



ANNUAL REPORT 2021





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Colophon

OBAM N.V.

Investment company with variable capital
Schiphol Boulevard 313
1118 BJ Schiphol

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OBAM Investment Management B.V.

Supervisory Board OBAM N.V.

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1017 CE Amsterdam

Auditor

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The original report has been prepared in the Dutch language. This document is a version thereof translated into the English language. In case of differences between the English and the Dutch version the latter prevails.



Introduction

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Investor letter



Awards



Returns



Important moments 2021



China



Inflation / Interest



Monetary policy



Sustainability



Globalisation

COP 26

Dear OBAM Shareholders,

The 2021 financial year was another volatile year, in which global stock markets rose sharply for the third year in succession, despite the ongoing Coronavirus pandemic. I am pleased to report that OBAM was able to convert the positive sentiment in the stock markets into a very strong relative result.

The early months of 2022 were overshadowed by events in Ukraine. We are very concerned about Russia's attack on Ukraine and its profound consequences for Ukrainian citizens. Although OBAM has no direct exposure to Russia, Ukraine or even Eastern Europe, we continue to monitor developments closely.

Over the financial year, the total return of the portfolio amounted to 29.0% (based on net asset value after costs), with which we managed to beat the global index (MSCI AC) by more than 1.5%. This meant that for the third consecutive year we outperformed the index. This is a re-confirmation that our policy and our quality-growth investment style continue to perform well in volatile markets. We are also proud to mention that we won the 'Gouden Stier' award for the year 2021 within the category 'best investment funds available in the Dutch market'. We received this award nomination for the third year in a row, also winning the 'Gouden Stier' award in 2019.

Return	2021*	6M*	3year*	5year*	10year*
OBAM**	29.0%	5.8%	25.1%	15.9%	13.7%
MSCI AC WORLD NR	27.5%	8.7%	20.6%	12.7%	13.5%
Outperformance	1.5%	-2.9%	4.5%	3.2%	0.2%

* Annualised return in %

** Return OBAM after costs

Source: OBAM Investment Management, return data as per 31 December 2021

Important moments in 2021 /

China

During the financial year, the political climate and economic/commercial policies deteriorated in China. Also, the highly credit-driven economic growth, real estate crisis and abruptly introduced strict regulations for many industries have significantly increased the unpredictability for investors in China. Consequently, our direct exposures in the Chinese market were fully phased out in the beginning of 2021.

Monetary policy

Central bank policy remained very accommodative worldwide, with zero or even negative short-term interest rates combined with ongoing purchase programmes. At the same time, ongoing Corona government support packages created a positive mood in equity markets.

