

## **Mitteilung an alle Anteilseigner der KBC Bonds Fonds:**

Anbei finden Sie die Information der Fondsgesellschaft, folgende Fonds sind betroffen:

**LU0082283614 KBC Bonds Emerging Markets – DIS**

**LU0082283374 KBC Bonds Emerging Markets - CAP**

Details können Sie der beigefügten Anlage entnehmen. Falls Ihre Kunden diesen Änderungen nicht zustimmen und die Möglichkeit besteht, die Anteile ohne Gebühren seitens der Fondsgesellschaft zurückzugeben, können Sie den Verkauf der Anteile direkt in MoventumOffice erfassen.

Bitte nehmen Sie zur Kenntnis, dass für die Abwicklung dieser Aufträge die im Preis- und Leistungsverzeichnis von Moventum ausgewiesenen Gebühren und die auf MoventumOffice angegebenen Annahmeschlusszeiten gelten.

**KBC BONDS**  
**Société d'Investissement à Capital Variable**  
**80, Route d'Esch**  
**L-1470 Luxembourg**  
**R.C.S. Luxembourg No. B 39.062**

**Notice to shareholders**

Dear shareholder,

We wish to inform you of the changes that will be made to certain sub-funds of KBC Bonds, as set out below.

**1. KBC Bonds Emerging Markets: change of benchmark**

The benchmark for KBC Bonds Emerging Markets will change from JP Morgan Emerging Markets Bond Index Plus to JP Morgan Emerging Markets Bond Index Global Diversified. The new benchmark is more widely used and is thus a better point of reference for investors. It also allows greater diversification and is likely to contribute positively to the performance of the sub-fund.

There will be no change to the way in which the sub-fund is currently managed or to its risk profile.

**2. Various sub-funds: change of name, investment objective, policy, benchmark, and risks**

For more than a decade, the European economy has been characterised by slow growth, low inflation, and low or even negative yields. In order to provide investors with fixed-income solutions that present a better risk/return profile in this market environment, the sub-funds listed below will be modified in order to offer investors a new range of fixed-income products with combined exposure to government and corporate bonds in a variety of allocations, either with or without an SRI focus.

This will entail a certain number of changes to the investment objective, policy, benchmark and risks of the sub-funds listed below, as summarised in the following table. The sub-funds will also be renamed in order to reflect these changes and the risk profile of some sub-funds will be updated as a result.

<b>Name of sub-fund (before)</b>	<b>Name of sub-fund (after)</b>	<b>Benchmark (before)</b>	<b>Benchmark (after)</b>
KBC Bonds SRI Strategic EMU	KBC Bonds SRI Strategic Broad 75/25	JP Morgan European Monetary Union Investment Grade Index	75% JP Morgan European Monetary Union Investment Grade Index + 25% IHS Markit iBoxx Euro Corporates
KBC Bonds SRI Strategic EMU Short	KBC Bonds SRI Strategic Broad 50/50	JP Morgan European Monetary Union Investment Grade Index: 1-3 years	50% JP Morgan European Monetary Union Investment Grade Index + 50% IHS Markit iBoxx Euro Corporates
KBC Bonds SRI Strategic EMU Short Medium	KBC Bonds SRI Strategic Broad 25/75	JP Morgan European Monetary Union Investment Grade Index: 3-5 years	25% JP Morgan European Monetary Union Investment Grade Index + 75% IHS Markit iBoxx Euro Corporates
KBC Bonds EMU Short Medium	KBC Bonds Strategic Broad 70/30	JP Morgan European Monetary Union Investment Grade Index: 3-5 years	70% JP Morgan European Monetary Union Investment Grade Index + 30% IHS Markit iBoxx Euro Corporates
KBC Bonds Strategic Corporate Bonds	KBC Bonds Strategic Broad 60/40	50% IHS Markit iBoxx Euro Corporates + 50% IHS Markit iBoxx USD Corporates	60% JP Morgan European Monetary Union Investment Grade Index + 40% IHS Markit iBoxx Euro Corporates
KBC Bonds Strategic Euro Corporate Bonds	KBC Bonds Strategic Broad 50/50	IHS Markit iBoxx Euro Corporates	50% JP Morgan European Monetary Union Investment Grade Index + 50% IHS Markit iBoxx Euro Corporates
KBC Bonds SRI Strategic Corporate Bonds	KBC Bonds Strategic Broad 40/60	50% IHS Markit iBoxx Euro Corporates + 50% IHS Markit iBoxx USD Corporates	40% JP Morgan European Monetary Union Investment Grade Index + 60% IHS Markit iBoxx Euro Corporates
KBC Bonds SRI Strategic Euro Corporate Bonds	KBC Bonds Strategic Broad 30/70	IHS Markit iBoxx Euro Corporates	30% JP Morgan European Monetary Union Investment Grade Index + 70% IHS Markit iBoxx Euro Corporates

