

# **KBC Select Immo**

## **Audited annual report**

### **31 August 2021**

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



## Table of contents

1. General information on the Bevek KBC Select Immo
  - 1.1. Organisation of the Bevek KBC Select Immo
  - 1.2. Management report
    - 1.2.1. Information for the shareholders
      - 1.2.1.1. Securities Financing Transactions (SFTs)
      - 1.2.1.2. General strategy for hedging the exchange rate risk
      - 1.2.1.3. Social, ethical and environmental aspects
      - 1.2.1.4. Synthetic risk and reward indicator
      - 1.2.1.5. Ongoing charges
      - 1.2.1.6. Existence of fee sharing agreements and rebates
      - 1.2.1.7. Existence of fee sharing agreements and rebates
      - 1.2.1.8. Recurrent fees and charges
    - 1.2.2. General market overview
  - 1.3. Auditor's report
  - 1.4. Aggregate balance sheet
  - 1.5. Aggregate profit and loss account
  - 1.6. Summary of recognition and valuation rules
    - 1.6.1. Summary of the rules
    - 1.6.2. Exchange rates

# 1. General information on the Bevek

## 1.1. Organisation of the Bevek

### Office

2 Havenlaan - B-1080 Brussels, Belgium.

### Date of incorporation

2 March 1995

### Life

Unlimited.

### Board of directors of the Bevek

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

### Management type

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

### Date of incorporation of the management company

30 december 1999.

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

Name	Title	
Wouter Vanden Eynde	<i>Independent Director</i>	
Stefan Van Riet	<i>Non-Executive Director</i>	
Pierre Konings	<i>Non-Executive Director</i>	
Katrien Mattelaer	<i>Non-Executive Director</i>	
Johan Daemen	<i>Non-Executive Director</i>	
Peter Andronov	<i>Chairman</i>	appointed 30/06/2021
Luc Popelier	<i>Chairman</i>	resigned 30/06/2021
Johan Lema	<i>President of the Executive Committee</i>	
Linda Demunter	<i>Managing Director</i>	resigned 14/11/2020
Jürgen Verschaeve	<i>Managing Director</i>	appointed 15/11/2020
Frank Van de Vel	<i>Managing Director</i>	
Chris Sterckx	<i>Managing Director</i>	
Klaus Vandewalle	<i>Managing Director</i>	

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

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

These persons may also be directors of various beveks.

## Auditor of the management company

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

## Status of the Bevek

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

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

## Financial portfolio management

Management of the investment policy has not been delegated.

## Financial service providers

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

## Custodian

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

### Custodian's activities

The custodian:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### **Conflicts of interest**

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

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

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

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

## Administration and accounting management

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

## Accredited auditor of the the Bevek

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

## Distributor

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

## Promoter

KBC

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

## 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 August 2021

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: 34 417 348 EUR Variable pay: 3 749 709 EUR Number of recipients: 381
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: 2 145 060 EUR Reward for the manager's staff whose acts affect the risk profile: 666 700 EUR

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



## List of sub-funds and share classes of KBC Select Immo

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

	<b>Name</b>
1	Belgium Plus
2	Europe Plus
	Classic Shares
	Institutional B Shares
3	World Plus
	Classic Shares
	Institutional B Shares

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

Not applicable

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

## 1.2. Management report

### 1.2.1. Information for the shareholders

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

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

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

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

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

There were no refunds this period.

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

Date	Description	Subfund
11 September 2020	Possibility of charging an Anti Dilution Levy ('ADL')	Belgium Plus, Europe Plus, World Plus.
1 October 2020	Update of the general part	/
1 October 2020	custodian's fee is calculated monthly instead of annually	/
30 March 2021	Clarification of the applied exclusion policy	/
30 March 2021	Implementation of the Sustainable Finance Disclosure Regulation (Level 1)	/

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

##### **General**

##### **Each sub-fund may lend financial instruments within the limits set by law and regulations.**

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

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

The sub-funds use the lending of financial instruments to generate additional income. This might consist of a fee paid by the principal or, in the event that the fund performs the securities lending through an agent, by the counterparty, as well as income generated through reinvestments.

**The sub-funds are not permitted to agree forms of SFTs other than lending financial instruments.**

### General information on the SFTs used

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

### Criteria for the selection of counterparties

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

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

Legal status	Minimum rating	Country of origin
<p>The counterparty must belong to one of the following categories:</p> <p>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.</p>	<p>Only counterparties rated as investment grade may be considered.</p> <p>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:</p> <ul style="list-style-type: none"> <li>- Moody's (Moody's Investors Service);</li> <li>- S&amp;P (Standard &amp; Poor's, a division of the McGraw-Hill Companies); en</li> <li>- Fitch (Fitch Ratings).</li> </ul> <p>If the counterparty does not have a rating, the rating of the counterparty's parent company may be taken into consideration.</p>	<p>All geographical regions may be considered when selecting counterparties.</p>

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

### Description of acceptable financial collateral and its valuation

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

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

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

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

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

### **Reuse of financial collateral**

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

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

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

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

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

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

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

### **Holding of the financial collateral**

The financial collateral will be held in the following manner:

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

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

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

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

- The choice of principal, agent and every counterparty is subject to strict selection criteria.
- The return of securities similar to the securities that have been lent can be requested at any time, which means that the lending of securities does not affect management of a sub-fund's assets.
- A margin management system is used to ensure that a sub-fund is at all times the beneficiary of financial security (collateral) in the form of cash or other or other specific types of securities with a low risk, such as government bonds, in case the principal or the counterparty (if a sub-fund uses an agent) does not return similar securities. The actual value of the collateral in the form of specific types of securities with a low risk must at all times exceed the actual value of the loaned securities by 5%. Furthermore, when calculating the value of the specific types of securities with a low risk provided as collateral, a margin of 3% is applied, which should prevent a negative change in price resulting in their actual value no longer exceeding the actual value of the securities. The value of the collateral in the form of cash must at all times exceed the actual value of the loaned securities.
- The criteria met by the collateral are such as to limit the credit risk. A rating of at least investment grade is required in the case of collateral in the form of bonds and other debt instruments. In the case of collateral in the form of participation rights in monetary undertakings for collective investment, the inherent diversification of these undertakings limits the credit risk. In the case of cash that is reinvested, a rating of at least investment grade is required when reinvesting in either deposits or government bonds. In the case of reinvestment in short-term money-market funds, the inherent diversification of these funds limits the credit risk.
- The criteria met by these types of collateral are such as to limit the liquidity risk. It must be possible to value the financial collateral on a daily basis by market price or to withdraw it on demand (on reinvestment of cash in deposits).

- In the case of reinvestment of cash, there are additional criteria to limit the market risk associated with the initial values in cash. When reinvesting bonds, only bonds with a remaining term to maturity of no more than one year may be considered. The shortness of this remaining term results in a low sensitivity to interest rate movements. In the case of reinvestment in short-term money-market funds, the low duration of these funds limits the market risk with respect to the initial value in cash.
- The custody of financial collateral consisting of securities occurs by placing the securities in custody accounts which, in the event of the custodian's bankruptcy, are held outside its insolvent estate. The custody of financial collateral consisting of cash occurs by holding it in cash accounts, whether or not segregated. The extent to which the custody of financial collateral consisting of cash occurs in non-segregated accounts has no influence, however, on the sub-fund's risk profile.
- Operational risks are limited by operational controls, in the shape of daily control of the market values of loaned securities and collateral and reconciliation of internal and external data.

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

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

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

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

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

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

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

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

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

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

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

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

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

In the investment policy, the management company shall take into account the sustainability risk as defined 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 socially responsible Investment funds*); and

- II. additional criteria relating to Socially Responsible Investing ("SRI") may apply for certain sub-funds. If applicable these additional criteria are specified under title '2. Investment information - Selected Strategy' and on [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) > *Exclusion policies for socially responsible funds*.

In its investment policy, the management company constantly assesses the underlying investments at issuer level, but also (if relevant) at the level of the asset allocation and the regional or sectoral allocation. In these regular assessments, the sustainability risk is considered as one of the various elements that can influence the return. The SRI research team assigns an ESG risk rating to the majority of companies included in the best-known benchmarks and to a selection of small and medium-sized companies, based on input from an ESG data provider, where ESG stands for "Environmental, Social and Governance". The ESG risk ratings are shared internally with portfolio managers and strategists so that they can use them as a factor in the investment decision-making process. Only sub-fund that follow the Best-In-Class methodology have a binding rule: they only invest in companies with the lowest ESG risk rating in their sub-sector. The threshold varies. Relatively more companies are accepted from sub-sectors with a low ESG risk rating than from sub-sectors with a high ESG risk rating.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

No CSA accrual during this period.

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

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

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

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

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

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

This anti-dilution levy can be applied in the following sub-funds: Belgium Plus, Europe Plus, World Plus.

## 1.2.2. General market overview

1 September 2020 – 30 August 2021

### General overview

#### The economic context

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

The recovery began at the end of the second quarter and continued in the third quarter. Infection rates began to move clearly in the wrong direction again in the final quarter, resulting in both partial and full lockdowns. These put the brakes back on the economic recovery, especially on the service side of the economy. In Europe, in particular, this second Covid wave led to a new (albeit less deep) economic dip, which characterised the first half of the reporting period. However, the successful roll-out of the vaccination programmes (especially in the US and the UK) and new support packages (particularly from the Biden government) quickly restored confidence. Industry, in particular (including in Europe) was running at full speed, while ongoing restrictions on mobility continued to weigh on the service sector.

#### Monetary policy

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

The European Central Bank (ECB) had already cut its deposit rate in September 2019 from -0.4% to -0.5% and relaunched its bond purchase programme. Since then, the ECB has taken a great many additional steps, with the launch of the 750 billion-euro Pandemic Emergency Purchase Programme (PEPP) aimed at supporting the euro area economy and calming the unrest on the financial markets. The ECB is thus not only pumping a great deal of liquidity into the market, but also providing extensive flexibility in its implementation. The PEPP budget was raised again in June to 1 350 billion euros and the duration of the programmes was extended in December.

Towards the end of the reporting period, the Fed began sending out more and more signals that it would soon make a start on reducing its bond purchase programme.

#### Currency markets

The euro was buoyed up in the second half of 2020 by the news regarding the large European support fund, while the dollar suffered from the very low interest rates. This situation changed at the start of 2021: US bond yields rose, fuelled by a powerful economic recovery, while the rapid vaccination roll-out also put the wind in the greenback's sails.

Overall, the euro fell slightly against the USD over the full reporting period. By contrast, the euro gained strongly against the Japanese yen. Sterling made up much of the ground lost during the Brexit crisis.

#### Stock markets

The global stock market (euro-denominated MSCI World AC) gained 29.2% in euro terms over the reporting period as a whole. The correction which accompanied the spread of the virus was brought to a halt in 2020 due to the massive stimulus measures rolled out by governments and central banks. The announcement that the vaccine candidates had been very successfully tested led to a further surge in share prices at the beginning of November 2020. Shares that had suffered amid the coronavirus crisis and lockdowns rallied strongly, enabling the stock markets to end 2020 with the wind in their sails.

This momentum continued in 2021. Covid infection rates improved and the prospect of large groups of the population being vaccinated lifted hopes of an economic normalisation and easing of lockdowns. In addition, US President Biden unveiled his new stimulus plan to support the economy. The economic recovery also continued, initially led mainly by a recovery in the industrial sectors, joined from the second quarter of 2021 by a strong rally in the service and consumer sectors.

Clear regional differences in returns were apparent over the reporting period. Among the traditional markets, US equities continued to forge ahead (+31.6% in euro terms), slightly above the global average. The US led the way in the recovery due to the highly successful vaccination campaign in the first quarter and the massive stimulus measures introduced by President Biden. In the second quarter, the stronger dollar helped US shares make some percentage gains in euro terms. The euro area lagged far behind, but has surged since the end of 2020, ending the period up 32.3%. Shares in the UK were plagued by fears of a hard Brexit, weaker economic conditions and a crippling second wave of the pandemic. However, the eleventh-hour Brexit deal provided some stability and the successful vaccination campaign, economic recovery and stronger sterling also pushed up share prices strongly in the UK.

Shares from emerging markets (countries or regions that are expected to experience rapid economic growth to make up their lag relative to the West) recorded gains of 'only' 20.4% over the reporting period. Stock markets in emerging Asian economies recovered quite quickly after having been hit hard by fears about the new coronavirus strain, though recently they have been faltering. Uncertainty about the regulation of large media and technology



companies, fears of a cooling economy and solvency problems at a major real estate company led to a correction in China (-5.8%). By contrast, Latin America managed to keep pace with the global trend, gaining 30.7%. Driven by a sharp rise in Russia (+38.6%) and in the Central European markets, Eastern Europe outperformed the broad equity market (38.2%).

For the sectors, too, the differences over the reporting period were quite pronounced. Cyclical sectors struggled in the early days of the pandemic but recovered well afterwards. The commodity sectors gained 36% thanks to the sharp rise in commodity prices, while Industrials were also up, gaining 34%. The Energy sector collapsed in 2020, but was able to make good the losses completely (+33.9%) on the back of a recovering oil price. Financials underperformed for some time due to fears of recession and low interest rates, but were pushed 45,6% higher by a strong rally from the end of 2020 and higher interest rates in early 2021, driven partly by the banking sector. Consumer Discretionary stocks were hit hard at the start of the crisis (e.g. the automotive, luxury goods and tourism industries), but rebounded strongly thereafter. Supply problems due to a lack of components later proved to be an issue for the automotive sector. The Covid winners in the sector, such as (online) retail, also lagged well behind the recovery, so that the sector as a whole posted an increase of 'only' 19.9%.

Technology turned out to be one of the winners from the coronavirus crisis, and managed to maintain the momentum. Since the start of 2021, this sector has lagged behind slightly due to its vulnerability to rising interest rates, but the cut in market interest rates in June helped the sector make some gains. Information Technology was up 34.8% compared to a year earlier, due mainly to its more cyclical component, semiconductors. Software rallied after a difficult period. The technology-related Communication Services sector (+31.6%) performed in line with the broad market.

Given their lower susceptibility to a recession, the defensive sectors performed relatively better in the early stages of the coronavirus crisis, but then ended up lagging somewhat behind the recovery in the summer of 2020 and in the vaccine rally in 2021. Higher interest rates in the first quarter of 2021 also made life difficult for them. Health Care recovered, but posted a below-average gain in the reporting period (+24.3%). Consumer Staples did very well at the beginning of the coronavirus crisis, but gained only 14.3% over the reporting period. Utilities saw a similar trend (+18%), with green energy companies providing the main support for the sector.

## Bond markets

After falling sharply in 2020, US bond yields began rising strongly in the first quarter of 2021 before subsequently falling back again. Overall, ten-year yields in the US rose by around 0.6% over that period. Yields in Germany rose only very slightly (+0.04%). Higher commodity prices are leading to more uncertainty about inflation, but growth prospects are brightening as vaccinations increase. This sparked an upward trend in inflation, prompting investor fears that the US central bank (Fed) would be forced to take action more quickly. In anticipation of this, bond yields rose sharply at the start of 2021. Interest rates worldwide are still very low and have fallen even further recently as many central banks stress that the upsurge in inflation is a temporary phenomenon. Bond yields in the euro area are still low and sometimes negative due to the continuing extremely accommodative monetary policy of the European Central Bank (ECB) combined with the modest inflation outlook. Riskier bond themes benefited from mounting investor confidence in the future reopening of economies but do not always manage to avoid losses.