Globalisation

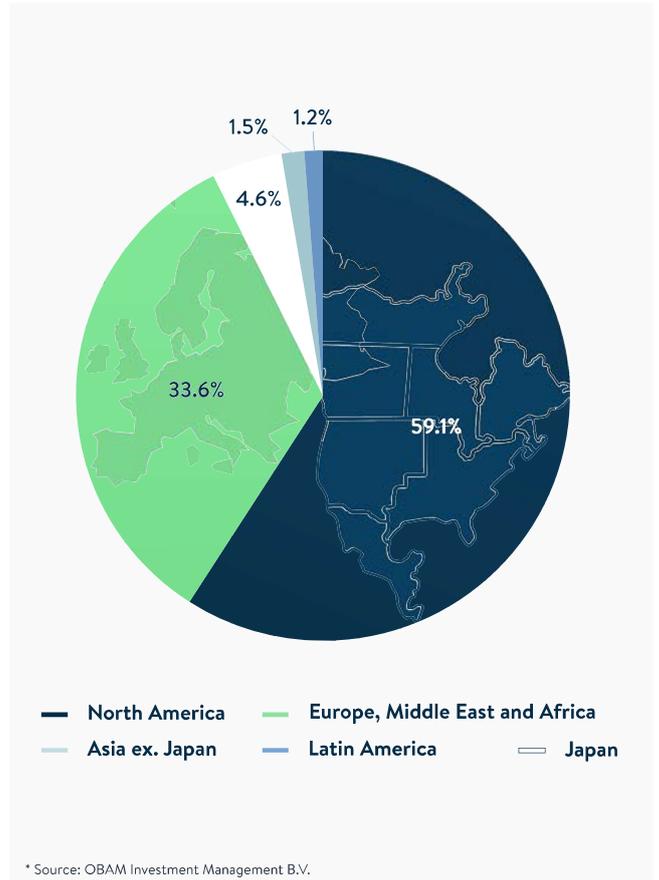
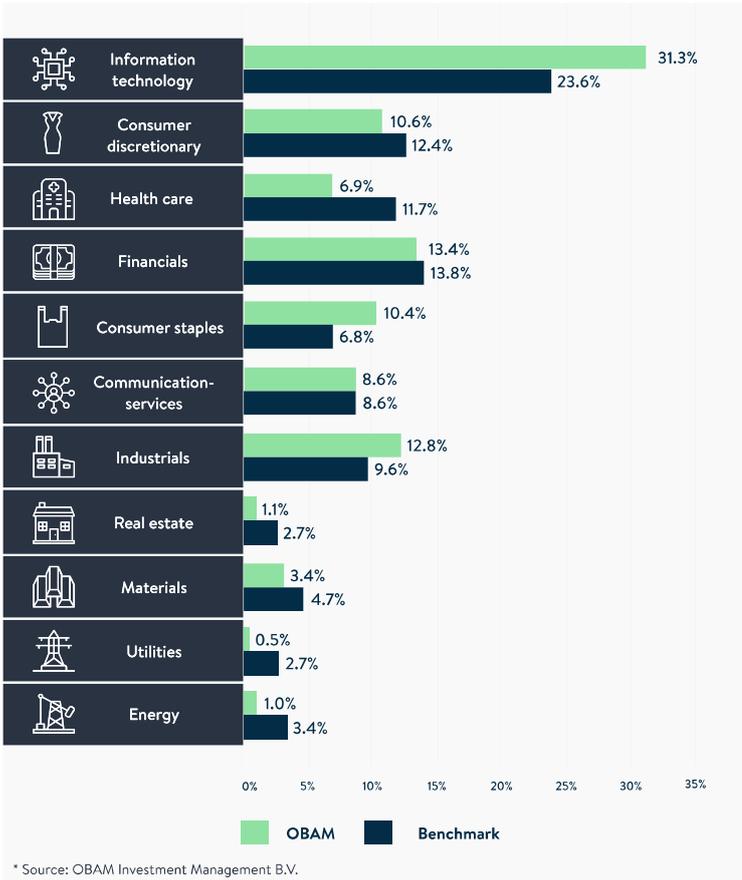
Globalisation and outsourcing trends have brought many benefits to the world, including effective supply chains, low inflation, growth of emerging countries and new business models. However, multiple trade conflicts, geopolitical developments, critical shortages during the Corona pandemic (e.g. semiconductors, medical devices) have clearly caused the on-shoring trend to gain in importance.

Inflation / Interest

Due to years of stimulus policies, multiple congestions and shortages in global logistics networks and soaring oil and gas prices, rising inflation became a key issue in the markets. This was particularly noticeable in the last half of 2021. The U.S. Fed reversed its policy and expects a more tightening policy for 2022.

Sustainability

Sustainability in its broadest sense, further increased intention to ESG elements. Climate policy will play an ever greater role as we learned from the Climate Summit (COP26) held in Glasgow, where practically all World leaders were attending and the need for change was stringly recognized. This will determine the winners and losers within sectors/business lines and business models.



Top 10 positions OBAM as of 31 December, 2021

5.3%

Microsoft

Microsoft develops and licenses software for consumers and businesses. It is known for its Windows operating systems and its Office productivity suite, as well as for its intelligent cloud and personal computing segments.

5.1%

Alphabet

Alphabet Inc is a holding company, with Google, the Internet media giant, as its wholly owned subsidiary. Google generates 99% of Alphabet's revenue, of which more than 85% comes from online advertising.