There will be no change to the maximum management fee or the fixed service fee as defined in the prospectus. However, the ongoing charges as defined in the KIID for some share classes of the sub-funds will increase or decrease as set out below. The ongoing charges for all other types of shares will remain the same.

ISIN	Share class	Ongoing charges (before)	Ongoing charges (after)
LU1892258499	KBC Bonds SRI Strategic EMU Corporate Shares <i>(after, KBC Bonds SRI Strategic Broad 75/25 Corporate Shares)</i>	0,60%	0,94%
LU1892258655	KBC Bonds SRI Strategic EMU Short Corporates Shares <i>(after, KBC Bonds SRI Strategic Broad 50/50 Corporate Shares)</i>	0,60%	0,98%
LU1892258812	KBC Bonds SRI Strategic EMU Short Medium Corporates Shares <i>(after, KBC Bonds SRI Strategic Broad 25/75 Corporate Shares)</i>	0,90%	1,02%
LU1811813622	KBC Bonds EMU Short Medium Corporates Shares <i>(after, KBC Bonds Strategic Broad 70/30 Corporate Shares)</i>	0,91%	0,95%
LU1811813978	KBC Bonds Strategic Corporate Bonds Corporates Shares <i>(after, KBC Bonds Strategic Broad 60/40 Corporates Shares)</i>	1,05%	0,96%
LU1811814356	KBC Bonds Strategic Euro Corporate Bonds Corporates Shares <i>(after, KBC Bonds Strategic Broad 50/50 Corporates Shares)</i>	1,05%	0,98%
LU1892257848	KBC Bonds SRI Strategic Corporate Bonds Corporates Shares <i>(after, KBC Bonds Strategic Broad 40/60 Corporates Shares)</i>	1,05%	0,99%
LU1892259034	KBC Bonds SRI Strategic Euro Corporate Bonds Corporates Shares <i>(after, KBC Bonds Strategic Broad 30/70 Corporates Shares)</i>	1,05%	1,01%

Any shareholder who is not in agreement with the above amendments may redeem his or her shares free of charge during a period of one month from the date of publication of this notice.

### 3. KBC Bonds Strategic Government Bonds: change of name, investment objective, policy and risks

For more than a decade, the European economy has been characterised by slow growth, low inflation, and low or even negative yields. In order to offer investors in the sub-fund a better risk/reward profile in this market environment, the sub-fund will be modified so that it will cease to concentrate on government bonds and instead build up a portfolio containing other fixed-yield securities and instruments as well as derivatives.

This will entail a certain number of changes to the name of the sub-fund and to its investment objective, policy, and risks, as set out below:

- the sub-fund will be renamed "KBC Bonds Strategic Accents";
- its main focus on government bonds will be deleted and replaced by a statement that the sub-fund seeks to respond tactically to opportunities in the bond and money markets;
- the use of credit default swaps (CDSs) will be authorised up to a maximum CDS exposure of 50%, so that the sub-fund manager can execute tactical decisions swiftly and effectively when the opportunity arises;
- the use of contingent convertible bonds (up to 10%) will also be authorised to help broaden the permitted invested universe; and
- the sub-fund will be able to invest up to 100% of its assets (instead of 50%) in bonds and debt securities whose rating is below investment grade or in the bonds and debt securities of issuers whose rating is below investment grade.

In addition to the above, the investment policy of the sub-fund will be updated to provide additional clarifications on the sub-fund's use of derivatives and to disclose its investment limits for convertible bonds, equities, money market instruments and cash.

Please refer to the annex for details of the current investment objective, policy and risks of the sub-fund.

Any shareholder who is not in agreement with the above amendments may redeem his or her shares free of charge during a period of one month from the date of publication of this notice.