The ECB has indicated that inflation will increase slowly, and will remain (well) below its target level in the years ahead. Deposit rates will therefore not be raised from their current -0.5% any time soon. KBC economists are not expecting a first rise in interest rates before 2023. Additionally, the ECB is providing stimulus until March 2022 through its bond purchase programme, meaning that the monetary tap will remain open for some considerable time to come. This could keep bond yields low.

The ECB's flexible monetary policy and the European support plan Next Generation EU ('NGEU') have also underpinned demand for riskier bonds over the past six months. Peripheral countries are again proving popular and risk premiums have narrowed further relative to German yields. For example, the ten-year spread for Italian bonds has narrowed further to 1.05%. Demand for corporate bonds also remains quite robust, due in part to support from the ECB's purchasing policy. This credit premium has fallen from 1.15% to 0.84%.

## Outlook

### The economic context

The global economy continues to perform strongly, though the rate of growth is likely to slacken in the second half-year now that the major economies have passed their growth peak. We are maintaining our positive outlook, despite the new uncertainties surrounding the further normalisation of the virus situation caused by the rapid spread of the Delta variant. On top of that there is the growing headwind of the supply chain disruptions. However, we believe this will be temporary; it will gradually ease and will not derail the economic recovery.

The economy has rebounded strongly in the euro area thanks to the gradual reopening in the second quarter. Although we expect some slowdown in real GDP growth in the coming quarters, the economic recovery will remain robust thanks to pent-up demand, which remains strong. The slight weakening of a number of frequently available indicators and persistent supply-side bottlenecks in the economy have led us to adjust our growth forecast for the third quarter slightly downwards. In the light of the stronger than expected growth in the second quarter, we have nonetheless raised our growth forecast for the full year 2021 from 4.2% to 5.0%. We are sticking to our 4.5% forecast for growth in 2022.

Economic growth in the US remained substantial in the second quarter, with activity climbing above pre-pandemic levels. The initial boost from the reopening has now passed, which is why we now predict lower, but still strong, growth rates for the rest of the year. However, the available indicators for the third quarter suggest a sharper

slowdown in growth than initially expected, particularly for private consumption. The labour market report for August indicates an increasingly negative impact of the Delta variant of the virus. In light of this recent information, we have lowered our economic growth forecast from 6.5% to 6.0% for 2021. We expect real GDP to grow by 3.9% in 2022.

Inflation rose sharply during the summer months, reaching 3% in the euro area as a result of higher energy prices and technical factors. It fell back slightly in the US in August to 5.3%, bringing an end to eight successive months of increases, providing a first indication of an easing of inflationary pressure. We still believe the spike in inflation was primarily due to temporary factors. That said, inflation will remain high for the rest of 2021 and is likely to persist in 2022. The uncertainty also remains high, with upside risks for the coming quarters, though we see no prospect of galloping inflation.

### **Monetary policy**

Despite the higher inflation, central banks on both sides of the Atlantic are persisting with their highly accommodative monetary policy. In so doing, they are making clear that they regard the recent upsurge in inflation as temporary.

At its September policy meeting, the ECB decided to slightly reduce its PEPP bond purchases in the fourth quarter. This decision was taken against the background of the continuing highly favourable financing climate and the ECB's uprating of the growth and inflation forecasts. ECB president Christine Lagarde stressed that the small reduction in bond purchases should not be seen as the start of tapering, but rather as the fine-tuning of a policy instrument that must be flexible enough to deal with the emergency situation caused by the pandemic. She also announced plans for a key discussion about the future of the quantitative easing instruments at the forthcoming policy meeting in December.

We think the ECB will end the PEPP bond purchases after March 2022. The remaining portfolio is likely to be (partially) transferred to the Asset Purchase Programme (APP), enabling a gradual reduction in bond purchases.

In general terms, we think the ECB will maintain its very flexible policy across the whole forecast horizon. This means that the ending of the APP and at the start of the normalisation of the key rate is unlikely before 2023.

In the US, the Fed also stuck to its highly accommodative policy at its July policy meeting. Nonetheless, the minutes of the meeting confirm that the discussion on tapering is in full swing and that several board members feel it would be appropriate to start scaling back the purchase of financial assets in the coming months, though opinions differ on the precise timing.

The Fed has however also made clear that the start of tapering will depend on a substantial improvement on the labour market. In that regard, the weak labour market report in August could temper the enthusiasm of some board members for a rapid start of tapering. On the other hand, the labour market report was not weak enough for the announcement of the start of tapering to be removed from the agenda for the September meeting.

Against this backdrop, we are sticking to our view that the Fed will begin unwinding its purchase programme in the fourth quarter of 2021. It may well start by reducing the purchases of mortgage-backed securities (currently 40 billion USD per month); that would help prevent overheating on the housing market. The next step will be to reduce the purchases of government bonds (currently 80 billion USD per month). We think the Fed will hold off on raising interest rates until the asset purchase programmes have ended completely. That implies that we do not anticipate a rise in interest rates before the start of 2023.

### **Currency markets**

We are now expecting a weaker performance from the greenback over the coming period, to 1.21 USD per EUR by the end of 2021 and 1.30 USD per EUR by the end of 2022. This pronounced weakening will be driven largely by the growing twin deficit – a current account deficit and a budget deficit – and the resultant financing requirements.

### **Financial markets**

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

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

### **Stock markets**

Within the equity portfolio, we see the best opportunities for earning a return in Europe. After a long Covid winter, figurative summer finally seems to have arrived for countries in the euro area. Industrial activity is slowly returning to pre-crisis levels. Covid measures are being steadily lifted and the reopening of the economy continues, allowing a further recovery in consumer spending and the services sector. In particular, small and medium-sized enterprises (SMEs) in the euro area stand to benefit from this. In the UK, too, the measures have now been lifted completely despite the surging Delta variant, and the vaccines mean that the number of hospital admissions is fairly limited. After performing weakly for several years, UK shares have become fairly cheap and our opinion is turning slightly more positive, although British shares continue to trade at a Brexit discount – a risk premium which could weigh on these stocks for some time.

We are underweight on emerging markets. The significant uncertainty for investors in China prompted us to reduce the weighting of Asian emerging markets somewhat. New regulations for Chinese technology companies triggered a sharp correction. Chinese economic growth is also slowing, with lower levels of lending and relatively weak producer confidence. Problems at the real estate giant Evergrande sowed new doubts about China. The Chinese government may be considering new stimulus measures, but until then we remain cautious about Chinese shares. In Asia, we are also underweight on Japan and the wider Pacific region, although we have recently increased our position in Japanese equities. The vaccination campaign has finally got up to speed in Japan, and the number of Covid cases is falling. Reopening the economy is working, and Japan is now looking forward hopefully to a new

Prime Minister and the possibility of a stimulus programme.

At sector level, we mainly favour shares that are focused on economic recovery among consumers. Thanks to vaccination programmes, the focus here is gradually shifting from an early-cyclical, industrial recovery to one oriented more towards consumption and services. Higher inflation figures and forecast rate hikes are also causing some shifts in the portfolio.

An overweighting of the Consumer Discretionary sector would be in line with the shift from a more industrial recovery to a consumer-oriented one. This sector not only includes e-commerce companies, but it also has a considerable exposure to shares that ought to benefit from a reopening of the economy (catering, tourism, etc.). After struggling for a few months due to the delta variant, these shareholdings have been increased again in the portfolio. Some of the more defensive consumer companies, such as food and beverage producers, and household and personal products, reported poorer results in the second quarter and have been reduced to their benchmark level. Media companies too will be able to benefit from this recovery, due in part to increased advertising revenues. Our stance on technology stocks is more or less neutral, although we have further increased the overweighting of the more cyclical semiconductor segment (computer chips). Demand for these chips remains sky-high, while the supply is unable to keep up and prices are therefore staying high, benefiting these companies. We have slightly reduced our position in the Energy sector to a neutral weighting in response to the higher oil price, which may have peaked, and the surge in the price of shares in these companies.

Given the stable economic outlook and the expectation of higher interest rates, we remain overweight in Financials. The Federal Reserve indicated that it will ratchet up its key rate more rapidly and start scaling back the enormous support programmes at the start of next year, implying that long rates ought also to rise further. In this pro-cyclical environment, banks should be able to slightly reduce their provisions for non-performing loans, while it ought to be possible to systematically increase lending volumes.

The flip side of this pro-cyclical positioning is that certain typically defensive and interest-rate-sensitive sectors such as utilities and real estate are underweighted. They include companies with predictable profits that do well in a recession, but underperform in a bull market driven by strong economic recovery. Consequently, their earnings growth will be lower in the year ahead than that of the cyclical sectors. An exception is the health care sector, which reported good results and for which the risk of regulation has decreased somewhat. We are holding the positions in this sector at their benchmark level.

As regards investment themes, the focus is on water companies. Drinking water is in very short supply due to obsolete and inadequate water infrastructure, climate change and problems with water quality and waste-water processing. This offers opportunities for water companies to achieve robust long-term revenue growth.

## Bond markets

Covid-19 isn't going down without a fight, but thanks to the smooth roll-out of vaccinations, both the US and Europe are benefiting from the reopening of their economies. Producer and consumer confidence have risen sharply and GDP is also growing at a robust rate. This acceleration combined with several other effects is now pushing up inflation. Central banks are reassuring the markets that rising prices are temporary and will ease in 2022. Following inflation jitters at the beginning of the year, bond markets have calmed a little since the second quarter.

Where the US central bank (Fed) has been talking about scaling back its bond purchases since the beginning of the summer, the European Central Bank (ECB) has said it is still far too early to consider this for the euro area. ECB president Christine Lagarde is also unwilling as yet to indicate what will happen in 2022 and the end of the PEPP – an exceptionally large-scale bond-purchasing programme in response to the Covid crisis. In the meantime, the ECB will continue to support the economy and the financial markets through an extremely accommodative monetary policy, in the shape of both low money-market rates and holding down yields through the bond-purchasing programme. We are looking at a longer period of low interest rates in the euro area, although we now expect bond yields to gradually rise as the growth outlook continues to brighten.

In view of this expectation and the extremely low level of interest rates, even negative in some cases, we are invested slightly below the benchmark level for both the bond allocation and average terms to maturity. The intention is to limit the interest rate risk (loss in value when interest rates are rising) so that it weighs less heavily on returns. Due to the economic recovery, the relatively attractive yield and the ECB's bond-purchasing programme, corporate bonds occupy a prominent place in the portfolio. The uncertainties surrounding emerging markets remain, but the compensation is attractive, enabling a limited position to be taken in this theme.

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



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## KBC SELECT IMMO NV

### **Auditor's report**

For the year ended 31.08.2021

## Statutory auditor's report to the shareholders' meeting of KBC SELECT IMMO NV for the year ended on 31 August 2020 – Annual Accounts

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

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 27 November 2020, 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 August 2023. We have performed the statutory audit of the annual accounts of KBC Select Immo NV for 1 financial year.

### 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, which comprises the balance sheet as at 31 August 2021 and the income statement for the year then ended, as well as the explanatory notes. The annual accounts shows a balance sheet total of 438.656.189 EUR and the income statement shows a profit of 85.966.749 EUR. An overview of the total net asset value and the result of each compartment is presented in the below table.

Compartment	Currency	Equity	Result
KBC Select Immo/Belgium Plus	EUR	293.407.989	53.311.663
KBC Select Immo/Europe Plus	EUR	47.927.182	10.457.306
KBC Select Immo/World Plus	EUR	97.321.019	22.197.780

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 August 2021 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium<sup>1</sup>.

#### 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.

<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.

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.

## Other matter

The audit of the annual accounts of the company for the financial year ended on 31 August 2020 was conducted by another auditor, who issued an unqualified opinion on 5 November 2020 on these annual accounts.

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

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

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

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

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

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

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

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;



- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the annual accounts, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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

## Other legal and regulatory requirements

### Responsibilities of the board of directors

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

### Responsibilities of the statutory auditor

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

### Aspects regarding the directors' report

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

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

### Statements regarding independence

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



## Other statements

- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting is in accordance with the relevant legal and regulatory requirements.
- We do not have to report any transactions undertaken or decisions taken which may be in violation of the company's articles of association or Code of companies and associations.

Brussels, 29 November 2021

MAZARS BEDRIJFSREVISOREN  
The Statutory Auditor  
Represented by

Dirk Stragier  
Bedrijfsrevisor

Nele Van Laethem  
Bedrijfsrevisor

## 1.4. Aggregate balance sheet (in EUR)

Balance sheet layout		31/08/2021	31/08/2020
	<b>TOTAL NET ASSETS</b>	438,656,189.82	370,584,833.61
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds		
	Collateral received in the form of bonds	1,140,810.00	2,098,891.15
C.	Shares and similar instruments		
	a) Shares	425,947,273.45	356,508,476.95
	Of which securities lent	993,600.00	1,776,255.03
	b) Closed-end undertakings for collective investment	6,140,486.80	6,477,088.20
D.	Other securities	7,339,005.63	6,347,605.20
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	53,371.34	3,514.81
B.	Payables		
	a) Accounts payable (-)	-144,223.07	-1.18
	c) Borrowings (-)	-1,253,394.41	-320,994.30
	d) Collateral (-)	-1,140,810.00	-2,098,891.15
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	858,689.06	1,814,429.81
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	194,312.50	186,817.40
C.	Accrued expense (-)	-479,331.48	-432,103.28
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	438,656,189.82	370,584,833.61
<b>A.</b>	<b>Capital</b>	352,962,146.17	385,984,590.66
<b>B.</b>	<b>Income equalization</b>	-272,705.43	59,248.58
<b>D.</b>	<b>Result of the bookyear</b>	85,966,749.08	-15,459,005.63
<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments	1,140,810.00	2,098,891.15
IX.	Financial instruments lent	993,600.00	1,776,255.03

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

Income Statement		31/08/2021	31/08/2020
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a)Shares	80,817,850.06	-9,557,129.50
	b)Closed-end undertakings for collective investment	-336,601.40	-3,103,495.46
D.	Other securities	1,729,126.06	-2,698,350.13
H.	Foreign exchange positions and transactions		
	b)Other foreign exchange positions and transactions	1,110,279.66	-4,849,688.59
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	20,408,166.97	29,615,029.56
	Unrealised gains on investments	53,995,355.33	-8,111,231.88
	Realised losses on investments	-8,426,929.45	-20,131,170.02
	Unrealised losses on investments	17,344,061.53	-21,581,291.34
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	6,450,976.16	5,511,131.92
B.	Interests		
	a)Securities and money market instruments	44,380.89	-1,358.57
	b)Cash at bank and in hand and deposits	174.13	7,099.37
C.	Interest on borrowings (-)	-12,360.51	-20,851.01
F.	Other investment income	3,142,760.89	6,248,781.93
<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	7,616.15	29,254.19
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-219,854.68	-341,344.44
B.	Financial expenses (-)	-2,810.66	-2,200.12
C.	Custodian's fee (-)	-141,350.57	-138,978.04
D.	Manager's fee (-)		
	a)Financial management	-5,744,830.28	-5,659,021.95
	b)Administration and accounting management	-387,621.42	-385,754.71
E.	Administrative expenses (-)	-2,000.80	-1,998.48
F.	Formation and organisation expenses (-)	-17,351.73	-20,250.19
G.	Remuneration, social security charges and pension	-868.00	
H.	Services and sundry goods (-)	-72,195.48	-48,650.44
J.	Taxes	-383,494.86	-362,081.67
K.	Other expenses (-)	-15,074.53	-64,119.74
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	2,646,094.70	4,749,658.05
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	85,966,749.08	-15,459,005.63
<b>VII.</b>	<b>Result of the bookyear</b>	85,966,749.08	-15,459,005.63