3.6%

Apple

Apple designs a wide range of electronic devices for consumers, including smartphones (iPhone), tablets (iPad), PCs (Mac), smartwatches (Apple Watch), AirPods and TV boxes (Apple TV).

3.4%

PayPal

PayPal was spun off from eBay in 2015 and provides electronic payment solutions to merchants and consumers, with a focus on online transactions. PayPal had 377 million active accounts at the end of 2020.

3.2%

IFF

International Flavors & Fragrances produces ingredients for the food, beverage, health, household goods, personal care and pharmaceutical industries.

2.9%

intel.

Intel is the world's largest chip manufacturer. It designs and manufactures microprocessors for the global personal computer and data center markets.

2.8%

SAP

Founded in 1972 by former IBM employees, SAP provides database technology and enterprise resource planning software to companies around the world.

2.8%

ASML

ASML is the leader in photolithography systems used to make semiconductors. ASML's products are used by all major manufacturers, including Intel, Samsung and TSMC.

2.5%

LUXOTICA

EssilorLuxottica is a combination of the leading manufacturer of high quality frames and sunglasses and the leading manufacturer of optical lenses. The company has a broad geographical presence.

2.3%

Akamai

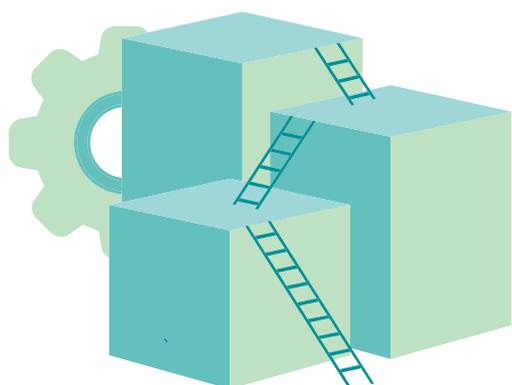
Akamai operates a content delivery network (CDN), placing servers at the edge of networks so that its customers, who store content on Akamai servers, can reach their customers faster and more securely.

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POSITIONING

Sector allocation /

In 2021, all sectors ended with positive returns, but there was a large difference between the sectors. The Energy sector led with a 31% increase, driven by the surge in oil prices. The broad Information Technology sector also performed well above average with a return of 26%, driven by Big Tech names such as Microsoft, Google and several companies in the semiconductor industry that benefited strongly from the high demand for microprocessors.



Financials also performed above average with a return of 22%, due to the expectation that interest rates will rise in the coming years. Utilities were among the worst performing sectors, as a rise in interest rates is seen as negative for these highly regulated companies which are sometimes seen as an alternative to bonds. In general, more defensive sectors such as consumer staples lagged the market average, as investors' interest turned to companies that are better positioned to benefit from the re-opening and recovery of the economy.

Regional allocation /

North America

North America was the best performing region, driven by a strongly represented IT (and Internet) sector.

Europe

Europe showed a less than average performance, with the United Kingdom in particular lagging behind.

Emerging markets

Emerging markets ended the year with a negative result (-4.6%), driven by a very weak Chinese market and several emerging markets that were strongly affected by the impact of the Corona pandemic.

Chinese equities underperformed as a result of stricter regulation by the Chinese government for companies in, amongst others, the internet, real estate and education sectors. There was also uncertainty surrounding the Chinese real estate company Evergrande, which had run into trouble.





Quality

- Market leader
- Unique product proposition/brand
- Product differentiation
- High barriers to entry
- High cash flow generation/strong balance sheet