4. KBC Bonds SRI Strategic Accents: update to the investment objective and policy to allow the use of CDSs and contingent convertible bonds

KBC Bonds SRI Strategic Accents seeks to respond tactically to opportunities in the bond and money markets. In order to offer the sub-fund manager greater flexibility to achieve this objective, the objective and the policy of the sub-fund will be updated to reflect the changes below:

- authorising the use of CDSs up to a maximum CDS exposure of 50%, so that the sub-fund manager can execute tactical decisions swiftly and effectively when the opportunity arises; and
- allowing the use of contingent convertible bonds (up to 10%) to help broaden the permitted invested universe.

In addition to the above, the investment policy of the sub-fund will be updated in order to disclose its specific investment limits.

The above updates will not give rise to a change or material increase to the risk profile of the sub-fund.

Please refer to the annex for details of the current investment objective, policy and risks of the sub-fund.

5. KBC Bonds Corporates Euro: update to the investment policy to allow the use of contingent convertible bonds

The sub-fund may currently invest up to 25% of its assets in convertible bonds. In order to broaden the sub-fund's permitted investment universe and allow the manager greater flexibility to achieve its investment objective, the investment policy of the sub-fund will be amended so that it may invest up to 10% of its assets in contingent convertible bonds.

This update will not give rise to a change or material increase to the risk profile of the sub-fund.

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Please refer to the annex for details of the update to the investment policy of the sub-funds.

The prospectus dated 3/12/2021 and the key investor information documents are available free of charge on request from the registered office of the SICAV.

The Board of Directors

Luxembourg, 3/11/2021

## **Annex – amendments and clarifications to the KBC Bonds prospectus**

<b>Sub-fund</b>	<b>Amendments and clarifications</b>
KBC Bonds SRI Strategic EMU	<p>The sub-fund will be renamed “KBC Bonds SRI Strategic Broad 75/25”.</p> <p>The objective and policy of the sub-fund as set out in the first three paragraphs of the description of the sub-fund will be replaced by the information below:</p> <p><i>“The KBC Bonds SRI Strategic Broad 75/25 sub-fund invests at least 90% of its assets in corporate bonds, government bonds, convertible bonds, deposits, money market instruments, other debt instruments or derivative financial instruments (including bond futures, interest rate swaps, and CDS contracts) or units in UCIs within the limits specified in point 6.1.2.3 of the prospectus. The remaining 10% can be invested in other assets as defined in Section 6.1., “Eligible instruments”.</i></p> <p><i>As a rule, the sub-fund invests 75% of its assets in diversified government bonds of all maturities, principally euro-denominated investment grade bonds, issued by states belonging to or intending to join the Economic and Monetary Union (EMU) and/or in derivatives that create an exposure to sovereign risk (mainly interest rate swaps and futures). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager opts for more defensive exposures.</i></p> <p><i>The sub-fund will generally invest the remaining 25% of its assets in corporate bonds, principally euro-denominated investment grade bonds, and/or in derivatives that create an exposure to corporate credit risk (mainly interest rate swaps, futures, and CDSs). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager adopts a more procyclical orientation.</i></p> <p><i>The sub-fund may invest in securities and/or derivatives denominated in any currency. The currency risk will not be systematically hedged. Furthermore, the portfolio may, within the legal limits, be concentrated on particular issuers, currencies or types of securities and/or derivatives. The portfolio composition may therefore vary significantly over time.</i></p> <p><i>The benchmark for the sub-fund is:</i></p> <p><i>a) JP Morgan European Monetary Union Investment Grade Index (EMU IG): 75%;</i></p> <p><i>b) IHS Markit iBoxx Euro Corporates: 25%.”</i></p> <p>The information on the benchmark will be updated and the expected tracking error will be 0.75.</p> <p>The investment policy will also be updated to provide details on its use of derivatives (including the use of CDSs) and make certain other non-material amendments and clarifications.</p>
KBC Bonds SRI Strategic EMU Short	<p>The sub-fund will be renamed “KBC Bonds SRI Strategic Broad 50/50”.</p> <p>The objective and policy of the sub-fund as set out in the first three paragraphs of the description of the sub-fund will be replaced by the information below:</p> <p><i>“The KBC Bonds SRI Strategic Broad 50/50 sub-fund invests at least 90% of its assets in corporate bonds, government bonds, convertible bonds, deposits, money market instruments, other debt instruments or derivative financial instruments (including bond futures, interest rate swaps, and CDS contracts) or units in UCIs within the limits specified in point 6.1.2.3 of the prospectus. The remaining 10% can be invested in other assets as defined in Section 6.1., “Eligible instruments”.</i></p> <p><i>As a rule, the sub-fund invests 50% of its assets in corporate bonds, principally euro-denominated investment grade bonds, and/or in derivatives that create an exposure to corporate credit risk (mainly interest rate swaps, futures, and CDSs). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager adopts a more procyclical orientation.</i></p> <p><i>The sub-fund will generally invest the remaining 50% of its assets in diversified government bonds of all maturities, mainly euro-denominated investment grade bonds, issued by states belonging to or intending to join the Economic and Monetary Union (EMU) and/or in derivatives that create an exposure to sovereign risk (mainly interest rate swaps and futures). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager opts for more defensive exposures.</i></p> <p><i>The sub-fund may invest in securities and/or derivatives denominated in any currency. The</i></p>