<b>Appropriation Account</b>		<b>31/08/2021</b>	<b>31/08/2020</b>
<b>I.</b>	<b>Profit to be appropriated</b>	85,694,043.65	-15,399,757.05
	Profit for the period available for appropriation	85,966,749.08	-15,459,005.63
	Income on the creation of shares (income on the cancellation of shares)	-272,705.43	59,248.58
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-84,475,608.55	16,819,115.43
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-1,218,435.10	-1,419,358.38

## 1.6. Summary of recognition and valuation rules

### 1.6.1. Summary of the rules

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

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

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

#### Differences

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

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

This tolerance limit is:

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

## 1.6.2. Exchange rates

1 EUR =	31/08/2021		31/08/2020	
	1.615174	AUD	1.617132	AUD
6.043372	BRL	6.560862	BRL	
1.491675	CAD	1.558263	CAD	
1.081351	CHF	1.076893	CHF	
0.857729	GBP	0.893199	GBP	
9.180772	HKD	9.268791	HKD	
129.684237	JPY	126.824518	JPY	
23.655627	MXN	26.174561	MXN	
10.276230	NOK	10.378454	NOK	
1.677132	NZD	1.769418	NZD	
10.197494	SEK	10.315009	SEK	
1.587823	SGD	1.626013	SGD	
9.814851	TRY	8.800996	TRY	
1.180450	USD	1.195950	USD	
17.075209	ZAR	20.260887	ZAR	

## Table of contents

- 2. Information on KBC Select Immo Belgium Plus
  - 2.1. Management report
    - 2.1.1. Launch date and subscription price
    - 2.1.2. Stock exchange listing
    - 2.1.3. Goal and key principles of the investment policy
    - 2.1.4. Financial portfolio management
    - 2.1.5. Distributors
    - 2.1.6. Index and benchmark
    - 2.1.7. Policy pursued during the financial year
    - 2.1.8. Future policy
    - 2.1.9. Synthetic risk and reward indicator (SRRI)
  - 2.2. Balance sheet
  - 2.3. Profit and loss account
  - 2.4. Composition of the assets and key figures
    - 2.4.1. Composition of the assets of KBC Select Immo Belgium Plus
    - 2.4.2. Changes in the composition of the assets KBC Select Immo Belgium Plus (in the currency of the sub-fund)
    - 2.4.3. Amount of commitments in respect of financial derivatives positions
    - 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value
    - 2.4.5. Performance figures
    - 2.4.6. Costs
    - 2.4.7. Notes to the financial statements and other data





# 2. Information on KBC Select Immo Belgium Plus

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### Capitalisation

Launch date:	24 March 1995
Initial subscription price:	20 000 BEF
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

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

#### Object of the sub-fund

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

#### Sub-fund's investment policy

##### *Permitted asset classes*

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

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

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

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

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

##### *Permitted derivatives transactions*

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

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

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

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

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

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

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit**

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

### **Strategy selected**

The assets are invested primarily in Belgian real estate certificates and in shares issued by companies whose activities are directly or indirectly linked to the Belgian real estate market. In addition, investments are made in securities issued by companies whose activities are directly or indirectly linked to the European real estate market.

The fund is actively managed without referring to any benchmark.

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

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

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

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

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

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

## **2.1.4. Financial portfolio management**

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

## **2.1.5. Distributors**

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

## **2.1.6. Index and benchmark**

Not applicable.

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

In accordance with the defined strategy, the fund invests in a selection of stocks and real estate certificates from the Belgian and European real estate sector. The portfolio mainly consists of Belgian real estate companies.

## **2.1.8. Future policy**

The fund will continue to invest in a selection of stocks and certificates from the Belgian and European real estate sector, with a strong focus on Belgian real estate companies.

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

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

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

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

### **Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 277 660.15 EUR.

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

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/08/2021</b> (in the currency of the sub-fund)	<b>31/08/2020</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	293,407,989.18	238,765,155.08
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds		
	Collateral received in the form of bonds		541,775.97
C.	Shares and similar instruments		
	a) Shares	279,510,553.72	224,638,972.04
	Of which securities lent		458,172.00
	b) Closed-end undertakings for collective investment	6,140,486.80	6,477,088.20
D.	Other securities	7,335,551.93	6,241,243.00
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	51,017.89	
B.	Payables		
	a) Accounts payable (-)	-72,582.51	-1.18
	c) Borrowings (-)	-1.41	-1.35
	d) Collateral (-)		-541,775.97
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	770,121.42	1,682,052.29
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	-0.02	-0.02
C.	Accrued expense (-)	-327,158.64	-274,197.90
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	293,407,989.18	238,765,155.08
<b>A.</b>	<b>Capital</b>	240,165,511.98	241,599,760.29
<b>B.</b>	<b>Income equalization</b>	-69,185.85	153,890.73
<b>D.</b>	<b>Result of the bookyear</b>	53,311,663.05	-2,988,495.94
	<b>Off-balance-sheet headings</b>		
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments		541,775.97
IX.	Financial instruments lent		458,172.00

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/08/2021</b> (in the currency of the fund)	<b>31/08/2020</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	50,244,400.44	-1,392,610.82
	b) Closed-end undertakings for collective investment	-336,601.40	-3,103,495.46
D.	Other securities	1,731,682.78	-2,568,297.57
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	32,070.37	177,823.73
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	6,089,707.85	7,301,896.06
	Unrealised gains on investments	39,714,225.03	3,750,038.80
	Realised losses on investments	-516,467.66	-3,784,088.22
	Unrealised losses on investments	6,384,086.97	-14,154,426.76
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	3,093,828.44	2,043,756.84
B.	Interests		
	a) Securities and money market instruments	8,507.18	693.80
	b) Cash at bank and in hand and deposits		3,317.37
C.	Interest on borrowings (-)	-8,339.50	-16,660.94
F.	Other investment income	3,074,906.12	6,157,975.51
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-34,099.07	-78,845.29
B.	Financial expenses (-)	-1,796.96	-1,358.33
C.	Custodian's fee (-)	-89,617.68	-81,282.73
D.	Manager's fee (-)		
	a) Financial management	-3,825,207.58	-3,587,581.97
	b) Administration and accounting management	-255,014.16	-239,172.42
F.	Formation and organisation expenses (-)	-9,543.22	-7,515.92
G.	Remuneration, social security charges and pension	-563.97	
H.	Services and sundry goods (-)	-31,117.08	-17,357.94
J.	Taxes	-267,372.48	-238,213.60
K.	Other expenses (-)	-14,459.18	-39,670.20
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	1,640,110.86	3,898,084.18
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	53,311,663.05	-2,988,495.94
<b>VII.</b>	<b>Result of the bookyear</b>	53,311,663.05	-2,988,495.94

<b>Appropriation Account</b>		<b>31/08/2021</b> (in the currency of the sub-fund)	<b>31/08/2020</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	53,242,477.20	-2,834,605.21
	Profit for the period available for appropriation	53,311,663.05	-2,988,495.94
	Income on the creation of shares (income on the cancellation of shares)	-69,185.85	153,890.73
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-53,242,477.20	2,834,605.21

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Select Immo Belgium Plus

Name	Quantity on 31/08/2021	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Closed-end funds							
Listed closed-end investment funds							
<u>Belgium</u>							
LEASINVEST REAL ESTATE -	62,134.00	EUR	69.100	4,293,459.40		1.47	1.46
VASTNED RETAIL BELGIUM NV -	60,958.00	EUR	30.300	1,847,027.40		0.63	0.63
Open-end funds							
UCITS registered with the FSMA							
<u>Belgium</u>							
WAREHOUSES ESTATES BELGIUM -	65,310.00	EUR	39.700	2,592,807.00		0.89	0.88
Total investment funds				8,733,293.80		2.98	2.98
<b>Shares</b>							
Exchange-listed shares							
<u>Belgium</u>							
AEDIFICA -	188,609.00	EUR	124.600	23,500,681.40		8.02	8.01
ASCENCIO -	100,953.00	EUR	50.600	5,108,221.80		1.74	1.74
ATENOR GROUP (BRU)	113,250.00	EUR	58.800	6,659,100.00		2.27	2.27
BANIMMO SA/NV -	53,469.00	EUR	3.440	183,933.36		0.06	0.06
BEFIMMO -	135,645.00	EUR	34.850	4,727,228.25		1.61	1.61
CARE PROPERTIES INVEST -	479,746.00	EUR	28.150	13,504,849.90		4.61	4.60
CIE IMMOBILIERE DE BELGIQUE SA (BRU)	126,091.00	EUR	73.200	9,229,861.20		3.15	3.15
COFINIMMO -	77,135.00	EUR	140.100	10,806,613.50		3.69	3.68
HOME INVEST BELGIUM -	36,278.00	EUR	120.000	4,353,360.00		1.49	1.48
IMMO MECHELEN CITY CENTER NV -	1,000.00	EUR	570.000	570,000.00		0.20	0.19
INTERVEST -	306,177.00	EUR	25.000	7,654,425.00		2.61	2.61
MONTEA SCA M	199,409.00	EUR	125.600	25,045,770.40		8.55	8.54
QRF COMM VA -	366,621.00	EUR	11.600	4,252,803.60		1.45	1.45
QRF COMM VA NOMINATIEF 3	43,226.00	EUR	11.600	501,421.60		0.17	0.17
RETAIL ESTATES -	157,358.00	EUR	69.500	10,936,381.00		3.73	3.73
SHURGARD SELF STORAGE EUROPE S -	254,834.00	EUR	50.700	12,920,083.80		4.41	4.40
VGP NV -	111,992.00	EUR	202.000	22,622,384.00		7.72	7.71
WAREHOUSE DISTR. DE PAUW -	621,495.00	EUR	38.940	24,201,015.30		8.26	8.25
WERELDHAVE BELGIUM -	64,927.00	EUR	47.050	3,054,815.35		1.04	1.04
XIOR STUDENT HOUSING NV -	417,369.00	EUR	52.000	21,703,188.00		7.41	7.40
<u>Cyprus</u>							
AKELIUS RESIDENTIAL PROPERTY A -	2,326,066.00	EUR	1.712	3,982,224.99		1.36	1.36
AROWNTOWN PROPERTY HOLD SA -	978,361.00	EUR	6.486	6,345,649.45		2.17	2.16
<u>Finland</u>							
KOJAMO OYJ -	15,894.00	EUR	20.600	327,416.40		0.11	0.11
<u>France</u>							
GECINA REG	52,552.00	EUR	131.550	6,913,215.60		2.36	2.36
ICADE EMGP -	48,050.00	EUR	72.800	3,498,040.00		1.19	1.19
UNIBAIL-RODAMCO SE -	12,362.00	EUR	74.200	917,260.40		0.31	0.31
<u>Germany</u>							
ADO PROPERTIES SA -	46,726.00	EUR	22.500	1,051,335.00		0.36	0.36
ALSTRIA OFFICE AG -	198,165.00	EUR	17.240	3,416,364.60		1.17	1.16
DEUTSCHE WOHNEN AG -	98,013.00	EUR	52.560	5,151,563.28		1.76	1.76
LEG IMMOBILIEN AG -	21,115.00	EUR	135.000	2,850,525.00		0.97	0.97
TAG IMMOBILIEN AG -	170,701.00	EUR	28.670	4,893,997.67		1.67	1.67
VIB VERMOEGEN AG -	58,999.00	EUR	38.550	2,274,411.45		0.78	0.78
VONOVIA SE -	215,061.00	EUR	57.160	12,292,886.76		4.20	4.19
<u>Netherlands</u>							
WERELDHAVE NV (AMS)	9,875.00	EUR	13.430	132,621.25		0.05	0.05
<u>Spain</u>							
ARIMA REAL ESTATE SOCIMI SA -	104,667.00	EUR	9.980	1,044,576.66		0.36	0.36
INMOBILIARIA COLONIAL SOCIMI SA -	264,903.00	EUR	9.165	2,427,836.00		0.83	0.83
MERLIN PROPERTIES SOCIMI SA -	98,165.00	EUR	9.894	971,244.51		0.33	0.33

<u>Sweden</u>							
CATENA AB -	32,581.00	SEK	557.500	1,781,212.79		0.61	0.61
COREM PROPERTY GROUP AB -	1,783.00	SEK	309.000	54,027.68		0.02	0.02
FABEGE AB -	351,142.00	SEK	156.450	5,387,221.97		1.84	1.84
<u>Switzerland</u>							
PSP SWISS PROPERTY AG -	19,908.00	CHF	122.800	2,260,784.80		0.77	0.77
Total shares				279,510,553.72		95.40	95.26
<b>Real estate certificates</b>							
<u>Belgium</u>							
BRUSSELS NORTH DISTRIBUTION OP NAAM	2.00	EUR	120,370.400	240,740.80		0.08	0.08
DIEGEM KENNEDY DIEGEM KENNEDY (TOONDER)	8,239.00	EUR	128.000	1,054,592.00		0.36	0.36
IMMO ANTARES ANTARES (TOONDER)	28,551.00	EUR	8.606	245,709.91		0.08	0.08
IMMO BASILIX BASILIX (TOONDER)	18,578.00	EUR	12.638	234,788.76		0.08	0.08
IMMO BEAULIEU BEAULIEULAAN (TOONDER)	35,042.00	EUR	5.801	203,278.64		0.07	0.07
IMMO GENK ZUID GENK LOGISTICS (TOONDER)	11,401.00	EUR	180.000	2,052,180.00		0.70	0.70
IMMO ZENOBE GRAMME ZENOBE GRAMME	2,285.00	EUR	222.200	507,727.00		0.17	0.17
Total real estate certificates				4,539,017.11		1.55	1.55
<b>Rights</b>							
<u>Belgium</u>							
AEDIFICA CPN28	195,093.00	EUR	1.044	203,727.82		0.07	0.07
Total rights				203,727.82		0.07	0.07
TOTAL SECURITIES PORTFOLIO				292,986,592.45		100.00	99.86
<b>CASH AT BANK AND IN HAND</b>							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP CAD	1,890.80	CAD	1.000	1,267.57		0.00	0.00
KBC GROUP CHF	101,888.18	CHF	1.000	94,223.02		0.00	0.03
KBC GROUP EURO	673,755.47	EUR	1.000	673,755.47		0.00	0.23
KBC GROUP GBP	-1.21	GBP	1.000	-1.41		0.00	0.00
KBC GROUP SEK	8,926.52	SEK	1.000	875.36		0.00	0.00
Total demand accounts				770,120.01		0.00	0.26
TOTAL CASH AT BANK AND IN HAND				770,120.01		0.00	0.26
<b>OTHER RECEIVABLES AND PAYABLES</b>							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	51,017.89	EUR	1.000	51,017.89		0.00	0.02
Total receivables				51,017.89		0.00	0.02
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-72,582.51	EUR	1.000	-72,582.51		0.00	-0.03
Payables				-72,582.51		0.00	-0.03
TOTAL RECEIVABLES AND PAYABLES				-21,564.62		0.00	-0.01
<b>OTHER</b>							
Interest receivable		EUR		-0.02		0.00	0.00
Expenses payable		EUR		-327,158.64		0.00	-0.11
TOTAL OTHER				-327,158.66		0.00	-0.11
TOTAL NET ASSETS				293,407,989.18		0.00	100.00