Sustainability

- Socially aware
- Innovative sustainable businesses
- Strong ESG policy



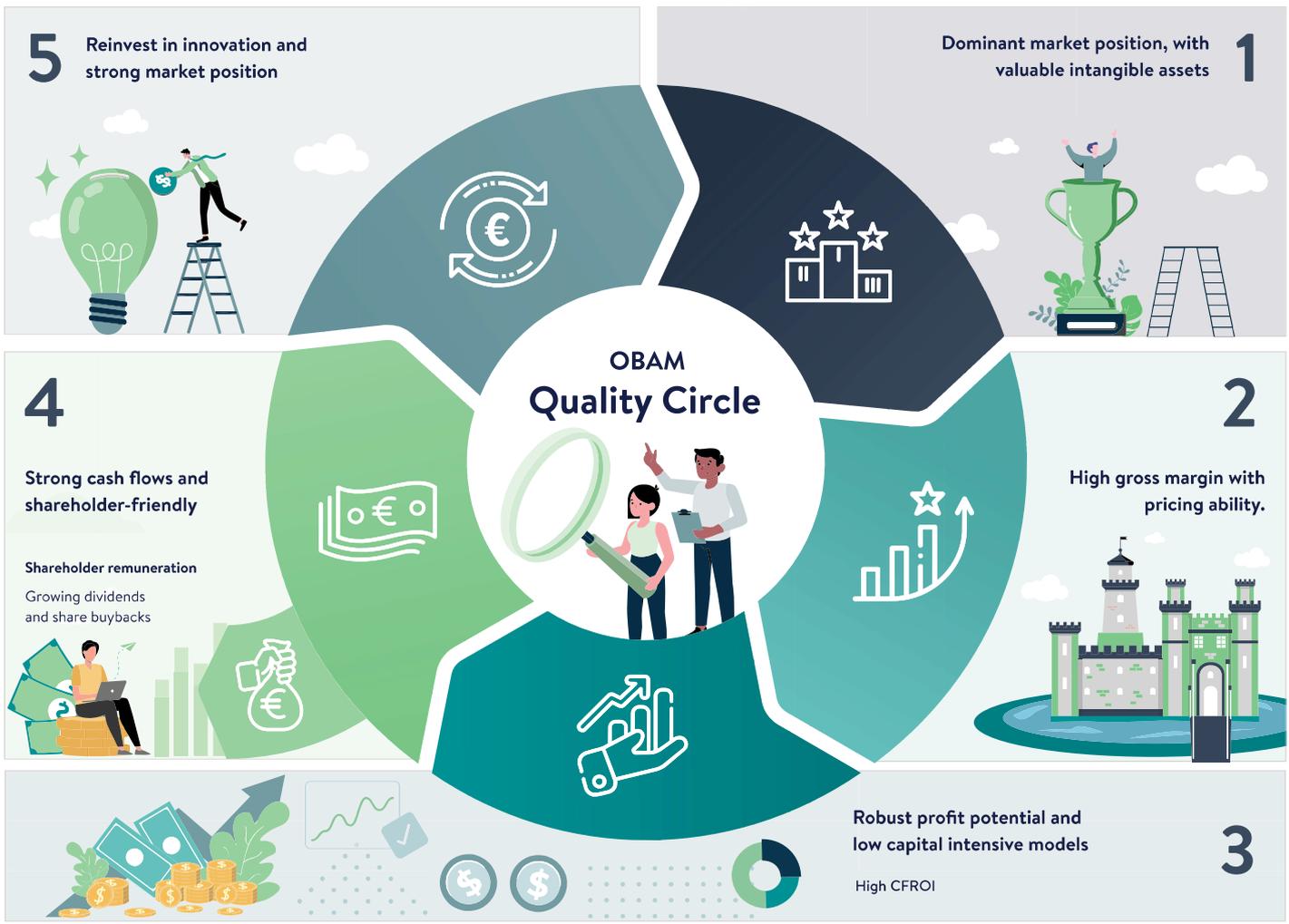
Long-term trends & themes

- Long-term growth trends in a global context
- Early identification of proven business models and impact in new regions



Valuation

- Focus on cash flow
- Relative and intrinsic valuation measures
- Share price follows underlying profit growth
- Hype or realistic expectations



OBAM STRATEGY

With a quality-growth investment style, OBAM focuses on structurally growing industries and within these, companies with high-quality business models, high sustainability standards, robust profitability and favourable growth prospects at an attractive valuation. The investment strategy is based on four overarching focal points: Quality, Sustainability, Structural long-term 'mega' trends & themes and valuation metrics. We are not restricted by short-term considerations, hard regional or sector restrictions.