	<p>currency risk will not be systematically hedged. Furthermore, the portfolio may be concentrated on particular issuers, currencies or types of securities and/or derivatives. The portfolio composition may therefore vary significantly over time.</p> <p>The benchmark for the sub-fund is:</p> <p>a) JP Morgan European Monetary Union Investment Grade Index (EMU IG): 50%;</p> <p>b) IHS Markit iBoxx Euro Corporates: 50%."</p> <p>The information on the benchmark will be updated and the expected tracking error will be 0.75.</p> <p>The investment policy will also be updated to provide details on its use of derivatives (including the use of CDSs) and make certain other non-material amendments and clarifications.</p>
KBC Bonds SRI Strategic EMU Short Medium	<p>The sub-fund will be renamed "KBC Bonds SRI Strategic Broad 25/75".</p> <p>The objective and policy of the sub-fund as set out in the first three paragraphs of the description of the sub-fund will be replaced by the information below:</p> <p><i>"The KBC Bonds SRI Strategic Broad 25/75 sub-fund invests at least 90% of its assets in corporate bonds, government bonds, convertible bonds, deposits, money market instruments, other debt instruments or derivative financial instruments (including bond futures, interest rate swaps, and CDS contracts) or units in UCIs within the limits specified in point 6.1.2.3 of the prospectus. The remaining 10% can be invested in other assets as defined in Section 6.1., "Eligible instruments".</i></p> <p><i>As a rule, the sub-fund invests 75% of its assets in corporate bonds, principally euro-denominated investment grade bonds, and/or in derivatives that create an exposure to corporate credit risk (mainly interest rate swaps, futures, and CDSs). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager adopts a more procyclical orientation.</i></p> <p><i>The sub-fund will generally invest the remaining 25% of its assets in diversified government bonds of all maturities, mainly euro-denominated investment grade bonds, issued by states belonging to or intending to join the Economic and Monetary Union (EMU) and/or in derivatives that create an exposure to sovereign risk (mainly interest rate swaps and futures). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager opts for more defensive exposures.</i></p> <p><i>The sub-fund may invest in securities and/or derivatives denominated in any currency. The currency risk will not be systematically hedged. Furthermore, the portfolio may be concentrated on particular issuers, currencies or types of securities and/or derivatives. The portfolio composition may therefore vary significantly over time.</i></p> <p><i>The benchmark for the sub-fund is:</i></p> <p><i>a) JP Morgan European Monetary Union Investment Grade Index (EMU IG): 25%;</i></p> <p><i>b) IHS Markit iBoxx Euro Corporates: 75%."</i></p> <p>The information on the benchmark will be updated and the expected tracking error will be 0.75.</p> <p>The investment policy will also be updated to provide details on its use of derivatives (including the use of CDSs) and make certain other non-material amendments and clarifications.</p>
KBC Bonds EMU Short Medium	<p>The sub-fund will be renamed "KBC Bonds Strategic Broad 70/30".</p> <p>The objective and policy of the sub-fund as set out in the first three paragraphs of the description of the sub-fund will be replaced by the information below:</p> <p><i>"The KBC Bonds Strategic Broad 70/30 sub-fund invests at least 90% of its assets in corporate bonds, government bonds, convertible bonds, deposits, money market instruments, other debt instruments or derivative financial instruments (including bond futures, interest rate swaps, and CDS contracts) or units in UCIs within the limits specified in point 6.1.2.3 of the prospectus. The remaining 10% can be invested in other assets as defined in Section 6.1., "Eligible instruments".</i></p> <p><i>As a rule, the sub-fund invests 70% of its assets in diversified government bonds of all maturities, mainly euro-denominated investment grade bonds, issued by states belonging to</i></p>

or intending to join the Economic and Monetary Union (EMU) and/or in derivatives that create an exposure to sovereign risk (mainly interest rate swaps and futures). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager opts for more defensive exposures.