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

	29/02/2020	31/08/2020	28/02/2021	31/08/2021
Belgium	75.56	77.13	76.17	76.84
Switzerland	1.07	0.83	0.81	0.77
Cyprus	3.47	3.17	3.57	3.52
Germany	8.99	11.31	10.79	10.87
Spain	2.19	1.52	1.62	1.52
Finland	0.11	0.13	0.10	0.11
France	6.04	3.89	4.68	3.86
Luxembourg	0.03	0.00	0.00	0.00
Netherlands	0.06	0.03	0.06	0.05
Sweden	2.48	1.99	2.20	2.46
TOTAL	100.00	100.00	100.00	100.00

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

	29/02/2020	31/08/2020	28/02/2021	31/08/2021
Consum(cycl)	2.75	3.38	4.04	4.59
Financials	0.95	0.70	(1.26)	0.26
Real est.	96.30	95.92	97.22	95.15
TOTAL	100.00	100.00	100.00	100.00

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

	29/02/2020	31/08/2020	28/02/2021	31/08/2021
SWISS FRANC	1.07	0.85	0.83	0.80
EURO	96.45	97.13	96.92	96.74
SWEDISH KRONA	2.48	2.02	2.25	2.46
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Select Immo Belgium Plus (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	7,301,191.64	17,658,822.71	24,960,014.35
<b>Sales</b>	1,649,424.20	19,366,630.34	21,016,054.55
<b>Total 1</b>	8,950,615.85	37,025,453.05	45,976,068.90
<b>Subscriptions</b>	12,806,786.66	23,211,902.98	36,018,689.64
<b>Redemptions</b>	11,713,298.55	22,904,841.95	34,618,140.50
<b>Total 2</b>	24,520,085.21	46,116,744.93	70,636,830.14
<b>Monthly average of total assets</b>	242,779,118.36	266,318,753.29	254.548.935.82
<b>Turnover rate</b>	-6.41%	-3.41%	-9.69%

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

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

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

Nil

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



Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	14,773.92		6,768.11		73,442.70		73,442.70
2020 - 08*	15,149.31		8,677.56		79,914.45		79,914.45
2021 - 08*	11,796.49		11,043.90		80,667.04		80,667.04

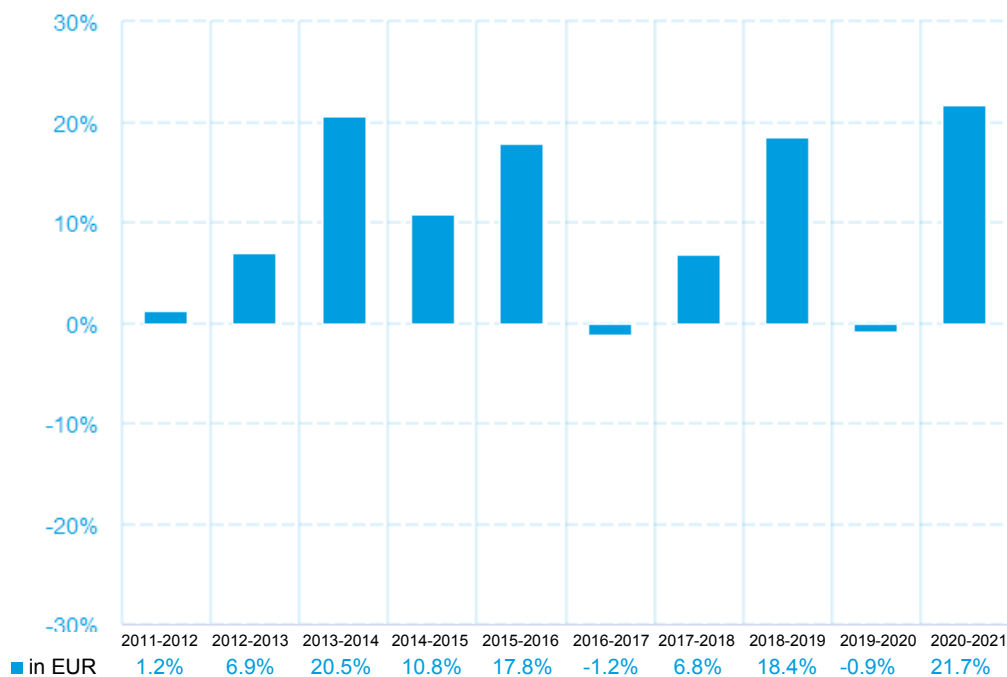
Period	Amounts received and paid by the UCITS (in the currency of the sub-fund)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	40,667,924.01		17,815,660.07	
2020 - 08*	46,140,516.94		25,756,096.60	
2021 - 08*	36,369,650.20		35,038,479.15	

Period	Net asset value End of period (in the currency of the sub-fund)		
	Of the sub-fund	Of one share	
		Capitalization	Distribution
2019 - 08*	221,369,230.68	3,014.18	
2020 - 08*	238,765,155.08	2,987.76	
2021 - 08*	293,407,989.18	3,637.27	

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

## 2.4.5. Performance figures

BE0153263034  
KBC Select Immo Belgium Plus CAP  
Annual performance on 31/08/2021 (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	BE0153263034	EUR	21.74%		12.63%		8.57%		9.88%		24/03/1995	7.82%

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

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Capitalisation :

Ongoing Charges : 1.765%

Transaction costs : 0.010%

Percentage calculated at reporting date: 31 August 2021 .

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

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

### Existence of Commission Sharing Agreements

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

No CSA accrual during this period.

### Existence of fee sharing agreements and rebates

The management company has shared 52,81% of its fee with the distributor, and institutional and/or professional parties.

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

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

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

### Exercising voting rights

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

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

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

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

## 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 01/09/2020 to 01/08/2021, the realised net income for the UCITS amounts to 23.075,75 EUR and for the Management Company 9.230,30 EUR. Direct and indirect costs and charges are deducted from the gross income. These are set at a flat rate of 35% of the fee received and consist of the charges for the clearing services provided by KBC Bank NV, the charges paid to the management company for setting up and monitoring the system for lending securities, the charges for margin management, the charges associated with cash and custody accounts and cash and securities transactions, the fee paid for any management of reinvestments and, if the sub-fund uses an agent, the fee paid to the agent. The undertaking for collective investment in transferable securities will thus receive 65% of the fee received for securities lent. The number of securities lent varied between 0 and 4, with a market value fluctuating between 11871633.97 and 11871633.97 EUR. The detailed list of securities lending transactions carried out may be obtained from the registered office of the undertaking for collective investment in transferable securities at Havenlaan 2, 1080 Brussels. During the reporting period, securities lending transactions were effected in relation to the following securities lending systems:

Manager of the securities lending system: Goldman Sachs

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

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

Nature of the financial collateral: government bonds issued by Austria, Belgium, Germany, the Netherlands, Luxembourg, the UK, France, the US and Switzerland and supranational bonds denominated in EUR, USD or GBP issued by the EIB or the KFW.

Reinvestment of the financial collateral received: no reinvestment takes place.

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

## Transparency of securities financing transactions and of reuse

### Global data:

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

### Concentration data:

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

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

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

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

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

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

collateral	quality	currency	Maturity tenor
Nil	Nil	Nil	Nil

Data on reuse of collateral:

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

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

1) Number and names of custodians and the amount of collateral assets safe-kept by each of the custodians.			
number	Name collateral custodian	Market value on a settled basis	currency
Nil	Nil	Nil	Nil

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

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

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

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

Lending program: equity (Goldman Sachs)	collective investment undertaking	manager of the collective investment undertaking	agent lender
return EUR	35.501,16	9.230,30	3.195,10
percentage of overall returns	100,00 %	26,00%	9,00%
cost EUR	12.425,41		
percentage of overall returns	35,00 %		

## Table of contents

- 2. Information on KBC Select Immo Europe Plus
  - 2.1. Management report
    - 2.1.1. Launch date and subscription price
    - 2.1.2. Stock exchange listing
    - 2.1.3. Goal and key principles of the investment policy
    - 2.1.4. Financial portfolio management
    - 2.1.5. Distributors
    - 2.1.6. Index and benchmark
    - 2.1.7. Policy pursued during the financial year
    - 2.1.8. Future policy
    - 2.1.9. Synthetic risk and reward indicator (SRRI)
  - 2.2. Balance sheet
  - 2.3. Profit and loss account
  - 2.4. Composition of the assets and key figures
    - 2.4.1. Composition of the assets of KBC Select Immo Europe Plus
    - 2.4.2. Changes in the composition of the assets KBC Select Immo Europe Plus (in the currency of the sub-fund)
    - 2.4.3. Amount of commitments in respect of financial derivatives positions
    - 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value
    - 2.4.5. Performance figures
    - 2.4.6. Costs
    - 2.4.7. Notes to the financial statements and other data





# 2. Information on KBC Select Immo Europe Plus

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### Classic Shares Distribution

Launch date:	1 September 2014
Initial subscription price:	1 037.98 EUR
Currency:	EUR

#### Classic Shares Capitalisation

Launch date:	6 March 1998
Initial subscription price:	20 000 BEF
Currency:	EUR

#### Institutional B Shares Capitalisation

Launch date:	23 May 2017
Initial subscription price:	1 288.32 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

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

#### Object of the sub-fund

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

#### Sub-fund's investment policy

##### Permitted asset classes

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

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

##### Restrictions of the investment policy

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

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

##### Permitted derivatives transactions

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

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

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

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

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in**

relation to the currency in which the sub-fund is denominated.

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

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

### Strategy selected

The assets are invested primarily in real estate certificates, shares in real estate companies and real estate funds of European origin. Investments are also made in other securities linked to the European real estate sector.

The fund is actively managed with reference to the following benchmark: FTSE EPRA/NAREIT Developed Europe - Net Return Index.

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

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

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

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

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

The longterm expected tracking error for this fund is 3.00%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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### Volatility of the net asset value

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

### Securities Financing Transactions (SFTs)

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

### General strategy for hedging the exchange risk

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

### Social, ethical and environmental aspects

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

## 2.1.4. Financial portfolio management

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

## 2.1.5. Distributors

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

## 2.1.6. Index and benchmark

See 'Sub-fund's investment policy'.

## 2.1.7. Policy pursued during the financial year

The focus on growth sectors that have constructive fundamental trends and have been less impacted by the global Covid-19 pandemic has been maintained over the past six months, leading to overweight positions in the logistics segment, data centres and towers. In addition, we remained constructive regarding the equilibrium between supply and demand in European residential property, with selective positions being taken in Germany. We remained underweight in retail property, however, as – despite the relatively low valuation – we see risks related to tenant bankruptcies and lower rental levels throughout the year. That said, we have opted to retain positions in retail warehouses, as these offer somewhat more protection from trends within the retail property market.

Our selection of property shares focused on niches with growth prospects, such as healthcare property and student accommodation.

We remained very selective in our positioning for offices, investing mainly in quality portfolios.

## 2.1.8. Future policy

The debt ratio of real estate companies has remained under control, but is moving in a less favourable direction. Borrowing costs, which represent the average for recent years, have generally declined a little further. Real estate companies continue to focus on refinancing and acquiring cheap capital to ensure their future growth. Retail property companies that are seeing their capital values fall will probably raise capital, despite the low share prices. Real estate companies are also likely to be willing to sell buildings and thus recycle the capital invested. In this way, they are already anticipating their project financing needs for the future.

In operational terms, we still see that real estate companies are generally continuing to do well, with rising operational cash flows and dividends as a result. The valuation of the real estate market has become somewhat more challenging in recent quarters, but it follows the broader market.

We are generally of the opinion that retail property companies will remain less well positioned, resulting in a general derating. Polarisation continued to intensify between real estate companies that can benefit from a multichannel sales strategy on the part of tenants (via both physical stores and online channels), and firms that are positioned weakly in this regard. The logistical real estate sector emerged as the winner of the trend towards increased online sales. The capacity to align the distribution network with growing online sales has so far been insufficient, resulting in scarcity. This certainly hasn't done the logistical property companies any harm.

The office market continues to present a mixed picture, depending on the region. Within Europe, the recovery is not proceeding at a uniform rate: it is primarily the major cities like Paris, Barcelona and Berlin that are leading the way. Rents are barely rising, at any rate, and a certain level of vacancies remains. The question at this moment remains what will happen to office buildings now that more people are working from home.

In the residential market, the fund invests primarily in niches like residential care facilities, old people's homes and student accommodation. Growth is currently to be found abroad to a significant extent. In addition, the foreign market is even more fragmented and multiple investment opportunities are generally available compared to the Belgian market. German residential real estate stocks, which are characterised by scarcity, continue to offer growth potential, but the uncertainty surrounding rent growth in Berlin will still have to be monitored and will require careful selection.

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

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

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

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

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

### Leveraged finance

The total amount of leveraged finance used by the sub-fund is 10 777.11 EUR.

