fee of the statutory auditor (excluding VAT): This amount can be indexed on an annual basis in accordance with the decision of the General Meeting
Annual tax <b>This tax must, in principle, be paid by the Fund's management company but is charged to the Fund.</b>	see the 'Information concerning the Fund - D. Tax treatment'	
Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs	0.10%	of the net assets of the sub-fund per year.

### 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

- 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 01/01/2022 to 01/12/2022, the realised net income for the UCITS amounts to 1.757.665,91 EUR and for the Management Company 682.317,88 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 56, with a market value fluctuating between 0 and 272047297.96 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.

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.

<b>Details of collateral received for securities lent</b>				
Name	Currency	Quantity	Price	Value in currency of the portfolio
Total				

**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;	3,62	%
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)	167.792.946,10	EUR
proportion of the collective investment undertaking's assets under management (AUM)	3,34	%

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
AVIVA INVESTORS MONETAIRE C	28.208.716,56	EUR
GROUPAMA ENTREPRISES IC	27.900.979,70	EUR
LBPAM TRESORERIE I	27.900.298,20	EUR
BFT MONETAIRE COURT TERME I2C	27.897.009,14	EUR
OSTRUM CASH EURIBOR - I	27.820.435,50	EUR
United Kingdom of Great Britai	19.561.532,63	EUR
Republic of Austria	9.227.599,69	EUR
Federal Republic of Germany	1.530.108,71	EUR
Kingdom of Belgium	14.709,78	EUR
Kingdom of the Netherlands	3.010,45	EUR
French Republic	1.637,28	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)	Goldman Sachs International	UK	20.139.463,12	EUR
equity (Goldman Sachs)	BARCLAYS CAPITAL SECURITIES LTD., LONDON	UK	5.226.216,39	EUR
equity (Goldman Sachs)	Citigroup Global Markets Limited	UK	3.100.354,46	EUR
equity (Goldman Sachs)	J.P. Morgan Securities PLC	UK	1.350.907,49	EUR
equity (Goldman Sachs)	Merrill Lynch International	UK	37.315,00	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.	Cash and money market funds
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.	open maturity

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.	bilateral

collateral	quality	currency	Maturity tenor
AVIVA INVESTORS MONETAIRE C	Nil	EUR	open maturity
BELGIE OLO73 14 3,000 220634	NR	EUR	above one year
BELGIUM 2016 1,6% 22/06/47	NR	EUR	above one year
BELGIUM OLO 1997 5.5% 28/03/28	AA-	EUR	above one year
BELGIUM OLO 20045% 28/03/35	AA-	EUR	above one year
BELGIUM OLO 2015 1.90% 22/06/38	NR	EUR	above one year
BFT MONETAIRE COURT TERME I2C	Nil	EUR	open maturity
BUNDES OBLIGATION 0.0 10OCT25	NR	EUR	above one year
BUNDESREPUB.DTL. 1997 6 1/2% 04/07/27	NR	EUR	above one year
BUNDESREPUB.DTL. AN 2004 4% 04/01/37	NR	EUR	above one year
BUNDESREPUBLIK DEUTSCHL 0.0 15AUG26	NR	EUR	above one year
BUNDESREPUBLIK DEUTSCHL 0.0 15AUG30	NR	EUR	above one year
BUNDESREPUBLIK DEUTSCHL 0.0 15AUG31	NR	EUR	above one year
BUNDESREPUBLIK DEUTSCHL 0.0 15AUG52	NR	EUR	above one year
DEUTSCHE BUNDESREPUB 0.1 15APR26 IL	NR	EUR	above one year
DEUTSCHE BUNDESREPUB 0.5 15APR30 IL	NR	EUR	above one year
European Central Bank	Nil	EUR	open maturity
FRANCE 1997 5,50% 25/04/2029	NR	EUR	above one year
FRANCE 2009 4,0% 25/04/2060	NR	EUR	above one year
FRANCE 2010 3,50% 25/04/2026	NR	EUR	above one year
FRANCE 20234,25% 25/10/23	NR	EUR	three months to one year
FRANCE OAT 2015 0,50% 25/05/25	NR	EUR	above one year
FRENCH REPUBLIC GO 1.5 25MAY50 144A	NR	EUR	above one year
FRENCH REPUBLIC GOVERN 0.0 25FEB24	NR	EUR	above one year
FRENCH REPUBLIC GOVERN 0.0 25FEB26	NR	EUR	above one year
GERMAN TREASURY BILL 0.0 18JAN23	NR	EUR	one week to one month
GROUPAMA ENTREPRISES IC	Nil	EUR	open maturity
KINGDOM OF BELGIU 2.15 22JUN66 144A	NR	EUR	above one year
KINGDOM OF BELGIU 4.25 28MAR41 144A	AA-	EUR	above one year
KINGDOM OF BELGIUM 0.0 22OCT31 144A	NR	EUR	above one year
KINGDOM OF BELGIUM 0.5 22OCT24 144A	NR	EUR	above one year
KINGDOM OF BELGIUM	NR	EUR	above one year

