

Pricos SRI Prospectus

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

Pension savings fund under Belgian law

Management regulations of the Fund and the annual reports will be appended to the prospectus.

15/05/2018

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

Information concerning the Fund

A. Introduction of the Fund

Name

Pricos SRI

Date of incorporation

7 May 2018

Life

Unlimited

Status

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

B. Service providers to the Fund

Management company

The management company is KBC Asset Management NV, Havenlaan 2, B-1080 Brussels.

Delegation of the management of the investment portfolio

The intellectual management of the bonds portfolio, with the exception of the creation of the Fund and its maintenance in terms of the technical, product-specific and legal aspects is delegated by the management company to KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714, Luxembourg, Luxembourg.

Date of incorporation of the management company

30 December 1999

Life of the management company

Unlimited

List of the funds and the Beveks for which the management company has been appointed

CBC Fonds, Celest, Centea Fund, Dollar Obligatiedepot, EOD Corporate Clients, Europees Obligatiedepot, Fivest, Flexible, Generation Plan, High Interest Obligatiedepot, Horizon, IN.flanders Employment Fund, IN.focus, Internationaal Obligatiedepot, KBC Click, KBC ClickPlus, KBC Eco Fund, KBC EquiMax, KBC EquiPlus, KBC Equisafe, KBC Equiselect, KBC Equity Fund, KBC Eurobonds A(ctive), KBC Exposure, KBC Index Fund, KBC Institutional Fund, KBC Master Fund, KBC Maxisafe, KBC Multi Interest, KBC Multi Track, KBC Multisafe, KBC Participation, KBC Select Immo, Managed Portfolio, Optimum Fund, Perspective, Plato Institutional Index Fund, Pricos, Pricos Defensive, Pricos SRI, Privileged Portfolio, Privileged Portfolio Fund, Sivek, Strategisch Obligatiedepot.

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

Name	Title	Mandate
Johan Daemen	<i>Non-Executive Director</i>	
Katrien Mattelaer	<i>Non-Executive Director</i>	
Pierre Konings	<i>Non-Executive Director</i>	
Stefan Van Riet	<i>Non-Executive Director</i>	
Luc Popelier	<i>Chairman</i>	
André Van Poeck		
Johan Lema	<i>President of the Executive Committee</i>	<i>Natural person to whom the executive management of the management company has been entrusted</i>
Chris Sterckx	<i>Managing Director</i>	<i>Natural person to whom the executive management of the management company has been entrusted</i>
Frank Van de Vel	<i>Managing Director</i>	<i>Natural person to whom the executive management of the management company has been entrusted</i>
Klaus Vandewalle	<i>Managing Director</i>	<i>Natural person to whom the executive management of the management company has been entrusted</i>
Linda Demunter	<i>Managing Director</i>	<i>Natural person to whom the executive management of the management company has been entrusted</i>
Tiny Ergo	<i>Managing Director</i>	<i>Natural person to whom the executive management of the management company has been entrusted</i>

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

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

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

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

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

Remuneration policy

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

General rules

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

'Key Identified Staff'

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

Financial service providers

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

Principal activities of the institutions providing the financial services

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

Distributor

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

Principal activities of the distributor:

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

Custodian

KBC Bank NV, Havenlaan 2, B-1080 Brussels

Custodian's activities

The custodian:

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

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

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

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

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

- a) For financial instruments that may be held in custody:
 - i. The custodian will hold in custody all financial instruments that may be registered in a financial instrument account in the books of the custodian, as well as all financial instruments that can be physically delivered to the custodian;
 - ii. the custodian will ensure that all financial instruments that can be registered in a financial instrument account in the custodian's books, are registered in the custodian's books in separate accounts in accordance with the principles set out in Article 16 of Directive 2006/73/EC; these separate accounts have been opened in the name of the Fund or in the name of the management company acting on its account, so that it can be clearly ascertained at all times that they belong to the Fund, in accordance with the applicable law.
- b) For other assets:
 - i. The custodian will verify that the Fund or the management company acting on its behalf is the

- owner of the assets by checking based on information or documents provided by the Fund or the management company and, where appropriate, of available external proofs, whether the Fund or the management company acting on its behalf has ownership;
- ii. The custodian will maintain a register of the assets from which it is clear that the Fund or the management company acting on its behalf is the owner thereof and will keep that register up-to-date.