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

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/08/2021</b> (in the currency of the sub-fund)	<b>31/08/2020</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	47,927,181.50	44,405,963.60
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds		
	Collateral received in the form of bonds	1,140,810.00	1,063,121.75
C.	Shares and similar instruments		
	a) Shares	47,973,996.27	44,615,289.94
	Of which securities lent	993,600.00	889,284.44
D.	Other securities		71,002.44
<b>IV.</b>	<b>Receivables and payables within one year</b>		
B.	Payables		
	c) Borrowings (-)	-61,220.65	-285,571.76
	d) Collateral (-)	-1,140,810.00	-1,063,121.75
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	21,738.19	19,018.42
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	45,188.87	36,030.90
C.	Accrued expense (-)	-52,521.18	-49,806.34
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	47,927,181.50	44,405,963.60
<b>A.</b>	<b>Capital</b>	37,538,471.46	47,135,394.62
<b>B.</b>	<b>Income equalization</b>	-68,596.26	-5,200.14
<b>D.</b>	<b>Result of the bookyear</b>	10,457,306.30	-2,724,230.88
<hr/>			
	<b>Off-balance-sheet headings</b>		
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments	1,140,810.00	1,063,121.75
IX.	Financial instruments lent	993,600.00	889,284.44

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/08/2021</b> (in the currency of the fund)	<b>31/08/2020</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	9,765,487.00	-2,803,056.62
D.	Other securities	594.99	-116,773.13
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	310,580.30	169,661.62
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	3,909,775.40	5,206,211.95
	Unrealised gains on investments	4,328,671.93	-2,596,431.78
	Realised losses on investments	-1,003,856.39	-4,652,323.41
	Unrealised losses on investments	2,842,071.35	-707,624.89
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	1,140,645.27	877,805.98
B.	Interests		
	a) Securities and money market instruments	28,000.26	1,528.93
	b) Cash at bank and in hand and deposits	21.68	1,179.45
C.	Interest on borrowings (-)	-805.94	-1,399.63
F.	Other investment income	35,068.93	52,157.55
<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	5,161.21	9,809.62
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-61,484.65	-90,946.64
B.	Financial expenses (-)	-354.21	-287.83
C.	Custodian's fee (-)	-17,188.82	-18,908.09
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-631,815.61	-683,112.55
	Institutional B Shares	-7,019.95	-8,699.46
	b) Administration and accounting management	-44,460.97	-48,440.68
E.	Administrative expenses (-)	-1,000.17	-1,000.36
F.	Formation and organisation expenses (-)	-2,597.06	-4,346.77
G.	Remuneration, social security charges and pension	-100.60	
H.	Services and sundry goods (-)	-10,010.56	-7,767.78
J.	Taxes		
	Classic Shares	-41,143.73	-44,431.89
	Institutional B Shares	-100.10	252.41
K.	Other expenses (-)	-10,170.97	-7,455.01
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	380,644.01	25,937.25
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	10,457,306.30	-2,724,230.88
<b>VII.</b>	<b>Result of the bookyear</b>	10,457,306.30	-2,724,230.88

<b>Appropriation Account</b>		<b>31/08/2021</b> (in the currency of the sub-fund)	<b>31/08/2020</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	10,388,710.04	-2,729,431.02
	Profit for the period available for appropriation	10,457,306.30	-2,724,230.88
	Income on the creation of shares (income on the cancellation of shares)	-68,596.26	-5,200.14
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-10,035,077.85	3,070,789.65
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-353,632.19	-341,358.63

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Select Immo Europe Plus

Name	Quantity on 31/08/2021	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Austria</u>							
CA IMMOBILIEN ANLAGEN AG -	6,777.00	EUR	36.850	249,732.45		0.52	0.52
<u>Belgium</u>							
CARE PROPERTIES INVEST -	13,353.00	EUR	28.150	375,886.95		0.78	0.78
CIE IMMOBILIERE DE BELGIQUE SA (BRU)	1,414.00	EUR	73.200	103,504.80		0.22	0.22
SHURGARD SELF STORAGE EUROPE S -	32,310.00	EUR	50.700	1,638,117.00		3.42	3.42
VGP NV -	4,579.00	EUR	202.000	924,958.00		1.93	1.93
WAREHOUSE DISTR. DE PAUW -	38,697.00	EUR	38.940	1,506,861.18		3.14	3.14
XIOR STUDENT HOUSING NV -	7,566.00	EUR	52.000	393,432.00		0.82	0.82
<u>Cyprus</u>							
AKELIUS RESIDENTIAL PROPERTY A -	280,528.00	EUR	1.712	480,263.94		1.00	1.00
AROWNTOWN PROPERTY HOLD SA -	235,769.00	EUR	6.486	1,529,197.73		3.19	3.19
<u>Finland</u>							
KOJAMO OYJ -	76,322.00	EUR	20.600	1,572,233.20		3.28	3.28
<u>France</u>							
GECINA REG	22,319.00	EUR	131.550	2,936,064.45		6.12	6.13
ICADE EMGP -	13,269.00	EUR	72.800	965,983.20		2.01	2.02
KLEPIERRE (CIE FONCIERE) -	50,936.00	EUR	20.700	1,054,375.20		2.20	2.20
<u>Germany</u>							
ADO PROPERTIES SA -	20,862.00	EUR	22.500	469,395.00		0.98	0.98
DEUTSCHE WOHNEN AG -	60,422.00	EUR	52.560	3,175,780.32		6.62	6.63
LEG IMMOBILIEN AG -	16,734.00	EUR	135.000	2,259,090.00		4.71	4.71
TAG IMMOBILIEN AG -	86,073.00	EUR	28.670	2,467,712.91		5.14	5.15
VIB VERMOEGEN AG -	14,473.00	EUR	38.550	557,934.15		1.16	1.16
VONOVIA SE -	75,958.00	EUR	57.160	4,341,759.28		9.05	9.06
<u>Norway</u>							
ENTRA ASA -	11,300.00	NOK	196.900	216,516.17		0.45	0.45
<u>Spain</u>							
ARIMA REAL ESTATE SOCIMI SA -	49,636.00	EUR	9.980	495,367.28		1.03	1.03
INMOBILIARIA COLONIAL SOCIMI SA -	220,130.00	EUR	9.165	2,017,491.45		4.21	4.21
<u>Sweden</u>							
CATENA AB -	26,825.00	SEK	557.500	1,466,530.59		3.06	3.06
FABEGE AB -	147,640.00	SEK	156.450	2,265,093.47		4.72	4.73
FASTIGHETS AB BALDER -B-	20,207.00	SEK	616.800	1,222,229.41		2.55	2.55
K-FAST HOLDING AB -	9,203.00	SEK	82.900	74,815.31		0.16	0.16
SAGAX AB -	11,296.00	SEK	321.800	356,465.29		0.74	0.74
<u>Switzerland</u>							
PSP SWISS PROPERTY AG -	12,273.00	CHF	122.800	1,393,741.80		2.91	2.91
<u>U.K.</u>							
DERWENT LONDON PLC -	50,101.00	GBP	37.930	2,215,536.82		4.62	4.62
LONDON METRIC PROPERTY PLC -	401,298.00	GBP	2.618	1,224,859.78		2.55	2.56
SAFESTORE HOLDINGS PLC -	40,224.00	GBP	11.550	541,647.79		1.13	1.13
SEGRO PLC -	305,585.00	GBP	12.840	4,574,533.28		9.54	9.55
TRITAX EUROBOX PLC -	424,040.00	GBP	1.206	596,216.33		1.24	1.24
UNITE GROUP PLC -	162,121.00	GBP	12.225	2,310,669.74		4.82	4.82
Total shares				47,973,996.27		100.00	100.10
TOTAL SECURITIES PORTFOLIO				47,973,996.27		100.00	100.10
COLLATERAL RECEIVED							
<u>Belgium</u>							
COLLATERAL ONTVANGEN SECURITIES LENDING	1,140,810.00	EUR	1.000	1,140,810.00		0.00	2.38
TOTAL RECEIVED COLLATERAL				1,140,810.00		0.00	2.38
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							

<u>Belgium</u>							
KBC GROUP AUD	4,299.06	AUD	1.000	2,661.67		0.00	0.01
KBC GROUP CAD	663.31	CAD	1.000	444.67		0.00	0.00
KBC GROUP CHF	7,195.47	CHF	1.000	6,654.15		0.00	0.01
KBC GROUP EURO	-47,664.18	EUR	1.000	-47,664.18		0.00	-0.10
KBC GROUP GBP	-2,613.72	GBP	1.000	-3,047.25		0.00	-0.01
KBC GROUP HKD	1,723.78	HKD	1.000	187.76		0.00	0.00
KBC GROUP JPY	195,703.00	JPY	1.000	1,509.07		0.00	0.00
KBC GROUP NOK	-107,995.15	NOK	1.000	-10,509.22		0.00	-0.02
KBC GROUP SEK	54,978.74	SEK	1.000	5,391.40		0.00	0.01
KBC GROUP SGD	8.34	SGD	1.000	5.25		0.00	0.00
KBC GROUP TRY	1,818.44	TRY	1.000	185.27		0.00	0.00
KBC GROUP USD	5,546.88	USD	1.000	4,698.95		0.00	0.01
Total demand accounts				-39,482.46		0.00	-0.08
TOTAL CASH AT BANK AND IN HAND				-39,482.46		0.00	-0.08
OTHER RECEIVABLES AND PAYABLES							
<b>Payables</b>							
<u>Belgium</u>							
COLLATERAL ONTVANGEN SECURITIES LENDING TEGENP	-1,140,810.00	EUR	1.000	-1,140,810.00		0.00	-2.38
Payables				-1,140,810.00		0.00	-2.38
TOTAL RECEIVABLES AND PAYABLES				-1,140,810.00		0.00	-2.38
OTHER							
Interest receivable		EUR		45,188.87		0.00	0.09
Expenses payable		EUR		-52,521.18		0.00	-0.11
TOTAL OTHER				-7,332.31		0.00	-0.02
TOTAL NET ASSETS				47,927,181.50		0.00	100.00

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

	29/02/2020	31/08/2020	28/02/2021	31/08/2021
Austria	0.63	1.10	1.51	0.54
Belgium	12.10	8.78	10.04	10.20
Switzerland	3.92	4.04	3.41	2.90
Cyprus	8.89	5.24	5.69	4.19
Germany	18.05	33.19	28.61	27.69
Spain	6.26	4.79	5.33	5.23
Finland	1.36	2.08	1.12	3.28
France	16.13	9.90	12.25	10.33
U.K.	23.67	22.84	23.37	23.97
Ireland	0.50	0.19	0.00	0.00
Luxembourg	0.15	0.00	0.00	0.00
Netherlands	0.13	0.00	0.00	0.00
Norway	0.60	0.89	1.07	0.45
Sweden	7.61	6.96	7.60	11.22
TOTAL	100.00	100.00	100.00	100.00

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

	29/02/2020	31/08/2020	28/02/2021	31/08/2021
Consum(cycl)	2.23	1.39	3.70	3.41
Financials	(0.09)	-0.60	(0.16)	-0.09
Real est.	97.86	99.21	96.46	96.68
TOTAL	100.00	100.00	100.00	100.00

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

	29/02/2020	31/08/2020	28/02/2021	31/08/2021
AUSTRALIAN DOLLAR	0.01	0.01	0.01	0.01
SWISS FRANC	3.92	4.04	3.41	2.91
EURO	64.22	65.23	64.54	61.45
POUND STERLING	23.63	22.85	23.36	23.96
NORWEGIAN KRONE	0.60	0.89	1.07	0.43
SWEDISH KRONA	7.61	6.97	7.60	11.23
US DOLLAR	0.01	0.01	0.01	0.01
TOTAL	100.00	100.00	100.00	100.00



## 2.4.2. Changes in the composition of the assets of KBC Select Immo Europe Plus (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	10,053,863.47	11,115,757.95	21,169,621.42
<b>Sales</b>	12,347,185.94	15,608,779.13	27,955,965.07
<b>Total 1</b>	22,401,049.41	26,724,537.08	49,125,586.49
<b>Subscriptions</b>	2,915,646.91	1,952,662.37	4,868,309.28
<b>Redemptions</b>	4,607,848.15	6,801,201.56	11,409,049.71
<b>Total 2</b>	7,523,495.06	8,753,863.93	16,277,358.99
<b>Monthly average of total assets</b>	43,757,498.46	45,010,384.93	44,381,405.49
<b>Turnover rate</b>	34.00%	39.92%	74.01%

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

A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%), reason: The fund is regularly rebalanced on the basis of the current vision and expectations of the analysts.

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

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

KBC Bank NV, Havenlaan 2, B-1080 Brussels

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

Nil

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

### Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	1,117.90	1,874.00	3,881.67	2,969.00	18,060.16	12,533.32	30,593.48
2020 - 08*	2,208.58	2,566.00	2,181.60	2,176.75	18,087.14	12,922.57	31,009.71
2021 - 08*	1,219.43	1,138.36	2,810.38	4,557.24	16,496.19	9,503.69	25,999.88

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	1,663,693.39	2,488,351.63	5,717,319.87	3,915,209.79
2020 - 08*	3,420,788.68	3,566,214.68	3,343,584.34	2,943,864.57
2021 - 08*	2,039,202.15	1,508,427.35	4,375,055.42	6,109,143.48

Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 08*	45,565,239.99	1,563.67	1,382.32
2020 - 08*	42,618,240.15	1,456.11	1,259.91
2021 - 08*	45,222,884.02	1,841.94	1,561.29

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

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	1,679.61		4,999.00		4,557.54		4,557.54
2020 - 08*	685.68		4,041.58		1,201.63		1,201.63
2021 - 08*	877.13		660.00		1,418.76		1,418.76

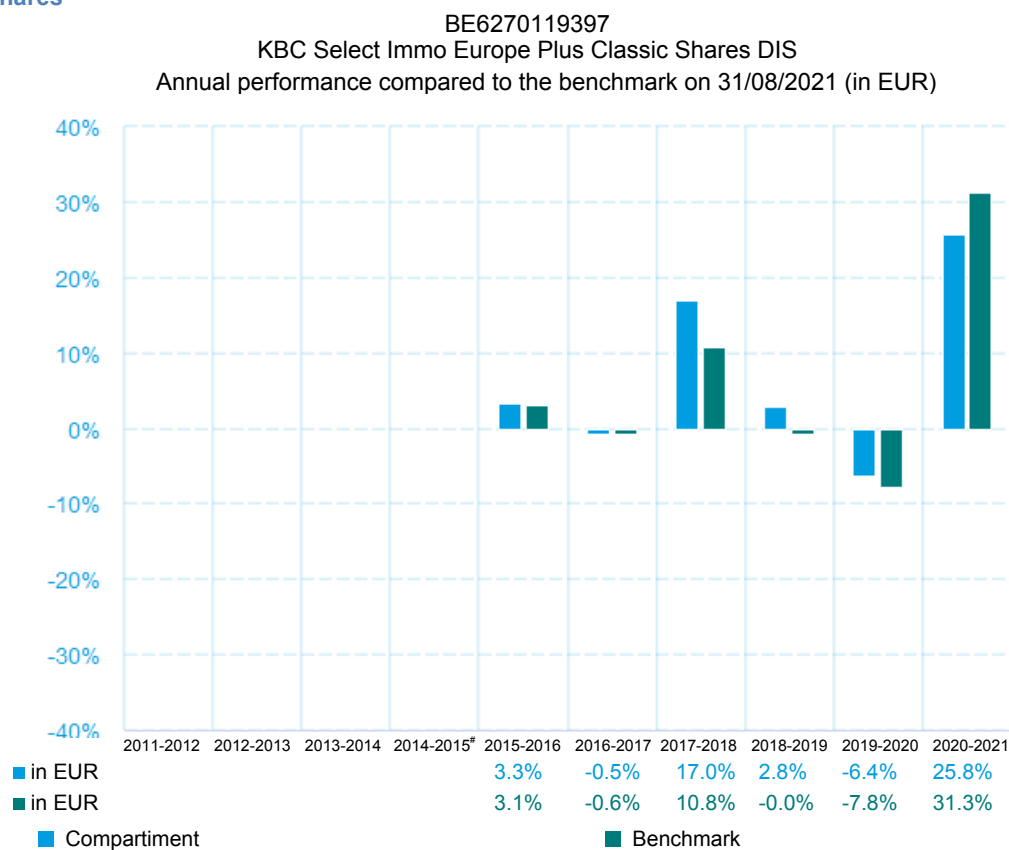
Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	2,480,386.86		7,234,513.91	
2020 - 08*	974,641.83		6,885,676.86	
2021 - 08*	1,371,827.15		1,045,704.86	

Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 08*	7,187,360.34	1,577.03	
2020 - 08*	1,787,723.45	1,487.74	
2021 - 08*	2,704,297.48	1,906.10	