0.9 22JUN29 144A			
KINGDOM OF BELGIUM 1.0 22JUN26 144A	NR	EUR	above one year
KINGDOM OF BELGIUM 4.5 28MAR26 144A	NR	EUR	above one year
KINGDOM OF BELGIUM GOV 3.75 22JUN45	NR	EUR	above one year
KINGDOM OF BELGIUM GOVE 4.0 28MAR32	NR	EUR	above one year
LBPAM TRESORERIE I	Nil	EUR	open maturity
NEDERLAND 1998 5.50% 15/01/28	NR	EUR	above one year
NETHERLANDS GOVER 0.75 15JUL27 144A	NR	EUR	above one year
NETHERLANDS GOVERN 0.0 15JUL31 144A	NR	EUR	above one year
NETHERLANDS GOVERN 0.5 15JAN40 144A	NR	EUR	above one year
OSTRUM CASH EURIBOR - I	Nil	EUR	open maturity
REPUBLIC OF AUSTR 3.15 20JUN44 144A	AA+	EUR	above one year
REPUBLIC OF AUSTRI 0.0 15JUL24 144A	NR	EUR	above one year
UK 2008 4.25% 07/12/2049	NR	EUR	above one year
UK 2012 0,125% 22/03/44	NR	EUR	above one year
UK(GOVT OF 4.75 STK 07/12/38 GBP10	NR	EUR	above one year
UNITED KINGDOM GIL 0.125 22MAR68 IL	NR	EUR	above one year
UNITED KINGDOM GILT 0.125 31JAN24	NR	EUR	above one year
UNITED KINGDOM GILT 0.25 31JUL31	NR	EUR	above one year
UNITED KINGDOM GILT 0.375 22OCT26	NR	EUR	above one year
UNITED KINGDOM GILT 0.5 22OCT61	NR	EUR	above one year
UNITED KINGDOM GILT 0.625 07JUN25	NR	EUR	above one year
UNITED KINGDOM GILT 1.0 22APR24	NR	EUR	above one year
UNITED KINGDOM GILT 3.25 22JAN44	NR	EUR	above one year
UNITED KINGDOM GILT 3.5 22JAN45	NR	EUR	above one year
UNITED KINGDOM GILT 4.0 22JAN60	NR	EUR	above one year
UNITED KINGDOM GILT 4.25 07DEC46	NR	EUR	above one year
UNITED KINGDOM GILT 4.5 07DEC2042	NR	EUR	above one year
UNITED KINGDOM TREASURY 0.0 17APR23	NR	EUR	three months to one year
UNITED KINGDOM TREASURY 0.0 24APR23	NR	EUR	three months to one year

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;	100,21 %
2) Cash collateral reinvestment returns to the collective investment undertaking. (EUR)	92.703,04

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	30.338.598,54	EUR
2	KBC Bank	139.431.544,54	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	2.358.293,34	613.156,27	212.246,40
percentage of overall returns	100,00 %	26,00%	9,00%
cost EUR	825.402,67		
percentage of overall returns	35,00 %		