The sub-fund will generally invest the remaining 30% of its assets in corporate bonds, principally euro-denominated investment grade bonds, and/or in derivatives that create an exposure to corporate credit risk (mainly interest rate swaps, futures, and CDSs). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager adopts a more procyclical orientation.

The sub-fund may invest in securities and/or derivatives denominated in any currency. The currency risk will not be systematically hedged. Furthermore, the portfolio may be concentrated on particular issuers, currencies or types of securities and/or derivatives. The portfolio composition may therefore vary significantly over time.

The benchmark for the sub-fund is:

- a) JP Morgan European Monetary Union Investment Grade Index (EMU IG): 70%;
- b) IHS Markit iBoxx Euro Corporates: 30%."

The information on the benchmark will be updated and the expected tracking error will be 0.75.

The investment policy will also be updated to state that the sub-fund may use derivatives in order to achieve its objective and hedge its risks, and to provide details on its use of derivatives, including the use of CDSs. Certain other non-material amendments and clarifications will also be made.

KBC Bonds Strategic Corporate Bonds	<p>The sub-fund will be renamed "KBC Bonds Strategic Broad 60/40".</p> <p>The objective and policy of the sub-fund as set out in the first three paragraphs of the description of the sub-fund will be replaced by the information below:</p> <p><i>"The KBC Bonds Strategic Broad 60/40 sub-fund invests at least 90% of its assets in corporate bonds, government bonds, convertible bonds, deposits, money market instruments, other debt instruments or derivative financial instruments (including bond futures, interest rate swaps, and CDS contracts) or units in UCIs within the limits specified in point 6.1.2.3 of the prospectus. The remaining 10% can be invested in other assets as defined in Section 6.1., "Eligible instruments".</i></p> <p><i>As a rule, the sub-fund invests 60% of its assets in diversified government bonds of all maturities, mainly euro-denominated investment grade bonds, issued by states belonging to or intending to join the Economic and Monetary Union (EMU) and/or in derivatives that create an exposure to sovereign risk (mainly interest rate swaps and futures). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager opts for more defensive exposures.</i></p> <p><i>The sub-fund will generally invest the remaining 40% of its assets in corporate bonds, principally euro-denominated investment grade bonds, and/or in derivatives that create an exposure to corporate credit risk (mainly interest rate swaps, futures, and CDSs). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager adopts a more procyclical orientation.</i></p> <p><i>The sub-fund may invest in securities and/or derivatives denominated in any currency. The currency risk will not be systematically hedged. Furthermore, the portfolio may be concentrated on particular issuers, currencies or types of securities and/or derivatives. The portfolio composition may therefore vary significantly over time.</i></p> <p><i>The benchmark for the sub-fund is:</i></p> <ul style="list-style-type: none"> <li><i>a) JP Morgan European Monetary Union Investment Grade Index (EMU IG): 60%;</i></li> <li><i>b) IHS Markit iBoxx Euro Corporates: 40%."</i></li> </ul> <p>In connection with the changes referred to above, the sub-fund's ability to invest in total return swaps will be deleted, as it is not expected to use this option in future.</p> <p>The information on the benchmark will be updated and the expected tracking error will be 0.75.</p> <p>The investment policy will also be updated to require at least 75% of assets to be investment grade as described in the prospectus, to set out certain other investment limits and to make certain other non-material amendments and clarifications.</p>
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	<p>Lastly, the credit risk level will move from high to medium and the typical investor risk profile will move from “dynamic” to “defensive”.</p>