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

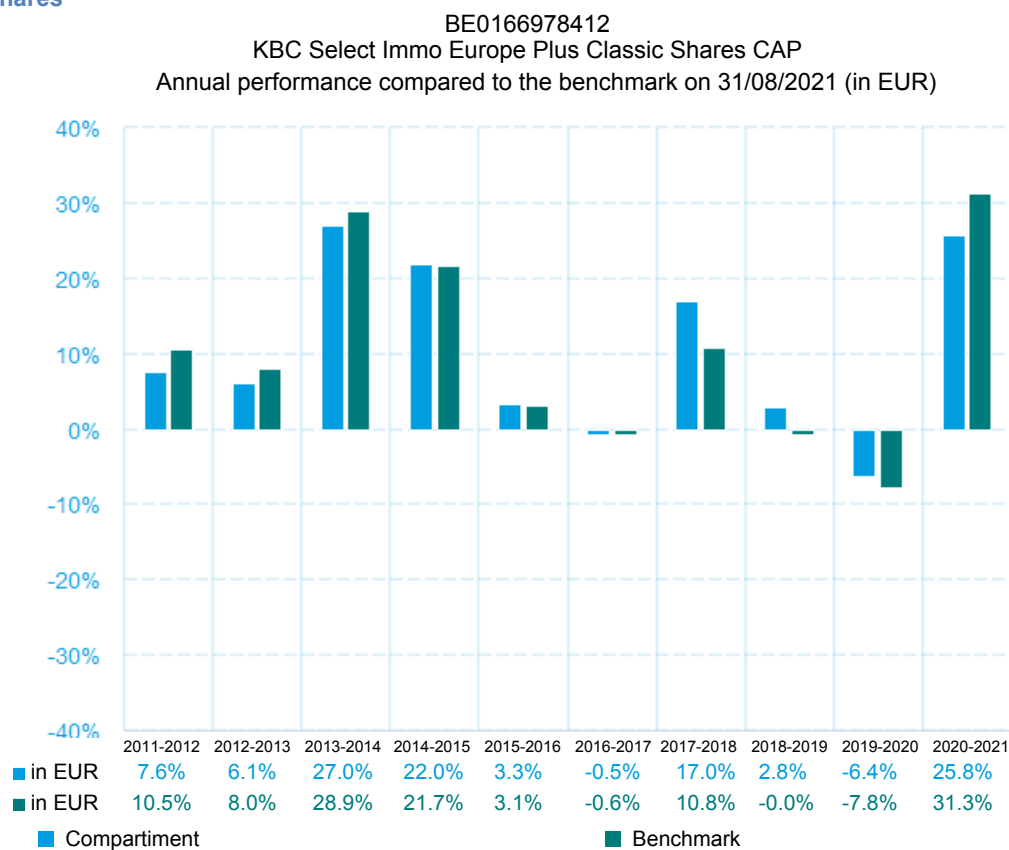
## 2.4.5. Performance figures

### Classic Shares



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

### Classic Shares



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE6270119397	EUR	25.79%	31.28%	6.59%	6.58%	7.12%	5.93%	%		01/09/2014	8.96%
CAP	BE0166978412	EUR	25.78%	31.28%	6.59%	6.58%	7.13%	5.93%	9.93%	9.91%	06/03/1998	5.75%

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

\* Return on annual basis.

### Classic Shares

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

#### Capitalisation units (CAP)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

#### Distribution units (DIV)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

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

For dividend i on date Di with value Wi:

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

i = 1 ... N

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

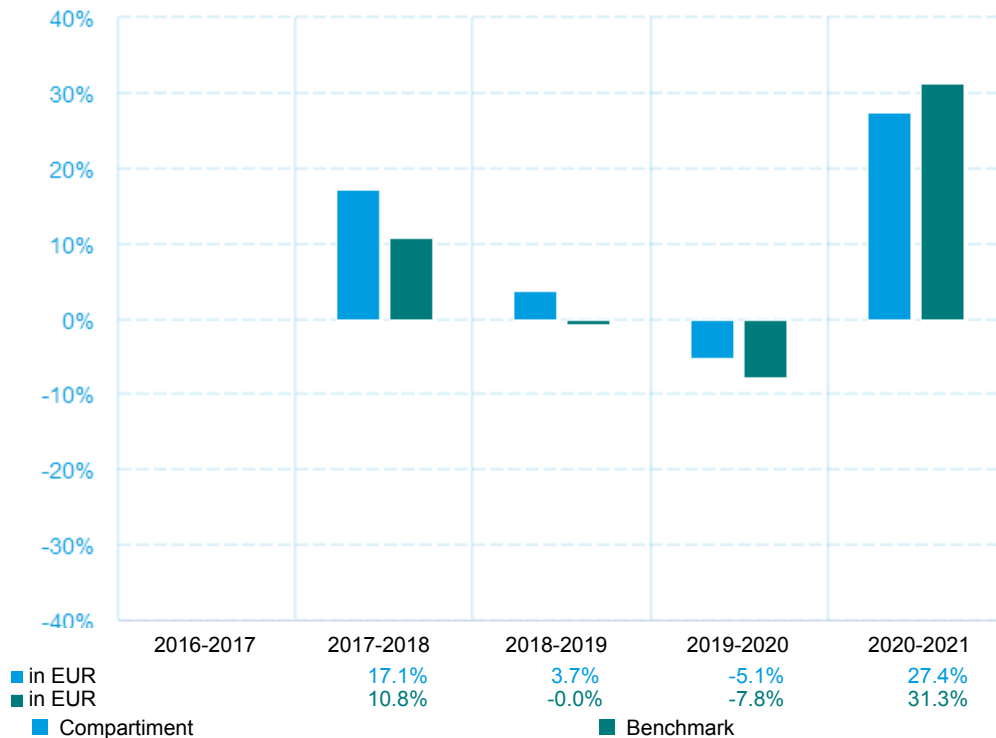
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the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

Dividend on ex-dividend date 30/11/2021: 26,0483 net (37,2119 gross).

Dividend on ex-dividend date 30/11/2021: 26,0483 net (37,2119 gross).

## Institutional B Shares

BE6294997851  
KBC Select Immo Europe Plus Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/08/2021 (in EUR)



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6294997851	EUR	27.41%	31.28%	7.80%	6.58%	%		%		23/05/2017	9.59%

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

\* Return on annual basis.

## Institutional B Shares

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

## 2.4.6. Costs

### **Ongoing Charges and Transaction costs:**

#### *Classic Shares Distribution :*

Ongoing Charges : 1.791%

Transaction costs : 0.136%

#### *Classic Shares Capitalisation :*

Ongoing Charges : 1.793%

Transaction costs : 0.136%

#### *Institutional B Shares Capitalisation :*

Ongoing Charges : 0.518%

Transaction costs : 0.136%

Percentage calculated at reporting date: 31 August 2021 .

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

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

### **Existence of Commission Sharing Agreements**

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

No CSA accrual during this period.

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

The management company has shared 52,90% of its fee with the distributor, and institutional and/or professional parties.

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

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

### Classic Shares

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

### Institutional B Shares

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

### Exercising voting rights

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

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

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

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

### Overview of securities lent as at 31/08/2021

Name	Currency	Quantity	Price	Value in currency of the portfolio
KLEPIERRE	EUR	48 000	20,70	1,00
Total				1 140 810,00

### Details of collateral received for securities lent

Name	Currency	Nominal Value	Currency Fund	Value in currency of the portfolio
------	----------	---------------	---------------	------------------------------------

UNITED KINGDOM GILT 0.875 31JAN46	GBP	1 012 500	EUR	1 140 810,00
Total				1 140 810.00

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

The amount in securities lent on a traded basis, as given in the annual report, can differ from the amount in securities lent on a settled basis.

The position held as collateral is determined on the basis of the settled positions.

### Transparency of securities financing transactions and of reuse

#### Global data:

1) The amount of securities and commodities on loan as a proportion of total lendable assets defined as excluding cash and cash equivalents;	2,07	%
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)	993.600,00	EUR
proportion of the collective investment undertaking's assets under management (AUM)	2,07	%

#### 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
United Kingdom of Great Britai	1.140.810,00	EUR

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

type SFT (lending program)	name counterparty	Country of counterparty	Market value on a settled basis	currency
equity (Goldman Sachs)	Citigroup Global Markets Limited	UK	993.600,00	EUR

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



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

collateral	quality	currency	Maturity tenor
UNITED KINGDOM GILT 0.875 31JAN46	NR	EUR	above 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;	Nil
2) Cash collateral reinvestment returns to the collective investment undertaking. (EUR)	Nil

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

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

<u>number</u>	<u>Name collateral custodian</u>	<u>Market value on a settled basis</u>	<u>currency</u>
1	Bank of New York	1.140.810,00	EUR

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

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

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

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

Lending program: equity (Goldman Sachs)	collective investment undertaking	manager of the collective investment undertaking	agent lender
return EUR	28.591,91	7.433,90	2.573,27
percentage of overall returns	100,00 %	26,00%	9,00%
cost EUR	10.007,17		
percentage of overall returns	35,00 %		

## Table of contents

- 2. Information on KBC Select Immo World Plus
  - 2.1. Management report
    - 2.1.1. Launch date and subscription price
    - 2.1.2. Stock exchange listing
    - 2.1.3. Goal and key principles of the investment policy
    - 2.1.4. Financial portfolio management
    - 2.1.5. Distributors
    - 2.1.6. Index and benchmark
    - 2.1.7. Policy pursued during the financial year
    - 2.1.8. Future policy
    - 2.1.9. Synthetic risk and reward indicator (SRRI)
  - 2.2. Balance sheet
  - 2.3. Profit and loss account
  - 2.4. Composition of the assets and key figures
    - 2.4.1. Composition of the assets of KBC Select Immo World Plus
    - 2.4.2. Changes in the composition of the assets KBC Select Immo World Plus (in the currency of the sub-fund)
    - 2.4.3. Amount of commitments in respect of financial derivatives positions
    - 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value
    - 2.4.5. Performance figures
    - 2.4.6. Costs
    - 2.4.7. Notes to the financial statements and other data



# 2. Information on KBC Select Immo World Plus

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### Classic Shares Capitalisation

Launch date:	6 March 1998
Initial subscription price:	20 000 BEF
Currency:	EUR

#### Classic Shares Distribution

Launch date:	6 March 1998
Initial subscription price:	20 000 BEF
Currency:	EUR

#### Institutional B Shares Capitalisation

Launch date:	23 May 2017
Initial subscription price:	1 492.85 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

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

#### Object of the sub-fund

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

#### Sub-fund's investment policy

##### Permitted asset classes

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

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

##### Restrictions of the investment policy

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

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

##### Permitted derivatives transactions

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

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

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

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

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in**

relation to the currency in which the sub-fund is denominated.

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

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

### **Strategy selected**

The assets are invested primarily in an internationally diversified portfolio of real estate certificates, shares in real estate companies and real estate funds. Investments are also made in other securities linked to the real estate sector.

The fund is actively managed with reference to the following benchmark: FTSE EPRA/NAREIT Developed World - Net Return Index.

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

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

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

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

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

The longterm expected tracking error for this fund is 3.00%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

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

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

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

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

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

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

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

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

## **2.1.4. Financial portfolio management**

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

## **2.1.5. Distributors**

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

## 2.1.6. Index and benchmark

See 'Sub-fund's investment policy'.

## 2.1.7. Policy pursued during the financial year

The focus on growth sectors that have constructive fundamental trends and have been less impacted by the global Covid-19 pandemic has been maintained over the past six months, leading to overweight positions in the logistics segment, data centres and towers. In addition, we remained constructive regarding the equilibrium between supply and demand in European residential property, with selective positions being taken in the US. We remained underweight in retail property, however, as – despite the relatively low valuation – we see risks related to tenant bankruptcies and lower rental levels throughout the year. That said, we have opted to retain positions in retail warehouses, as these offer somewhat more protection from trends within the retail property market.

Our selection of property shares focused on niches with growth prospects, such as healthcare property and student accommodation.

We remained very selective in our positioning for offices, investing mainly in quality portfolios.

## 2.1.8. Future policy

The debt ratio of real estate companies has remained under control, but is moving in a less favourable direction. Borrowing costs, which represent the average for recent years, have generally declined a little further. Real estate companies continue to focus on refinancing and acquiring cheap capital to ensure their future growth. Retail property companies that are seeing their capital values fall will probably raise capital, despite the low share prices. Real estate companies are also likely to be willing to sell buildings and thus recycle the capital invested. In this way, they are already anticipating their project financing needs for the future.

In operational terms, we still see that real estate companies are generally continuing to do well, with rising operational cash flows and dividends as a result. The valuation of the real estate market has become somewhat more challenging in recent quarters, but it follows the broader market.

We are generally of the opinion that retail property companies will remain less well positioned, resulting in a general derating. Polarisation continued to intensify between real estate companies that can benefit from a multichannel sales strategy on the part of tenants (via both physical stores and online channels), and firms that are positioned weakly in this regard. The logistical real estate sector emerged as the winner of the trend towards increased online sales. The capacity to align the distribution network with growing online sales has so far been insufficient, resulting in scarcity. This certainly hasn't done the logistical property companies any harm.

The office market continues to present a mixed picture, depending on the region. Within Europe, the recovery is not proceeding at a uniform rate: it is primarily the major cities like Paris, Barcelona and Berlin that are leading the way. Rents are barely rising, at any rate, and a certain level of vacancies remains. The question at this moment remains what will happen to office buildings now that more people are working from home.

In the residential market, the fund invests primarily in niches like residential care facilities, old people's homes and student accommodation. Growth is currently to be found abroad to a significant extent. In addition, the foreign market is even more fragmented and multiple investment opportunities are generally available compared to the Belgian market. German residential real estate stocks, which are characterised by scarcity, continue to offer growth potential, but the uncertainty surrounding rent growth in Berlin will still have to be monitored and will require careful selection.

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

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

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

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

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

### Leveraged finance

The total amount of leveraged finance used by the sub-fund is 1 301 134.62 EUR.