Lending program: equity (Société Générale)	collective investment undertaking	manager of the collective investment undertaking	agent lender
return EUR	345.808,07	69.161,61	51.871,21
percentage of overall returns	100,00 %	20,00%	15,00%
cost EUR	121.032,82		
percentage of overall returns	35,00 %		



**7. Auditor's report**



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**PRICOS GBF**

## **Auditor's report**

For the year ended 31.12.2022

## Statutory auditor's report to the shareholders' meeting of PRICOS GBF for the year ended on 31 December 2022 – Annual Accounts

(Free translation)

In the context of the statutory audit of the annual accounts of PRICOS GBF ("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 PRICOS GBF for 2 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 2022 and the income statement for the year then ended, as well as the explanatory notes. The annual accounts shows a balance sheet total of 5.030.000.165,36 EUR and the income statement shows a loss of -1.050.324.265,99 EUR.

Compartment	Currency	Net Asset Value	Result
Pricos/Cap	EUR	5.030.000.165,36	-1.050.324.265,99

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 2022 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.

<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.

## 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.





## Pricos GBF

UCI set up in accordance with Belgian Law mutual fund

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.

## Pricos GBF

UCI set up in accordance with Belgian Law mutual fund

### 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.
- 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, 31 March 2023

**MAZARS BEDRIJFSREVISOREN BV**  
The Statutory Auditor  
Represented by



Dirk Stragier  
Bedrijfsrevisor

Nele Van Laethem  
Bedrijfsrevisor

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:  
Pricos

Legal entity identifier:

## 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 invested companies follow good governance practices.

The **EU-Taxonomie** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down 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 62.37% 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 checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It made <b>sustainable investments with a social objective</b> : %	<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 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 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 to 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 concrete objectives of the Fund are the following:

<b>Objective</b>	
<b>Instruments issued by corporates</b>	
ESG risk score	10% better than the following benchmarks: iBoxx EURO corporate ALL Maturities - Total Return Index, MSCI All Countries World Ex EMU - Net Return Index, MSCI EMU-Net Return index and MSCI EMU SMALL CAP - Net Return Index.
Carbon Intensity	Pathway to 50% reduction by 2030 based on the following benchmarks: iBoxx EURO corporate ALL Maturities - Total Return Index, MSCI All Countries World Ex EMU - Net Return Index, MSCI EMU-Net Return index and MSCI EMU SMALL CAP - Net Return Index.
UN Sustainable Development Goals	Minimum 60% of investments in instruments issued by companies should contribute to UN Sustainable Development Goals, including the green, social & sustainability bonds within the corporate bonds part.
Bonds financing green and/or social projects	Minimum 10% of corporate bonds in which investments are made, should qualify as bonds financing green and/or social projects.
<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).
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).
UN Sustainable Development Goals	Minimum 60% of investments in instruments issued by governments, supranational debtors and/or agencies linked to governments should contribute to UN Sustainable Development Goals, including the green, social & sustainability bonds according to internal screening.
Bonds financing green and/or social projects	Minimum 10% of investments in bonds issued by governments, supranational debtors and/or agencies linked to governments should qualify as bonds financing green and/or social projects.
<b>Minimum % Sustainable Investments</b>	Min. 40% of sustainable investments.
<b>Other specific objectives</b>	Not applicable.

The Fund pursued (directly or indirectly) these objectives based on a dualistic approach: the negative screening and the positive selection methodology. This approach was gradually implemented in the portfolio, as of 2 September 2022. The reference period of this annual report is from 1 January 2022 to 31 December 2022. Given the graduated implementation of this dualistic approach as of 2 September 2022, the figures described in the section 'Did this financial product have a sustainable investment objective?' only reflect the situation at the end of the financial year of the Fund and, for this reason, are not a reliable indicator for future results. Within the assets of the Fund that promote environmental or social characteristics, the Fund invested 62.37% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR and 37.63% 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 Fund.