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

Custody tasks delegated by the custodian

The custodian of the Fund has delegated a number of custody tasks as of the publication date of this prospectus. The tasks delegated to this sub-custodian are:

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

List of sub-custodians and sub-sub-custodians

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

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

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

Conflicts of interest

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

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

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

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

Statutory auditor of the Fund

Deloitte Bedrijfsrevisoren BV o.v.v.e. CVBA, Gateway Building, Luchthaven Nationaal 1 J, 1930 Zaventem, represented by Maurice Vrolix, company auditor and recognized auditor.

Principal activities of the statutory auditor

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

Promoter

KBC.

Principal activities of the promoter:

The promoter promotes the Fund in the market.

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

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

C. Legal information

Balance sheet date

31 December.

Rules for the valuation of the assets

See article 3.2 of the management regulations of the Fund.

Rules concerning the allocation of the net income

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

Annual general meeting of unitholders

The annual general meeting is held on the fourth Wednesday of the month March at 12.30 pm at the registered office of the Management Company or at any other place in Belgium indicated in the convening notice.

Voting rights of the unitholders

In accordance with the management regulations, the unitholder has a vote at the General Meeting of unitholders in proportion to the size of their units.

Suspension of the redemption of units

See article 4.5 of the management regulations of the Fund.

Liquidation of the Fund

See article 5.6 of the management regulations of the Fund and the applicable provisions of the Royal Decree of 12 November 2012 on the undertakings for collective investment complying with the conditions of Regulation 2009/65/EC.

D. Tax treatment

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

Of the Fund

Provided certain conditions are met, the pension savings fund is exempt from Belgian withholding tax on all investment income it collects, with the exception of income from capitalisation bonds and zero-coupon bonds on the one hand, and liquidation coupons on real estate certificates and income from shares of regulated real estate companies, on the other.

The following tax is due payable by the Fund :

Annual tax on undertaking for collective investment	0.0925%	of the net amounts outstanding in Belgium on 31 December of the preceding year. The amounts already included in the tax base of the underlying undertakings for collective investment are not included in the tax base.
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This tax must, in principle, be paid by the Fund's management company, but is charged to the Fund.

It is not possible for the pension savings fund to apply double taxation treaties to foreign withholding tax deducted from the income it collects.

Of the investor

Institutions are only permitted to open one pension savings account or insurance policy per taxpayer.

Pension savers are only permitted to pay into one pension savings account or insurance policy per taxable period.

The pension saver can pay in until 31 December of the year in which he or she reaches the age of 64.

Tax relief

Pension saving contributions qualify for tax relief on long-term saving.

From assessment year 2019 (2018 income year) you get tax relief of either 30% or 25% on two maximum amounts.

There is no relief to the extent that the taxable income is lower than the tax-free amount. This is because the relief is set against the tax liability but is not refundable.

Maximum amount of contribution

From income year 2018 taxpayers can choose between two capped amounts: 960 or 1 230 euros. If you opt for 1 230 euros you'll get a tax relief of 25% on the full amount deposited. If you don't opt expressly for this option the maximum amount is 960 euros, giving you 30% tax relief. Both amounts are indexed annually.

Conditions applying to the system in which a maximum 1 230 euros is deposited per year:

- Depositing an amount above 960 euros per year is only possible if a choice has been made specifically to do so and this before the deposit was made that would have resulted in a total amount above 960 euros being deposited.
- This choice is irrevocable and applies solely to the relevant taxable period. Therefore, the choice will have to be repeated each year.
If an amount above 960 euros is deposited in a year in which no specific permission had been granted beforehand, the amounts deposited above the 960 euros will have to be refunded at no charge.

Conditions to qualify for relief

Deposits qualify for tax relief provided a number of conditions are met::

- The savings account was opened by a resident of Belgium or a resident of the European Economic Area;
- The saver must be at least 18 when the contract starts and entered into before the age of 65;
- The savings account must be taken out in the EEA for a term of at least ten years;
- Payments must be made no later than 31 December of the income year;
- The saver has to submit a certificate to support his or her tax return.

Taxation of the pension savings contract

Benefits from pension saving on which tax relief was enjoyed during build-up are taxable.

Taxable amount

The taxable amount is equal to the annual net contributions, capitalised at a notional capitalisation rate of 6.25% for all contributions paid in prior to 1 January 1992, or 4.75% for all contributions paid in after 1 January 1992.

The interest rate may be amended by Royal Decree.

Taxation of contracts paid out after the 60th birthday

In principle, a definitive tax of 8% will be deducted on the saver's 60th birthday.

This tax is final, i.e. the contract will not be subject to further taxation.