KBC Bonds Strategic Euro Corporate Bonds	<p>The sub-fund will be renamed “KBC Bonds Strategic Broad 50/50”.</p> <p>The objective and policy of the sub-fund as set out in the first three paragraphs of the description of the sub-fund will be replaced by the information below:</p> <p><i>“The KBC Bonds Strategic Broad 50/50 sub-fund invests at least 90% of its assets in corporate bonds, government bonds, convertible bonds, deposits, money market instruments, other debt instruments or derivative financial instruments (including bond futures, interest rate swaps, and CDS contracts) or units in UCIs within the limits specified in point 6.1.2.3 of the prospectus. The remaining 10% can be invested in other assets as defined in Section 6.1., “Eligible instruments”.</i></p> <p><i>As a rule, the sub-fund invests 50% of its assets in corporate bonds, mainly euro-denominated investment grade bonds, and/or in derivatives that create an exposure to corporate credit risk (mainly interest rate swaps, futures, and CDSs). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager adopts a more procyclical orientation.</i></p> <p><i>The sub-fund will generally invest the remaining 50% of its assets in diversified government bonds of all maturities, mainly euro-denominated investment grade bonds, issued by states belonging to or intending to join the Economic and Monetary Union (EMU) and/or in derivatives that create an exposure to sovereign risk (mainly interest rate swaps and futures). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager opts for more defensive exposures.</i></p> <p><i>The sub-fund may invest in securities and/or derivatives denominated in any currency. The currency risk will not be systematically hedged. Furthermore, the portfolio may be concentrated on particular issuers, currencies or types of securities and/or derivatives. The portfolio composition may therefore vary significantly over time.</i></p> <p><i>The benchmark for the sub-fund is:</i></p> <ul style="list-style-type: none"> <li><i>a) JP Morgan European Monetary Union Investment Grade Index (EMU IG): 50%;</i></li> <li><i>b) IHS Markit iBoxx Euro Corporates: 50%.”</i></li> </ul> <p>In connection with the changes referred to above, the sub-fund’s ability to invest in total return swaps will be deleted, as it is not expected to use this option in future.</p> <p>The investment policy will also be updated to require at least 75% of assets to be investment grade as described in the prospectus, to set out certain other investment limits and to make certain other non-material amendments and clarifications.</p> <p>Lastly, the credit risk level will move from “high” to “medium”.</p>
KBC Bonds SRI Strategic Corporate Bonds	<p>The sub-fund will be renamed “KBC Bonds Strategic Broad 40/60”.</p> <p>The policy of the sub-fund as set out in the second, third and fourth paragraphs of the description of the sub-fund will be replaced by the information below:</p> <p><i>“As a rule, the sub-fund invests 60% of its assets in corporate bonds, principally euro-denominated investment grade bonds, and/or in derivatives that create an exposure to corporate credit risk (mainly interest rate swaps, futures, and CDSs). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager adopts a more procyclical orientation.</i></p> <p><i>The sub-fund will generally invest the remaining 40% of its assets in diversified investment-grade government bonds of all maturities, mainly euro-denominated, issued by states belonging to or intending to join the Economic and Monetary Union (EMU) and/or in derivatives that create an exposure to sovereign risk (mainly interest rate swaps and futures). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager opts for more defensive exposures.</i></p> <p><i>The sub-fund may invest in securities and derivatives in any currency. The currency risk will not be systematically hedged. Furthermore, the portfolio may, within the legal limits, be concentrated on particular issuers, currencies or types of securities and/or derivatives. The portfolio composition may therefore vary significantly over time.</i></p> <p><i>The benchmark for the sub-fund is:</i></p> <ul style="list-style-type: none"> <li><i>a) IHS Markit iBoxx Euro Corporates: 60%;</i></li> <li><i>b) JP Morgan European Monetary Union Investment Grade Index ( EMU IG): 40%.”</i></li> </ul>