For investments issued by companies the described reference portfolio is used as a basis for comparison, to compare certain ESG characteristics promoted by the 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

of comparison, to compare certain ESG characteristics promoted by the Fund.

### ● **How did the sustainability indicators perform?**

Investments in derivatives are not used to attain the environmental or social characteristics promoted by the financial product and will not affect them. Derivatives are used to hedge risks as described in 'Permitted derivatives transactions' as set out in section 2. 'Investment information' under title 'Information concerning the Fund' of the prospectus.

#### **Sustainability indicators**

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

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

Not applicable.

### ● **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 Fund promoted a combination of environmental and social characteristics and, even though it didn't have sustainable investments as an objective, the Fund invested 62.37% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR within the assets of the Fund that promote environmental or social characteristics.

The reference period of this annual report is from 1 January 2022 to 31 December 2022. Given the graduated implementation as of 2 September 2022, the figures described in this section only reflect the situation at the end of the financial year of the Fund and, for this reason, are not a reliable indicator for future results.

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

To support sustainable development, the 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'.

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

Instruments of governments, supranational debtors and/or government-linked agencies that contribute to the UN Sustainable Development Goals, were not designated as 'sustainable investments'.

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

To encourage the transition to a more sustainable world, the 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'.

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

The sustainable investments made by the Fund did not cause significant harm to the sustainable investment objective through the negative screening. The 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 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

**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.

tobacco industry, weapons, gambling and adult entertainment are excluded from the 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 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, 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 Fund did not invest in companies that seriously violate the principles of the United Nations Global Compact and the Organisation 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 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 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 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 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 Fund did not invest in (i) non-sustainable countries, and (ii) countries exposed to controversial regimes. More information can be found in the exclusion policy for Responsible Investing funds.

A complete overview of the indicators of principal adverse impacts on sustainability factors that the 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?*

Yes.

Companies involved in severe controversies related to environmental, social or governance issues were excluded. 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 Asset Management NV 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 (UNGPs). All companies on KBC Group's 'Human Rights List' were excluded. More information regarding the Policy on Human Rights can be found on the website of KBC Asset Management NV.

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

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

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



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

The principal adverse impacts on sustainability factors were explicitly taken into account by the exclusion policies applied. More information can be found in the section "How were the indicators for adverse impacts on sustainability factors taken into account" of this Annex. 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 will enter 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:  
01/01/2022-31/12/2022

Largest investments	Sector	%Assets	Country
Cash	-	6.99%	Belgium
ASML HOLDING NV	Information technology	2.02%	Netherlands
LVMH MOET HENNESSY LOUIS VUI	Consumer discretionary	1.70%	France
KBC GROUP NV	Financials	1.03%	Belgium
ALLIANZ SE-REG	Financials	0.96%	Germany
MERCK KGAA	Health care	0.89%	Germany
AXA SA	Financials	0.85%	France
L'OREAL	Consumer staples	0.84%	France
ACCIONA SA	Utilities	0.82%	Spain
SAP SE	Information technology	0.80%	Germany
KERING	Consumer discretionary	0.76%	France
BUNDESOBL-179 OBL 0 04/05/24	-	0.73%	Germany
HEINEKEN NV	Consumer staples	0.70%	Netherlands
CAPGEMINI SE	Information technology	0.70%	France
FRANCE O.A.T. FRTR 0 1/2 05/25/25	-	0.63%	France



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

The reference period of this annual report is from 1 January 2022 to 31 December 2022. Given the graduated implementation as of 2 September 2022, the figures described in this section only reflect the situation at the end of the financial year of the Fund and, for this reason, are not a reliable indicator for future results. Over the year, the proportion of sustainable investments within the assets of the Fund that promote environmental or social characteristics was 62.37%.

### What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

The Fund could invest in securities, money market instruments, deposits, 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 Fund".

Within these categories of eligible assets, the Fund invested 92.04% in assets that promote environmental or social characteristics and 7.96% in other investments. The category "other investments" contained technical items, such as cash and derivatives, and assets in which the 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 guarantees. The 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 only used to hedge currency risk.