Tax relief is still available until the age of 64 for contributions paid in after the tax has been levied, unless the savings balance has been withdrawn in the meantime. The savings balance built up via these contributions is free of tax.

The tax is levied as mandatory on the savings balance and cannot be paid in by the pension saver him or herself.

Each year for five years, from 2015 to 2019, tax at a rate of 1% will be collected early. The tax base in this case is the actual level of savings on 31 December 2014. Any new contracts taken out on or after 1 January 2015 are not subject to early collection of tax. When the benefit is paid out, the total amount of tax collected early will be deducted

from the amount of final tax calculated. The amount to be collected early is funded by the sale of units (to be sold no later than 30 September).

For the portion of the tax base formed via contributions paid in prior to 1 January 1993, an advance levy of 6.5% was collected on 1 December 2012.

Contracts concluded or increased after the age of 55

Contracts concluded or increased after the age of 55 are taxed on the tenth anniversary of the contract.

If the contract is paid out earlier, but after the 60th birthday, taxation occurs when the benefit is paid.

The reduced rate of 8% applies if the amount saved is paid out:

- on the tenth anniversary of the contract
- or in the event of earlier payment after the 60th birthday, if this occurs after:
 - retirement at the normal date (the normal retirement age is at this moment 65)
 - in one of the five years preceding that date
 - the 60th birthday for women or 65th birthday for men, provided in both cases that no professional activity was ever performed (Letter Adm. ETT 1069 of 11 Oct. 1996)
 - following the death of the pension saver

If payment occurs earlier, the rate is 33%.

Each year for five years, from 2015 to 2019, tax at a rate of 1% will be collected early. The tax base in this case is the actual level of savings on 31 December 2014. Any new contracts taken out on or after 1 January 2015 are not subject to early collection of tax. When the benefit is paid out, the total amount of tax collected early will be deducted from the amount of final tax calculated. The amount to be collected early is funded by the sale of units (to be sold no later than 30 September).

Taxation of contracts paid out before the 60th birthday

If the pension saver has received a payment from his or her pension savings before his or her 60th birthday, this payment will be subject to personal income tax.

Payments are taxable at 8%, 16.5%, 33% of the progressive rate.

The lower rate applies if the accumulated pot is paid out following retirement at the normal date or in one of the five years preceding that date, or following the death of the pension saver.

Furthermore, the following additional conditions must be satisfied, except in the event of death:

- the minimum term of ten years has elapsed;
- at least five deposits were made during the five different taxable periods;
- each contribution remained invested for at least five years.

Each year for five years, from 2015 to 2019, tax at a rate of 1% will be collected early. The tax base in this case is the actual level of savings on 31 December 2014. Any new contracts taken out on or after 1 January 2015 are not subject to early collection of tax. When the benefit is paid out, the total amount of tax collected early will be deducted from the amount of final tax calculated. The amount to be collected early is funded by the sale of units (to be sold no later than 30 September).

If payment does not occur in one of the circumstances stated above, the payment will be subject to the exceptional rate of taxation of 33% or to the progressive rate.

Municipal tax is added to these rates.

Stock market tax

	Subscription	Redemption
Stock market tax	-	-

Tax on debt claim returns (Article 19bis of the 1992 Income Tax Code)

The income from this UCI is not subject to the tax on debt instrument returns as intended by Article 19b, Income Tax Code 1992.

Obligatory automatic exchange of information for tax purposes

Information about an investment in this UCI is not automatically exchanged internationally.

E. Additional information

Information sources

The prospectus, the key investor information, the management rules, the annual and half-yearly reports may be obtained free of charge from the financial services providers before or after subscription to the units.

The ongoing charges and the portfolio turnover rate for preceding periods can be obtained from the registered office

of the Fund at Havenlaan 2, B-1080 Brussels, Belgium.

The following documents and information are available at www.kbc.be/investing: key investor information, the prospectus, the most recently published annual and half-yearly reports.

The past performance of the Fund is provided in the annual report.

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

The management company has the authority to determine the investment policy for the Fund, subject to statutory provisions. The management company may make changes to the investment policy, as set out in the prospectus and key investor information.

Publication of the net asset value

The net asset value is available from the branches of the institutions providing the financial services. Following calculation, it is published in the financial press (L'Echo and De Tijd) and/or on the website of Beama (www.beama.be). It may also be published on the KBC Asset Management NV website (www.kbc.be/investing) and/or on the websites of the institutions providing the financial services.