	<p>The information on the benchmark will be updated and the expected tracking error will be 0.75.</p> <p>The investment policy will also be updated to require at least 75% of assets to be investment grade as described in the prospectus, to set out certain other investment limits and to make certain other non-material amendments and clarifications.</p> <p>The information about investing in socially responsible assets and the positive and negative SRI selection methodology will be deleted.</p> <p>Lastly, the credit risk level will move from “high” to “medium” and the typical investor risk profile will move from “dynamic” to “defensive”.</p>
KBC Bonds SRI Strategic Euro Corporate Bonds	<p>The sub-fund will be renamed “KBC Bonds Strategic Broad 30/70”.</p> <p>The policy of the sub-fund as set out in the second and third paragraphs of the description of the sub-fund will be replaced by the information below:</p> <p><i>“As a rule, the sub-fund invests 70% of its assets in euro-denominated investment grade corporate bonds, and/or in derivatives that create an exposure to corporate credit risk (mainly interest rate swaps, futures, and CDSs). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager adopts a more procyclical orientation. The sub-fund will generally invest the remaining 30% of its assets in diversified investment-grade government bonds of all maturities, mainly euro-denominated, issued by states belonging to or intending to join the Economic and Monetary Union (EMU) and/or in derivatives that create an exposure to sovereign risk (mainly interest rate swaps and futures). It may, however, invest up to 100% of its assets in these asset types if the sub-fund manager opts for more defensive exposures. The sub-fund may invest in securities and/or derivatives denominated in any currency. The currency risk will not be systematically hedged. Furthermore, the portfolio may, within the legal limits, be concentrated on particular issuers, currencies or types of securities and/or derivatives. The portfolio composition may therefore vary significantly over time. The benchmark for the sub-fund is:</i></p> <p><i>a) JP Morgan European Monetary Union Investment Grade Index (EMU IG): 30%;</i></p> <p><i>b) IHS Markit iBoxx Euro Corporates: 70%.”</i></p> <p>The investment policy will also be updated to require at least 75% of assets to be investment grade as described in the prospectus, to set out certain other investment limits and to make certain other non-material amendments and clarifications.</p> <p>The information about investing in socially responsible assets and the positive and negative SRI selection methodology will be deleted.</p> <p>Lastly, the credit risk level will move from “high” to “medium”.</p>
KBC Bonds Strategic Government Bonds	<p>The sub-fund will be renamed “KBC Bonds Strategic Accents”.</p> <p>The objective and policy of the sub-fund as set out in the second, third and fourth paragraphs of the description of the sub-fund will be replaced by the information below:</p> <p><i>“The KBC Bonds Strategic Accents sub-fund invests at least 90% of its assets in corporate bonds, government bonds, convertible bonds, deposits, money market instruments, other debt instruments or derivatives (including bond futures, interest rate swaps, and CDS contracts) or units in UCIs within the limits set in section 6.1.2.3 of the prospectus. The sub-fund’s objective is to respond tactically to opportunities on the bond and money markets. The sub-fund may invest in securities and/or derivatives denominated in any currency. The currency risk will not be systematically hedged. Furthermore, the portfolio may be concentrated on particular issuers, currencies or types of securities and/or derivatives. The portfolio composition may therefore vary significantly over time.”</i></p> <p>In connection with the changes referred to above, the sub-fund’s ability to invest in total return swaps will be deleted, as it is not expected to use this option in future.</p> <p>The investment policy will also be updated to allow 100% of the sub-fund’s assets to be invested in assets with a rating below investment grade as described in the prospectus, to set out certain other investment limits and to further clarify the use of derivatives, including the use of CDSs.</p>

	<p>Lastly, the credit risk level will move from “medium” to “high” and a market risk and liquidity risk will be added.</p>
KBC Bonds SRI Strategic Accents	<p>The update below will be made to the investment objective to allow the use of CDSs:</p> <p><i>“The KBC Bonds SRI Strategic Accents sub-fund invests at least 90% of its assets in corporate bonds, government bonds, convertible bonds, deposits, money market instruments, other debt instruments or derivatives (including bond futures, interest rate swaps, <b><u>and CDS contracts</u></b>) or units in UCIs within the limits specified in point 6.1.2.3 of the prospectus.”</i></p> <p>In this regard, the investment policy will also be updated to further clarify the use of derivatives, including the use of CDSs.</p> <p>The update below will be added to the investment policy to further clarify the investment limits and to allow the use of contingent convertible bonds:</p> <p><i>“The sub-fund may not invest more than 25% of its total assets in convertible bonds, with a maximum of 10% in contingent convertible bonds, more than 10% of its assets in equities and other securities and shares or units, more than one third of its total assets in money market instruments or more than one third of its total assets in bank deposits.”</i></p> <p>The warning about contingent convertible securities will be added to the description of the high credit risk in the risk profile.</p>
KBC Bonds Corporates Euro	<p>The update below will be added to the investment policy to allow the use of contingent convertible bonds:</p> <p><i>“The sub-fund may not invest more than 25% of its total assets in convertible bonds, <b><u>with a maximum of 10% in contingent convertible bonds</u></b> &lt;...&gt;.”</i></p> <p>The warning about contingent convertible securities will be added to the description of the high credit risk in the risk profile.</p>