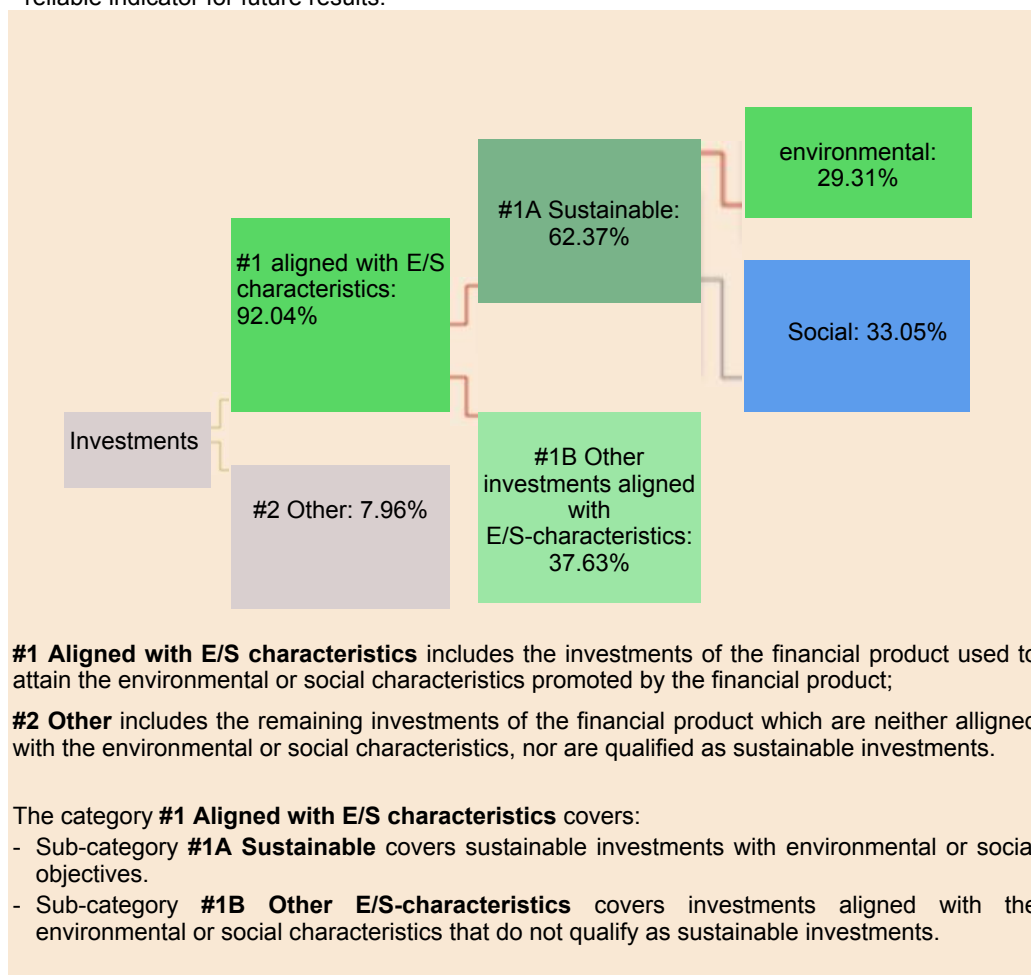
Investments in derivatives are not used to attain the environmental or social characteristics promoted by the financial product and will not affect them.

Within the assets of the Fund that promote environmental or social characteristics, the Fund invested 62.37% of the assets in 'sustainable investments' as defined by art. 2.17 SFDR and 37.63% in other investments aligned with environmental or social characteristics. 29.31% of the sustainable investments are environmentally sustainable investments and 33.05% 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 to finance 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 2022 to 31 December 2022. Given the graduated implementation as of 2 September 2022, the figures described in this section only reflect the situation at the end of the financial year of the Fund and, for this reason, are not a reliable indicator for future results.