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





## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/08/2021</b> (in the currency of the sub-fund)	<b>31/08/2020</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	97,321,019.14	87,413,714.93
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds		
	Collateral received in the form of bonds		493,993.43
C.	Shares and similar instruments		
	a) Shares	98,462,723.46	87,254,214.97
	Of which securities lent		428,798.59
D.	Other securities	3,453.70	35,359.76
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	2,353.45	3,514.81
B.	Payables		
	a) Accounts payable (-)	-71,640.56	
	c) Borrowings (-)	-1,192,172.35	-35,421.19
	d) Collateral (-)		-493,993.43
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	66,829.45	113,359.10
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	149,123.65	150,786.52
C.	Accrued expense (-)	-99,651.66	-108,099.04
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	97,321,019.14	87,413,714.93
<b>A.</b>	<b>Capital</b>	75,258,162.73	97,249,435.75
<b>B.</b>	<b>Income equalization</b>	-134,923.32	-89,442.01
<b>D.</b>	<b>Result of the bookyear</b>	22,197,779.73	-9,746,278.81
<hr/>			
	<b>Off-balance-sheet headings</b>		
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.a.	Securities/money market instruments		493,993.43
IX.	Financial instruments lent		428,798.59

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/08/2021</b> (in the currency of the fund)	<b>31/08/2020</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
C.	Shares and similar instruments		
	a) Shares	20,807,962.62	-5,361,462.06
D.	Other securities	-3,151.71	-13,279.43
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	767,628.99	-5,197,173.94
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	10,408,683.72	17,106,921.55
	Unrealised gains on investments	9,952,458.37	-9,264,838.90
	Realised losses on investments	-6,906,605.40	-11,694,758.39
	Unrealised losses on investments	8,117,903.21	-6,719,239.69
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	2,216,502.45	2,589,569.10
B.	Interests		
	a) Securities and money market instruments	7,873.45	-3,581.30
	b) Cash at bank and in hand and deposits	152.45	2,602.55
C.	Interest on borrowings (-)	-3,215.07	-2,790.44
F.	Other investment income	32,785.84	38,648.87
<b>III.</b>	<b>Other income</b>		
A.	Income received to cover the acquisition and realization of assets, to discourage withdrawals and for delivery charges	2,454.94	19,444.57
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-124,270.96	-171,552.51
B.	Financial expenses (-)	-659.49	-553.96
C.	Custodian's fee (-)	-34,544.07	-38,787.22
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-1,270,434.73	-1,356,503.75
	Institutional B Shares	-10,352.41	-23,124.22
	b) Administration and accounting management	-88,146.29	-98,141.61
E.	Administrative expenses (-)	-1,000.63	-998.12
F.	Formation and organisation expenses (-)	-5,211.45	-8,387.50
G.	Remuneration, social security charges and pension	-203.43	
H.	Services and sundry goods (-)	-31,067.84	-23,524.72
J.	Taxes		
	Classic Shares	-74,711.54	-80,174.12
	Institutional B Shares	-167.01	485.53
K.	Other expenses (-)	9,555.62	-16,994.53
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	625,339.83	825,636.62
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	22,197,779.73	-9,746,278.81
<b>VII.</b>	<b>Result of the bookyear</b>	22,197,779.73	-9,746,278.81

<b>Appropriation Account</b>		<b>31/08/2021</b> (in the currency of the sub-fund)	<b>31/08/2020</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	22,062,856.41	-9,835,720.82
	Profit for the period available for appropriation	22,197,779.73	-9,746,278.81
	Income on the creation of shares (income on the cancellation of shares)	-134,923.32	-89,442.01
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-21,198,053.50	10,913,720.57
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-864,802.91	-1,077,999.75

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of KBC Select Immo World Plus

Name	Quantity on 31/08/2021	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Shares</b>							
Exchange-listed shares							
<u>Australia</u>							
GOODMAN GROUP -	97,362.00	AUD	23.130	1,394,266.44		1.42	1.43
MIRVAC GROUP -	695,156.00	AUD	3.120	1,342,819.15		1.36	1.38
ONEMARKET LTD -	3,331.00	AUD				0.00	0.00
<u>Belgium</u>							
AEDIFICA -	2,658.00	EUR	124.600	331,186.80		0.34	0.34
CARE PROPERTIES INVEST -	13,308.00	EUR	28.150	374,620.20		0.38	0.39
MONTEA SCAM	6,117.00	EUR	125.600	768,295.20		0.78	0.79
VGP NV -	9,184.00	EUR	202.000	1,855,168.00		1.88	1.91
WAREHOUSE DISTR. DE PAUW -	25,866.00	EUR	38.940	1,007,222.04		1.02	1.03
<u>Canada</u>							
BROOKFIELD ASSET MANAGEMENT -	9,216.00	CAD	70.190	433,653.95		0.44	0.45
COLLIERS INTERNATIONAL GROUP I -	1,669.00	CAD	175.700	196,586.50		0.20	0.20
WPT INDUSTRIAL REAL ESTATE INV -	33,807.00	USD	21.760	623,186.34		0.63	0.64
<u>Finland</u>							
KOJAMO OYJ -	37,884.00	EUR	20.600	780,410.40		0.79	0.80
<u>France</u>							
ARGAN SA -	11,579.00	EUR	111.400	1,289,900.60		1.31	1.33
GECINA REG	3,973.00	EUR	131.550	522,648.15		0.53	0.54
<u>Germany</u>							
DEUTSCHE WOHNEN AG -	36,583.00	EUR	52.560	1,922,802.48		1.95	1.98
LEG IMMOBILIEN AG -	8,609.00	EUR	135.000	1,162,215.00		1.18	1.19
VONOVIA SE -	79,066.00	EUR	57.160	4,519,412.56		4.59	4.64
<u>Hong Kong</u>							
NEW WORLD DEV -	46,128.00	HKD	36.600	183,893.54		0.19	0.19
SUN HUNG KAI PROPS -	169,224.00	HKD	109.600	2,020,194.90		2.05	2.08
<u>Japan</u>							
GLP J-REIT -	153.00	JPY	199,700.000	235,603.81		0.24	0.24
INDUSTRIAL & INFRASTRUCTURE FUND IN -	363.00	JPY	221,200.000	619,162.37		0.63	0.64
JAPAN LOGISTICS FUND INC -	769.00	JPY	353,000.000	2,093,215.08		2.13	2.15
MITSUBISHI UFJ NICOS CO LTD -	304.00	JPY	519,000.000	1,216,616.63		1.24	1.25
NETSUI FUDOSAN -	92,512.00	JPY	2,524.000	1,800,529.45		1.83	1.85
NETSUI FUDOSAN LOGISTICS PARK -	828.00	JPY	652,000.000	4,162,849.80		4.23	4.28
NIPPON PROLOGIS REIT INC -	280.00	JPY	396,500.000	856,079.37		0.87	0.88
<u>Singapore</u>							
ASCENDAS REAL ESTATE INVESTM. TR. -	667,281.00	SGD	3.040	1,277,556.67		1.30	1.31
FRASERS LOGISTICS & INDUSTRIAL -	359,900.00	SGD	1.500	339,993.75		0.35	0.35
MAPLETREE LOGISTICS TRUST -	183,900.00	SGD	2.030	235,112.43		0.24	0.24
<u>Spain</u>							
INMOBILIARIA COLONIAL SOCIMI SA -	329,040.00	EUR	9.165	3,015,651.60		3.06	3.10
<u>Sweden</u>							
FABEGE AB -	10,521.00	SEK	156.450	161,413.22		0.16	0.17
<u>U.K.</u>							
EMPIRIC STUDENT PROPERTY PLC -	139,162.00	GBP	0.967	156,890.58		0.16	0.16
SEGRO PLC -	194,418.00	GBP	12.840	2,910,390.27		2.96	2.99
<u>U.S.A.</u>							
ALEXANDRIA REAL ESTATE EQUITIES INC -	25,742.00	USD	206.370	4,500,297.80		4.57	4.62
AMERICAN NATIONAL INSURANCE -	19,378.00	USD	41.940	688,477.55		0.70	0.71
AMERICAN TOWER CORP CL A	16,060.00	USD	292.170	3,974,967.34		4.04	4.08
AMERICOLD REALTY TRUST -	129,610.00	USD	36.740	4,033,945.87		4.10	4.14
AVALONBAY COMMUNITIES INC -	5,985.00	USD	229.580	1,163,993.65		1.18	1.20
CAMDEN PROPERTY TRUST -	2,451.00	USD	150.040	311,532.08		0.32	0.32
CB RICHARD ELLIS GROUP INC -	6,811.00	USD	96.300	555,634.97		0.56	0.57
CORESITE REALTY CORP -	1,706.00	USD	148.370	214,426.04		0.22	0.22
CORPORATE OFFICE PROPERTIES TR -	13,593.00	USD	28.180	324,495.52		0.33	0.33
CYRUSONE INC -	33,075.00	USD	76.980	2,156,900.76		2.19	2.22

DIGITAL INSIGHT -	36,695.00	USD	163,910	5,095,241.18		5.18	5.24
DUKE REALTY CORP -	77,185.00	USD	52,510	3,433,423.14		3.49	3.53
EASTERLY GOVERNMENT PROPERTIES -	20,698.00	USD	21,370	374,701.39		0.38	0.39
EQUINIX INC -	8,042.00	USD	843,450	5,746,134.86		5.84	5.90
EVERI HOLDINGS INC -	39,713.00	USD	22,750	765,361.30		0.78	0.79
GAMING AND LEISURE PROPERTIES -	39,050.00	USD	49,300	1,630,873.82		1.66	1.68
HEALTHCARE TRUST OF AMERICA IN -	6,212.00	USD	30,330	159,608.59		0.16	0.16
INDUSTRIAL LOGISTICS PROPERTIE -	15,522.00	USD	27,430	360,683.18		0.37	0.37
INVITATION HOMES INC -	98,879.00	USD	41,180	3,449,394.06		3.50	3.54
MEDICAL PROPERTIES TRUST INC -	30,685.00	USD	20,480	532,363.76		0.54	0.55
PROLOGIS TRUST -	78,609.00	USD	134,660	8,967,332.75		9.11	9.21
QTS REALTY TRUST INC -	4,724.00	USD	77,980	312,065.33		0.32	0.32
RE/MAX HOLDINGS INC -	42,431.00	USD	33,490	1,203,790.24		1.22	1.24
REXFORD INDUSTRIAL REALTY INC -	60,031.00	USD	61,930	3,149,408.98		3.20	3.24
SAFEHOLD INC -	2,737.00	USD	89,610	207,770.40		0.21	0.21
SBA COMMUNICATIONS CORP. -	863.00	USD	358,970	262,434.76		0.27	0.27
TERRENO REALTY CORP -	12,936.00	USD	66,810	732,139.57		0.74	0.75
UDR INC -	16,398.00	USD	54,020	750,408.71		0.76	0.77
UNITI GROUP INC -	17,590.00	USD	13,070	194,757.34		0.20	0.20
VEREIT INC -	15,044.00	USD	50,530	643,969.10		0.65	0.66
VICI PROPERTIES INC -	25,723.00	USD	30,910	673,554.94		0.68	0.69
WELLTOWER INC -	28,093.00	USD	87,530	2,083,087.20		2.12	2.14
Total shares				98,466,723.46		100.00	101.17
<b>Rights</b>							
<u>Belgium</u>							
AEDIFICA CPN28	2,658.00	EUR	1,044	2,775.64		0.00	0.00
XIOR STUDENT HOUSING NV XIOR DIVIDEND CPN 17	3,665.00	EUR	0,185	678.06		0.00	0.00
Total rights				3,453.70		0.00	0.00
TOTAL SECURITIES PORTFOLIO				98,466,177.16		100.00	101.18
<b>CASH AT BANK AND IN HAND</b>							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP AUD	7,413.08	AUD	1,000	4,589.65		0.00	0.01
KBC GROUP CAD	-586.90	CAD	1,000	-393.45		0.00	0.00
KBC GROUP CHF	-0.02	CHF	1,000	-0.02		0.00	0.00
KBC GROUP EURO	-1,182,848.79	EUR	1,000	-1,182,848.79		0.00	-1.22
KBC GROUP GBP	0.94	GBP	1,000	1.10		0.00	0.00
KBC GROUP HKD	18,039.36	HKD	1,000	1,964.91		0.00	0.00
KBC GROUP JPY	582,407.00	JPY	1,000	4,490.96		0.00	0.01
KBC GROUP MXN	-122,881.21	MXN	1,000	-5,194.59		0.00	-0.01
KBC GROUP NOK	-727.38	NOK	1,000	-70.78		0.00	0.00
KBC GROUP NZD	667.86	NZD	1,000	398.22		0.00	0.00
KBC GROUP SEK	0.23	SEK	1,000	0.02		0.00	0.00
KBC GROUP SGD	4,333.95	SGD	1,000	2,729.49		0.00	0.00
KBC GROUP TRY	-35,968.71	TRY	1,000	-3,664.72		0.00	-0.00
KBC GROUP USD	57,284.86	USD	1,000	48,527.99		0.00	0.05
KBC GROUP ZAR	70,471.30	ZAR	1,000	4,127.11		0.00	0.00
Total demand accounts				-1,125,342.90		0.00	-1.16
TOTAL CASH AT BANK AND IN HAND				-1,125,342.90		0.00	-1.16
<b>OTHER RECEIVABLES AND PAYABLES</b>							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	2,524.29	EUR	1,000	2,524.29		0.00	0.00
KBC GROUP SGD TE ONTVANGEN	-271.26	SGD	1,000	-170.84		0.00	0.00
Total receivables				2,353.45		0.00	0.00
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-71,640.56	EUR	1,000	-71,640.56		0.00	-0.07
Payables				-71,640.56		0.00	-0.07
TOTAL RECEIVABLES AND PAYABLES				-69,287.11		0.00	-0.07
<b>OTHER</b>							
Interest receivable		EUR		149,123.65		0.00	0.15
Expenses payable		EUR		-99,651.66		0.00	-0.10
TOTAL OTHER				49,471.99		0.00	0.05
TOTAL NET ASSETS				97,321,019.14		0.00	100.00

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

	29/02/2020	31/08/2020	28/02/2021	31/08/2021
Australia	0.88	1.84	3.10	2.83
Austria	0.03	0.19	0.00	0.00
Belgium	4.80	3.37	3.02	3.21

Bermuda	0.16	0.22	0.00	0.00
Brazil	0.00	0.16	0.00	0.00
Canada	1.12	2.71	1.89	1.29
Switzerland	0.24	0.00	0.00	0.00
China	0.04	0.79	0.00	0.00
Cyprus	2.98	2.09	1.94	0.00
Germany	3.69	5.55	7.44	7.80
Spain	2.33	3.21	2.75	3.10
Finland	0.56	0.65	0.25	0.80
France	1.33	1.54	2.89	1.86
U.K.	3.38	4.98	2.70	3.17
Hong Kong	6.80	4.68	2.96	2.26
Ireland	0.15	0.00	0.00	0.00
Japan	9.02	10.05	10.88	11.36
Mexico	0.08	0.26	0.00	0.00
Netherlands	0.15	0.00	0.00	0.00
Norway	0.21	0.00	0.14	0.00
Philippines	0.07	0.00	0.00	0.00
Singapore	2.90	0.49	2.59	1.91
Sweden	1.48	0.76	0.28	0.17
Turkey	0.00	0.00	0.16	0.00
Taiwan	0.39	0.00	0.00	0.00
U.S.A.	57.21	56.46	57.01	60.24
TOTAL	100.00	100.00	100.00	100.00

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

	29/02/2020	31/08/2020	28/02/2021	31/08/2021
Consum(cycl)	0.38	0.00	0.00	0.00
Cons.goods	0.19	0.00	0.00	0.00
Pharma	0.04	0.00	0.00	0.00
Financials	(0.18)	0.68	0.67	0.47
Telecomm.	0.55	0.95	0.39	0.27
Real est.	99.02	98.37	98.94	98.47
Various	0.00	0.00	0.00	0.79
TOTAL	100.00	100.00	100.00	100.00

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

	29/02/2020	31/08/2020	28/02/2021	31/08/2021
AUSTRALIAN DOLLAR	0.89	1.85	3.09	2.83
BRASILIAN REAL	0.00	0.16	0.00	0.00
CANADIAN DOLLAR	1.12	2.71	1.40	0.65
SWISS FRANC	0.24	0.00	0.00	0.00
EURO	15.90	16.27	18.14	16.73
POUND STERLING	3.38	5.18	2.70	3.17
HONG KONG DOLLAR	6.94	5.70	2.96	2.26
JAPANESE YEN	9.02	10.06	10.90	11.36
MEXICAN PESO	0.08	0.26	-0.01	-0.01
NORWEGIAN KRONE	0.21	0.00	0.14	0.00
PESO	0.07	0.00	0.00	0.00
SWEDISH KRONA	1.48	0.77	0.28	0.17
SINGAPORE DOLLAR	2.89	0.50	2.59	1.91
NEW TURKISH LIRA	0.01	0.00	0.16	0.00
NEW TAIWAN DOLLAR	0.39	0.00	0.00	0.00
US DOLLAR	57.38	56.54	57.64	60.93
SOUTH AFRICAN RAND	0.00	0.00	0.01	0.00
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of KBC Select Immo World Plus (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	59,947,958.21	28,585,857.92	88,533,816.13
<b>Sales</b>	65,529,267.38	33,385,579.29	98,914,846.66
<b>Total 1</b>	125,477,225.59	61,971,437.20	187,448,662.79
<b>Subscriptions</b>	2,550,874.45	2,481,780.22	5,032,654.67
<b>Redemptions</b>	8,428,514.35	7,699,957.98	16,128,472.33
<b>Total 2</b>	10,979,388.80	10,181,738.20	21,161,127.00
<b>Monthly average of total assets</b>	85,898,964.18	90,133,009.14	88.033.198.22
<b>Turnover rate</b>	133.29%	57.46%	188.89%

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

A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%), reason: The fund is regularly rebalanced on the basis of the current vision and expectations of the analysts.