Valuation /

Many investors discuss the right "buying opportunity". An equally important decision, but much less discussed, is when to sell. We often spend as much time deciding to sell as we do buying. If you have a great company in your investment portfolio that continues to rise, it is difficult to sell that share. However, we pay close attention to valuations and if we estimate that the growth expectations have become unrealistic and if we see better opportunities elsewhere in the market, we will sell and invest capital in shares with a better risk/return ratio.

At OBAM, we use a number of criteria to determine the intrinsic value of a company. We focus on measures based on free cash flows, both relative and intrinsic measures of valuation and build models that discount future cash flows to determine the valuation.

Quality /

One of the key characteristics of a "quality business" is its ability to generate positive cash flows over a long period of time. We use our 'circle of quality' model to identify these companies. This circle works as follows:

1. The company must have a dominant market position, protected by high barriers to entry (e.g. valuable and difficult to replicate intangible assets).
2. This strong position should translate into high gross margins and price competitiveness.
3. High margins and pricing power should lead to high and consistent returns on invested capital, with a preference for low capital-intensive business models.
4. This should lead to high cash flows, which the management then uses in a shareholder-friendly manner. More specifically: reinvest if high returns on invested capital are possible, or let it flow back to the shareholders through dividends or share buybacks (depending on the valuation of the companies) and ensure a healthy financial position.
5. Reinvesting the cash flows in the company, for example in innovation, and maintaining or strengthening the dominant market position brings us back to the beginning of the cycle.

We believe that a company in such an upward spiral will almost inevitably grow its intrinsic value. To keep this cycle going, we look particularly to strong management that enables this model.





Signatory of:



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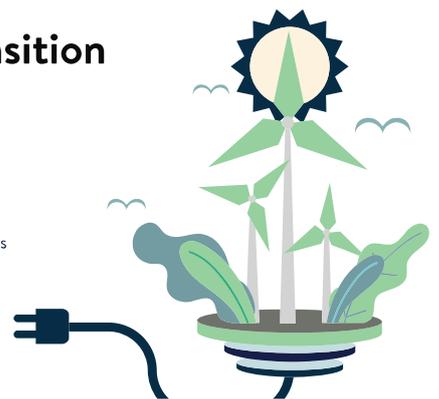
Global Digitisation

- FinTech
- E-commerce
- Chip Technology & Design
- Mobility & "always on the go"
- Online advertising & social networks



Energy transition

- "Smart Grid"
- Energy Storage
- Energy infrastructure
- Renewable energy applications
- Electrification of transport



Robotics & Automation

- Robotics in processes
- Artificial Intelligence
- Internet of Things
- Software
- Cloud computing



Emerging & Ageing Consumers

- Leisure activities
- Education
- Healthy lifestyle
- Impact of aging population
- Growing middle class in emerging countries



Sustainability /

Sustainability is an essential part of our investment strategy. The carbon footprint of our portfolio is more than 71% lower than the benchmark, with only 48.4 tonnes of CO₂ emitted per million invested versus 164.4 tonnes of CO₂ emitted by the benchmark. While we are proud of this achievement, we would like to see emissions fall to zero over the long term.

Our sustainability track record has been awarded five Morningstar Globes and a AAA MSCI ESG rating; the highest possible scores in terms of sustainability factors and risks.

Justdiggit

Climate change is causing the earth to heat up and dry out at an accelerating pace, with serious consequences for people and the environment. Justdiggit aims to counter this by means of greening projects. By restoring parched land, vegetation returns, cooling our planet again. Hands-on with direct results! OBAM Investment Management, manager of the OBAM fund, supports this initiative wholeheartedly as project sponsor.

Long-term trends & themes /

We invest in companies that respond to or enable four major structural trends: Global Digitalisation, Emerging & Ageing Consumers, Robotics & Automation and the Energy Transition.