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

On 31/12/2022 the investments were made in the following sectors:

Sector	%Assets
Cyclicals	11.75
Consum(cycl)	10.84
Cons.goods	6.79
Pharma	6.59
Financials	23.88
Technology	9.67
Telecomm.	2.72
Utilities	1.13
Real est.	1.68
Governm.	24.16
Various	0.79
total	100

The Fund did not invest in sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade of fossil fuels.



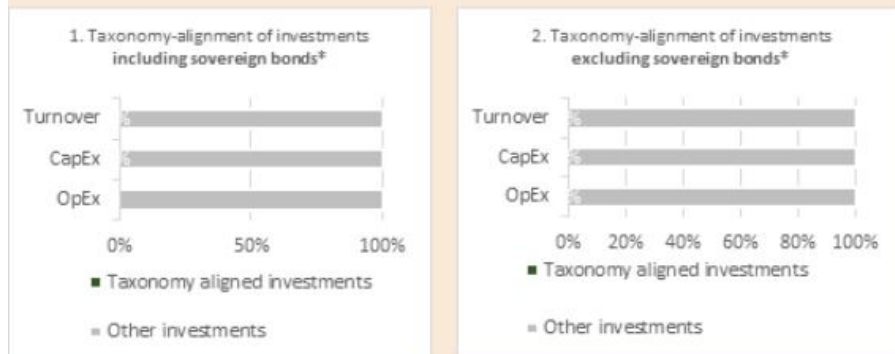
**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

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 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 Fund does not aim to invest in investments aligned with the EU Taxonomy, it cannot be ruled out that the Fund does contain investments aligned with the EU Taxonomy. The percentage invested in EU Taxonomy-aligned investments was set at December 31, 2022. Given limited guidance on how Taxonomy information should be made public, KBC Asset Management NV determined that sufficient reliable, timely and verifiable data from issuers or investee companies was not available at that time, either from its own research or from services provided by data providers. The percentage invested in investments aligned with the EU Taxonomy was therefore set at 0%.

*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



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

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

● **What 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?**

At the date of this annual report, the actual values are only available for the end of 2022. These numbers are included in the table above.



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

 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU-Taxonomy.

The reference period of this annual report is from 1 January 2022 to 31 December 2022. Given the graduated implementation as of 2 September 2022, the figures described in this section only reflect the situation at the end of the financial year of the Fund and, for this reason, are not a reliable indicator for future results.

The Fund invested 62.37% in sustainable investments as defined by art. 2.17 SFDR, within the assets of the Fund that promote environmental or social characteristics. No distinction was made between investments with an environmental objective and investments with a social objective. The Fund does not commit to minimum proportion of this to be linked to an environmental objective. At the end of the financial year of the Fund, the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 29.31%, within the sustainable investments.

Asset managers depend on available sustainability data relating to their investee companies. Although the EU is currently preparing a Directive that would require companies to publish sustainability information (the Corporate Sustainability Reporting Directive), this legislation is still a work in progress. Consequently, there is currently a lack of sustainability data available. This has created the risk that investment funds currently report a very low percentage of investments that comply with the EU Taxonomy.



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

The reference period of this annual report is from 1 January 2022 to 31 December 2022. Given the graduated implementation as of 2 September 2022, the figures described in this section only reflect the situation at the end of the financial year of the Fund and, for this reason, are not a reliable indicator for future results.

At the end of the financial year of the Fund, the share of socially sustainable investments was: 33.05%, within the sustainable investments.



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

There were technical items such as cash and derivatives which are not part of the screening methodology. The 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 only used to hedge currency risk.

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

For investments included under “#2 Other”, there are no environmental or social safeguards.

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



### The 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 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 Fund excluded issuers involved in activities such as fossil fuels, the tobacco industry, weapons, gambling and adult entertainment from the 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 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 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.

KBC Asset Management NV executed the voting rights of shares managed in the Fund according to the Proxy Voting and Engagement Policy. As such, KBC Asset Management monitored the companies in which the 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 Fund.

For investments issued by companies the described reference portfolio is used as a basis for comparison to compare certain ESG characteristics promoted by the 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 of comparison to compare certain ESG characteristics promoted by the Fund.

- **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.