Contact point where additional information may be obtained if needed

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

F. Prohibition of offer or sale

This UCITS may not be publicly offered or sold in countries where they have not been registered with the local authorities.

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

G. Competent authority

Belgian Financial Services and Markets Authority (FSMA)
Congresstraat 12-14
1000 Brussels

The key investor information and the prospectus will be published after approval by the FSMA. This approval does not involve any assessment of the opportuneness or quality of the offer or of the circumstances of the individual making it.

The official text of the management rules has been filed with the FSMA.

2. Investment Information

Fund's object

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

Fund's investment policy

Permitted asset classes

The Fund may invest in securities, money market instruments, deposits, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

Restrictions of the investment policy

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

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

Selected strategy

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

1° Not more than 20% of the investments owned and described in 2° to 4° below may be denominated in a currency other than the euro.

2° Not more than 75% of the assets owned may be invested in bonds and other debt instruments that are traded on the capital market, in mortgage loans and in cash deposits within the following limits and according to the following terms and conditions:

- In bonds and other debt instruments in euros or in the currency of a Member State of the European Economic Area, issued or unconditionally guaranteed, in principal and in interest, by a Member State of the European Economic Area, by one of its political subsidiary departments, by other public bodies or institutions of a Member State of the European Economic Area or by a supranational organisation to which one or more Member States of the European Economic Area belong or in mortgage loans in euros or in the currency of a Member State of the European Economic Area;

- Not more than 40% of the total of these bonds and other debt instruments that are traded on the capital market, of these mortgage loans and of these cash deposits may consist of assets, in euros or in the currency of a Member State of the European Economic Area, issued by companies incorporated under public or private law from a Member State of the European Economic Area, or of cash deposits, in euros or in the currency of a Member State of the European Economic Area, with a term to maturity of more than one year at a credit institution that is recognised and supervised by a regulatory government body of this Member State;

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

3° Not more than 75% of the assets owned may be directly invested in the following shares and other securities similar to shares within the following limits and in accordance with the following terms and conditions:

- Not more than 70% of the total of these shares and securities may directly consist of shares and other securities similar to shares of companies incorporated under the law of a Member State of the European Economic Area whose market capitalisation exceeds 3 000 000 000 euros or equivalent denominated in the currency of a Member State of the European Economic Area and listed on a regulated market;

- Not more than 30% of the total of these shares and securities may directly consist of shares and other securities similar to shares of companies incorporated under the law of a Member State of the European Economic Area whose market capitalisation is less than 3 000 000 000 euros or equivalent expressed in the currency of a Member State of the European Economic Area and listed on a regulated market;

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

4° Not more than 10% of the assets may be invested in cash in an account in euros or a currency of a Member State of the European Economic Area, at a credit institution that is recognised and supervised by a regulatory government body of a Member State of the European Economic Area.

Within the above limits, the fund invests in socially responsible assets. Socially responsible investment, also known as Sustainable and Responsible Investing (SRI), has a positive impact on society, the environment and the world we live in. Socially responsible investment is aligned with today's social and economic needs, without jeopardising the needs of future generations.

With regard to the socially responsible nature of the investments, the fund manager is assisted by specialist researchers, who make sure that only 'socially responsible' issuers are selected. The fund manager is assisted by an advisory board (the 'SRI Advisory Board') comprised of up to twelve persons, who are not affiliated to KBC Asset Management NV, and whose sole responsibility is to supervise the methodology and activities of the specialist researchers of KBC Asset Management NV. The secretariat of the advisory board is provided by a representative of KBC Asset Management NV. The selection of issuers is based on a series of criteria, which are tested to as great an extent as possible against objective criteria, such as internationally recognised indicators. The advisory board

constantly oversees amendments to the list of criteria. The main criteria applied during the initial subscription period are:

- In the case of shares and bonds issued by companies, the selection is based on the following criteria relating to the issuer:
 - Respect for the environment;
 - Attention to society;
 - Corporate governance.
- In the case of bonds issued by national governments, supranational debtors and/or agencies linked to governments, the selection is based on the following criteria regarding the issuer:
 - General economic performance and stability;
 - Socio-economic development and public health;
 - Equality, freedom and rights of all citizens;
 - Environmental policy;
 - Security, peace and international relations.

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

In addition to the exclusions specified under 'Social, ethical and environmental aspects', selected companies must comply with extra SRI exclusion criteria. You'll find these criteria at www.kbc.be/duurzaam-beleggen (4 reasons for socially responsible investing with KBC > Strict sustainability screening). The main exclusion criteria used, relate to tobacco, gambling activities, weapons, fur & exotic leather and adult entertainment. This list is not exhaustive and may be adjusted under the supervision of the advisory board.