Global Digitalisation

Investment themes within the "Global Digitisation" trend include e-commerce, chip technology and design, mobility & 'working remotely and on the move', FinTech and online advertising & social networks. The pandemic has accelerated global digitisation, especially the sub-themes of e-commerce and "working remotely". The shift to e-commerce also led to an increase in digital advertising. Meanwhile, scarcity in computer chips led to a rich order book at ASML as global chip production expands. 2021 marked the announcement of the "metaverse" by Meta (formerly Facebook). With positions in Microsoft, Alphabet and ASML, among others, we were well placed to benefit from the ongoing digitalisation of the world, a trend we do not see reversing, even if the pandemic comes to an end.

Robotics & Automation

"Robotics & Automation" focuses in particular on AI, Cloud Computing, "Internet of Things", software and the increasing use of robotics in production processes. In 2021, we took a position in Fanuc, the world's largest maker of industrial robots. We see great opportunities in the short term if the labour shortage continues in 2022, and in the long term if a large number of workers from the "baby boomer" generation retire. In addition, if the current inflation rate leads to rising wages, the investment in the company will become increasingly attractive.

Energy transition

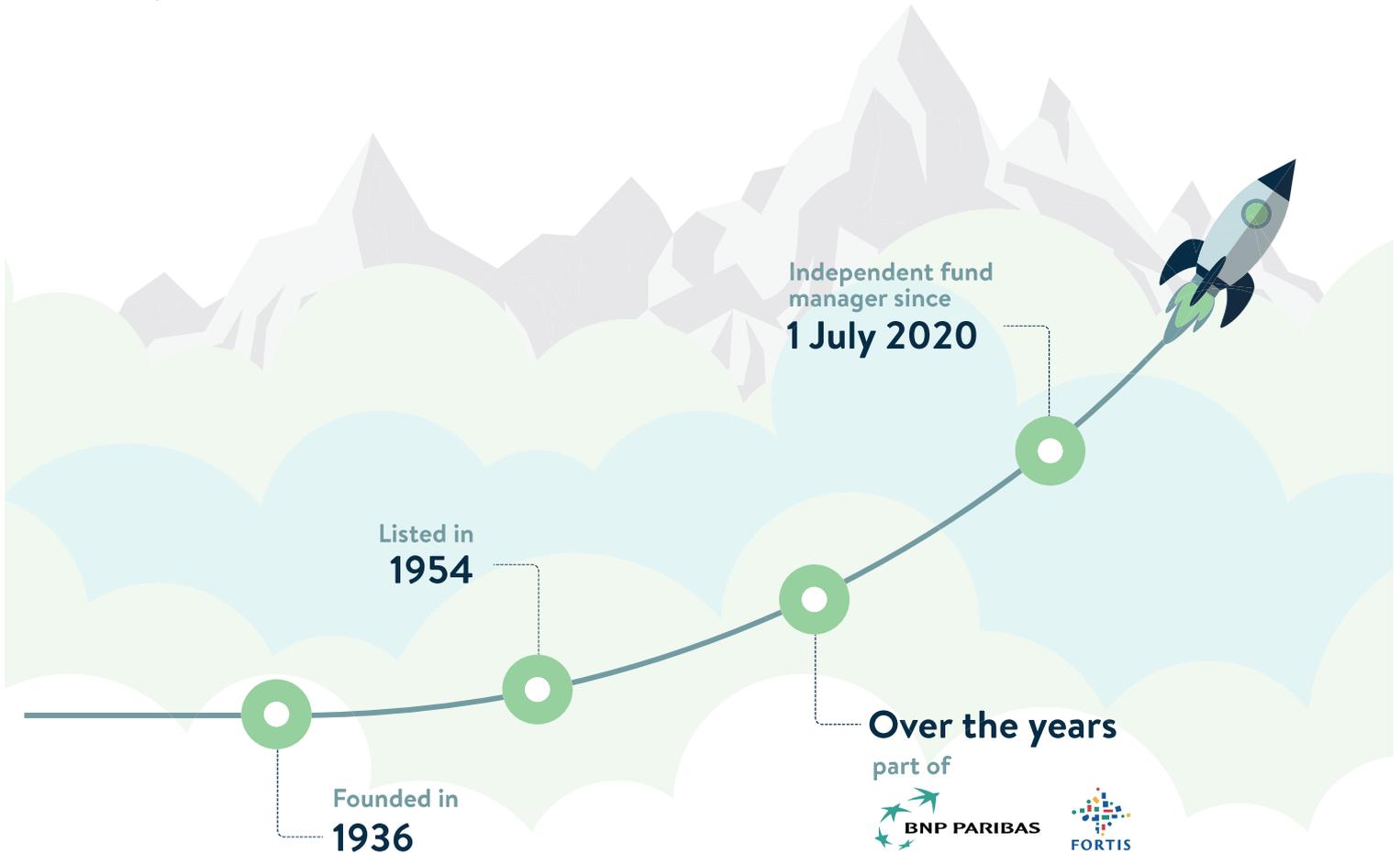
The "Energy Transition" requires sustainable energy solutions, improvements in the energy grid and infrastructure, energy storage and the electrification of transport and logistics. The increasing number of companies aiming for net zero emissions by 2050 (or even earlier!) is an encouraging development. These promises will need to be backed up by capital investments to build the solutions needed to achieve "net zero emissions". With our investments in Vestas and SolarEdge, among others, we are well positioned to support this transition. Given the sustainable profile of the companies in our portfolio, we expect that their accumulated expertise and investments in sustainability will play a role in further strengthening their dominant market position while competitors have to catch up.