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

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

KBC Bank NV, Havenlaan 2, B-1080 Brussels

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

Nil

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

### Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	4,088.10	7,131.00	6,664.43	5,456.67	27,849.86	29,937.22	57,787.08
2020 - 08*	5,361.48	11,425.59	4,469.28	4,381.30	28,742.06	36,981.50	65,723.56
2021 - 08*	1,260.19	1,577.63	4,722.31	6,811.59	25,279.94	31,747.54	57,027.48

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	7,105,112.64	7,663,316.23	11,128,333.72	5,612,000.63
2020 - 08*	9,771,611.71	13,126,477.87	7,772,900.70	4,770,205.87
2021 - 08*	2,309,550.78	1,667,497.44	8,448,159.70	7,092,039.78

Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 08*	85,529,560.94	1,847.45	1,138.32
2020 - 08*	84,731,692.69	1,662.36	999.20
2021 - 08*	93,348,072.50	2,130.76	1,243.64

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

## Institutional B Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 08*	12,258.19		2,338.20		10,881.99		10,881.99
2020 - 08*	353.73		9,652.30		1,583.43		1,583.43
2021 - 08*	649.46		426.00		1,806.89		1,806.89

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 08*	21,124,831.60		3,960,102.93	
2020 - 08*	613,944.81		18,523,688.24	
2021 - 08*	1,114,315.82		783,472.48	

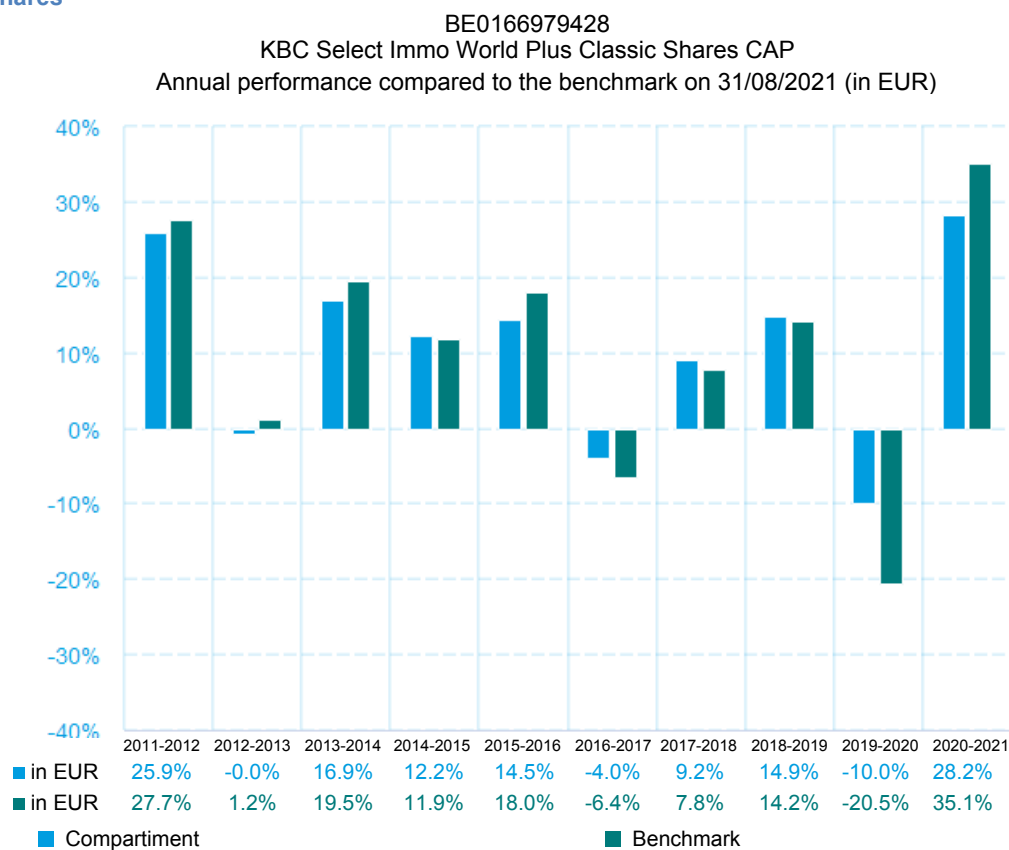
Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 08*	20,219,097.26	1,858.03	
2020 - 08*	2,682,022.24	1,693.81	
2021 - 08*	3,972,946.64	2,198.77	

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

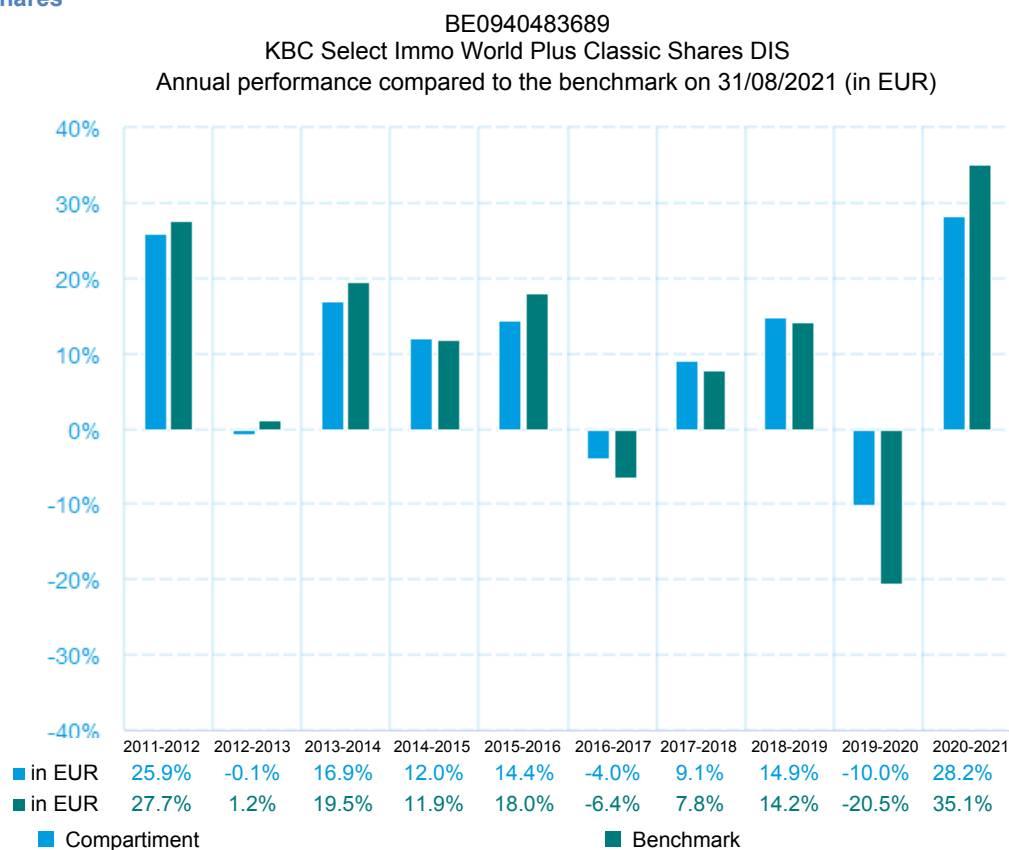


## 2.4.5. Performance figures

### Classic Shares



### Classic Shares



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE0166979428	EUR	28.18%	35.06%	9.83%	7.04%	6.79%	4.35%	10.13%	9.70%	06/03/1998	6.40%
DIS	BE0940483689	EUR	28.16%	35.06%	9.81%	7.04%	6.77%	4.35%	10.08%	9.70%	06/03/1998	6.43%

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

\* Return on annual basis.

### Classic Shares

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

#### Capitalisation units (CAP)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

#### Distribution units (DIV)

Return on date D over a period of X years :

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

where Y = D-X

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

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

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

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

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

For dividend i on date Di with value Wi:

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

i = 1 ... N

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

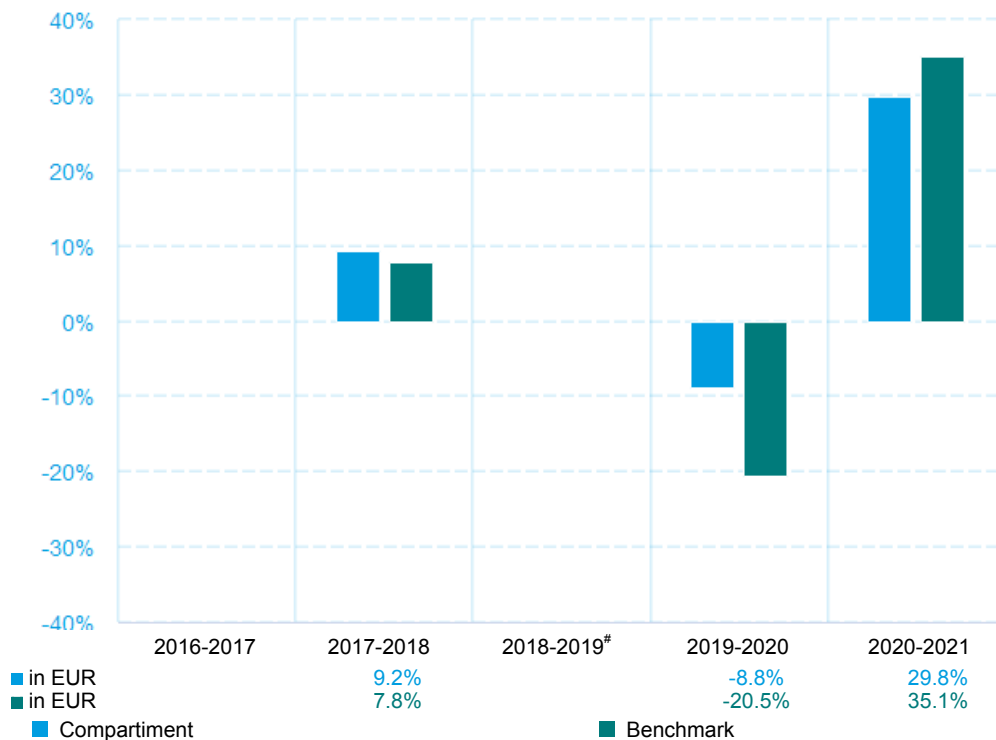
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the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

Dividend on ex-dividend date 30/11/2021: 19,0645 net (27,2350 gross).

Dividend on ex-dividend date 30/11/2021: 19,0645 net (27,2350 gross).

## Institutional B Shares

BE6294993819  
KBC Select Immo World Plus Institutional B Shares CAP  
Annual performance compared to the benchmark on 31/08/2021 (in EUR)



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

Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6294993819	EUR	29.81%	35.06%	%		%		%		23/05/2017	

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

\* Return on annual basis.

## Institutional B Shares

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

## 2.4.6. Costs

### **Ongoing Charges and Transaction costs:**

#### *Classic Shares Capitalisation :*

Ongoing Charges : 1.757%  
Transaction costs : 0.151%

#### *Classic Shares Distribution :*

Ongoing Charges : 1.767%  
Transaction costs : 0.151%

#### *Institutional B Shares Capitalisation :*

Ongoing Charges : 0.490%  
Transaction costs : 0.151%

Percentage calculated at reporting date: 31 August 2021 .

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

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

### **Existence of Commission Sharing Agreements**

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

No CSA accrual during this period.

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

The management company has shared 52,95% of its fee with the distributor, and institutional and/or professional parties.

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

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

### Classic Shares

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

### Institutional B Shares

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

### Exercising voting rights

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

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

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

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

## 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 01/09/2020 to 01/08/2021, the realised net income for the UCITS amounts to 5.938,49 EUR and for the Management Company 2.375,40 EUR. Direct and indirect costs and charges are deducted from the gross income. These are set at a flat rate of 35% of the fee received and consist of the charges for the clearing services provided by KBC Bank NV, the charges paid to the management company for setting up and monitoring the system for lending securities, the charges for margin management, the charges associated with cash and custody accounts and cash and securities transactions, the fee paid for any management of reinvestments and, if the sub-fund uses an agent, the fee paid to the agent. The undertaking for collective investment in transferable securities will thus receive 65% of the fee received for securities lent. The number of securities lent varied between 0 and 2, with a market value fluctuating between 3430905.35 and 3430905.35 EUR. The detailed list of securities lending transactions carried out may be obtained from the registered office of the undertaking for collective investment in transferable securities at Havenlaan 2, 1080 Brussels. During the reporting period, securities lending transactions were effected in relation to the following securities lending systems:

Manager of the securities lending system: Goldman Sachs

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

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

Nature of the financial collateral: government bonds issued by Austria, Belgium, Germany, the Netherlands, Luxembourg, the UK, France, the US and Switzerland and supranational bonds denominated in EUR, USD or GBP issued by the EIB or the KFW.

Reinvestment of the financial collateral received: no reinvestment takes place.

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

## Transparency of securities financing transactions and of reuse

### Global data:

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

### Concentration data:

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

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

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

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

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

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

collateral	quality	currency	Maturity tenor
Nil	Nil	Nil	Nil

Data on reuse of collateral:

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

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

1) Number and names of custodians and the amount of collateral assets safe-kept by each of the custodians.			
number	Name collateral custodian	Market value on a settled basis	currency
Nil	Nil	Nil	Nil

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

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

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

Lending program: equity (Goldman Sachs)	collective investment undertaking	manager of the collective investment undertaking	agent lender
return EUR	9.136,14	2.375,40	822,25
percentage of overall returns	100,00 %	26,00%	9,00%
cost EUR	3.197,65		
percentage of overall returns	35,00 %		