Despite the fact that the fund aims to invest its entire capital in socially responsible assets, it cannot be excluded that sometimes, due to external circumstances, very limited investment are made temporarily in assets that do not meet the above criteria. These external circumstances include, but are not limited to:

- unexpected events as a result of which an issuer suddenly ceases to be socially responsible based on the above criteria;
- corporate events, like a merger of one company with another, where the merged company can no longer be considered a sustainable and socially responsible issuer based on the above criteria.

In these cases, the manager will replace the assets concerned with socially responsible assets as soon as possible, while taking account of the exclusive interest of the investor at all times.

The fund's net asset value is expressed in euros.

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

- A return matching that of the reference currency, viz. the euro;
- Possible capital gains.

Characteristics of the bonds and debt instruments

Some of the assets are invested in bonds and debt instruments issued by both companies and governments.

The fund invests at least 90% of the invested assets in bonds and debt instruments:

- in investment-grade securities (at least BBB-/Baa3 long term or A3/F3/P3 short term) as rated by at least one of the following rating agencies:
 - Moody's (Moody's Investors Service);
 - S&P (Standard & Poor's, a Division of the McGraw-Hill Companies);
 - Fitch (Fitch Ratings), and/or

– in money market instruments issued by entities that have been assigned an investment grade rating by one of the above agencies.

In addition, the fund may invest up to 10% of the assets invested in bonds and debt instruments:

- in securities that have a lower credit rating (or, in the case of money market instruments, if the issuer has a lower credit rating) and/or
- in securities for which no credit rating is available from one of the above agencies (or, in the case of money market instruments, if the issuer does not have a rating from one of the above agencies).

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

Securities Financing Transactions (SFTs)

The Fund may not lend any financial instruments.

General strategy for hedging the exchange rate risk

The exchange rate risk is not hedged.

Social, ethical and environmental aspects

Investments may not be made in

- financial instruments issued by manufacturers of controversial weapons whose use over the past five decades,

according to international consensus, has led to disproportionate human suffering among the civilian population. This involves the manufacturers of anti-personnel mines, cluster bombs and munitions and weapons containing depleted uranium;

- 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 corporate sustainability. The main criteria used cover human rights, employee rights, the environment and anti-corruption;
- financial instruments linked to agricultural crops or livestock that can be used for speculating on food prices;
- government bonds from certain controversial countries, i.e. countries that fundamentally violate human rights and ignore all forms of corporate governance, the rule of law or economic freedom.

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

3. Information on the risk profile

Risk profile of the Fund

Investors should take note of the general information below, the individual risks of a sub-fund which are listed under the "Information regarding the sub-fund - 3. Risk profile", as well as the "Risk and reward profile" in the key investor information document.

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

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

List of risks

The information below is a general overview of the potential risks that the investor could incur. The assessment of the risks can be accessed in the table below. There, a list of risks may be consulted, with an indication of the risk assessment, and a brief justification for the risk assessment.

Market risk

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

Credit risk

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

Settlement risk

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

Liquidity risk

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

Exchange or currency risk

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

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

Custody risk

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

Concentration risk

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

Performance risk

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

Capital risk

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

Flexibility risk

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

Inflation risk

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

Environmental factors

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

Summary table of risks assessed by the Fund:

Risk type	Concise definition of the risk		Explanation:
Market risk	The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio	moderate	the level of the risk reflects the volatility of the equity component.
Credit risk	The risk that an issuer or a counterparty will default	low	
Settlement risk	The risk that settlement of a transaction via a payment system will not take place as expected	low	
Liquidity risk	The risk that a position cannot be liquidated in a timely manner at a reasonable price	low	
Exchange or currency risk	The risk that the value of an investment will be affected by changes in exchange rates	low	

Custody risk	The risk of loss of assets held in custody with a custodian or sub-custodian	low	
Concentration risk	The risk relating to a large concentration of investments in specific assets or in specific markets	low	
Performance risk	Risks to return	moderate	the level of the risk reflects the volatility of the equity component.
Capital risk	Risks to capital	moderate	There is no capital protection.
Flexibility risk	Inflexibility both within the product and constraints on switching to other providers	low	
Inflation risk	Risk of inflation	moderate	the bond component does not provide any protection against an increase in inflation.
Environmental factors	Uncertainty regarding the immutability of environmental factors, such as the tax regime	low	

Risk profile of the typical investor

Profile of the typical investor for which the Fund has been designed : Dynamic profile.

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

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 the Fund's potential return and the risk involved, calculated in the currency in which the 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.

4. Information concerning the trading of units

How to buy and sell units

If it turns out that units are being held by persons other than those permitted to hold them, the Fund may, in accordance with article 4.3 of the management rules, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value	Date the net asset value is calculated	Actual values used	Date of payment or repayment of the orders
D (every banking day ⁽²⁾ at 05 pm CET)	D+1 banking day	D if maximum 20% of the actual values are already known on D (every banking day ⁽²⁾ at 05 pm CET) D+1 if more than 20% of the actual values are already known on D (every banking day ⁽²⁾ at 05 pm CET)	D = date of payment D+4 banking days = date of repayment

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 05 pm CET on day D in order to qualify as an order of day D.

⁽²⁾ with the exception of banking days on which one or more markets on which more than 20% of the Fund's assets are listed are closed or if transactions are suspended or restricted.

Calculation of the net asset value

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

Publication of the net asset value

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

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

5. Types of units and fees and charges

Participation in Pricos SRI is established by registration in a savings account opened in the name of the unit-holder and stating the number of units to which the unit-holder is entitled.

Units in Pricos SRI must be fully paid up and are issued without specification of a nominal value. There are no preferential or pre-emptive rights attached. The units are not issued in material form.

Fees and charges regarding the Fund

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 that is based on the figures for the preceding year. This figure is expressed as a percentage of the average net assets or, where relevant, of the unit class.

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

Portfolio turnover rate

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

Existence of Commission Sharing Agreements

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

What the Commission Sharing Agreement entails:

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

N.B.:

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

Goods and services eligible for a Commission Sharing Agreement:

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

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

Existence of fee sharing agreements and rebates

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

In principle, the percentage share amounts to between 35% and 60% if the distributor is an entity of KBC Groep NV or to between 35% and 70% if the distributor is not an entity of KBC Groep NV. However, in a small number of cases, the distributor's fee is less than 35%. Investors may, on request, obtain more information on these cases.

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

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

The management company has concluded a distribution agreement with the distributor in order to facilitate the wider distribution of the by using multiple distribution channels.

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

The information concerning the type of units and/or the type of unit class, and the fees and charges associated with these, is stated below grouped per type of units and/or the type of unit class.

Pricos SRI

<i>Types of units offered to the public</i>	<i>Currency for the calculation of the net asset value</i>	<i>ISIN code</i>	<i>The initial subscription period/day (unless the subscription period is closed early)</i>	<i>The first net asset value following the initial subscription period/day</i>	<i>Initial subscription price</i>
CAP (capitalisation units)	EUR	BE6302079866	7 May 2018 through 25 May 2018 before 05 pm CET Settlement for value: 25 May 2018 (If you switch fully from another pension fund managed by KBC Asset Management NV 31 May 2018 = settlement for value date)	28 May 2018	100 EUR

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the Fund is denominated in or as a percentage of the net asset value per unit

	<i>Subscription</i>	<i>Redemption</i>
Trading fee	During the initial subscription period: 2.00% After the initial subscription period: 2.00%	-
Administrative charges	-	-
Amount to cover the costs of the purchase/sale of assets	After the initial subscription period: 0.00%	After the initial subscription period: 0.00%
Amount to discourage sales within one month of purchase	-	Max 5.00% for the Fund
Stock market tax	see the 'Information concerning the Fund - D. Tax treatment'	

Recurrent fees and charges paid by the Fund unless indicated otherwise, in the currency the Fund is denominated in or as a percentage of the net asset value per unit

Fee for managing the investment portfolio	1.00%	per year calculated on the basis of the average total net assets of the Fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group. To calculate the management fee, an amount is set aside every day and settled each month. KBC Asset Management S.A. receives a fee from the management company of 0.90% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.
	0.02%	per year calculated on the basis of the portion of the average total net assets of the Fund that are invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.15%	per year calculated on the basis of the average total net assets of the Fund.
Fee for financial services	-	-
Custodian's fee	0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the statutory auditor of the Fund	1844 EUR	Fee of the statutory auditor (excluding VAT): This amount can be indexed on an annual basis in accordance with the decision of the General Meeting
Annual tax This tax must, in principle, be paid by the Fund's management company but is charged to the Fund.	see the 'Information concerning the Fund - D. Tax treatment'	
Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs	0.10%	of the net assets of the sub-fund per year.