Emerging & Ageing Consumers

The trend "Emerging & Ageing Consumers" covers topics such as the emerging middle class in emerging markets, the impact of an ageing population, education, leisure and healthy lifestyles. The pandemic caused countries around the world to re-evaluate their healthcare infrastructure and also triggered a moment of reflection by consumers on their health and lifestyle. Our positions in pharmaceuticals and healthcare in particular can benefit from such trends.



One of the most valued Dutch investment funds. For over 85 years!



Sander Zondag
Chief Investment Officer
28 year industry experience



Siegfried Kok
Senior Portfolio Manager
21 year industry experience



Edwin Simon
Senior Portfolio Manager
14 year industry experience



Erwin van Zuidam
Senior Portfolio Manager
23 year industry experience



Pim Koelman
Senior Portfolio Manager
13 year industry experience



OUTLOOK

It is expected that volatility in the financial and as well as stock markets will increase in the coming year (2022) as a result of the increased uncertainties surrounding rising inflation and the pace at which central banks (particularly the U.S. Fed) will tighten and raise interest rates. In addition, extreme euphoria and valuation levels can be seen in certain segments of the equity markets, which in our view could well correct sharply. On balance, rising inflation and therefore higher interest rates are not necessarily negative for equity markets, as long as longer-term interest rates do not rise in too big a shock, and are driven by sustainable economic growth. Ultimately, in our view, there are few more attractive alternatives to 'quality' equities, as the outlook for bond and savings markets will remain negative for the foreseeable future. Structural global trends such as digitalisation, robotisation and automation, an emerging middle class and the ongoing energy transition will remain key drivers for companies to realise above-average growth opportunities. On the geopolitical front, we saw developments in 2021 that call for some caution. We believe that these developments will continue in 2022 and are monitoring this continuously. We do see, however, that the OBAM strategy is holding up well in times of stress.

CLOSING REMARKS

Dear OBAM shareholder, first of all we would like to thank you for your trust in the OBAM fund and the manager, and wish you a healthy, happy and prosperous year ahead. Hopefully, in the next Investor Letter, we will have left the Corona era far behind us and we will again be able to report consistent and positive fund results, despite the very volatile stock markets due to the Russia-Ukraine conflict.

Kind regards,



Sander Zondag, Chief Investment Officer OBAM Investment Management

INVESTMENT TEAM

The OBAM Investment team has an average investment experience of over 20 years in the field of global (sector) investing. All our portfolio managers have experienced both rising and falling market cycles, and have built up broad, specific expertise on trends/sectors/business sectors and business models. The OBAM portfolio has an attractive risk/return profile and provides our investors with solid long-term results. All this is based on what we stand for: focus on individual business models through a thorough, research driven process resulting in a portfolio of about 50 quality growth companies: The best companies in the world. In one investment fund: OBAM.

Five years overview



Five years overview

Totals EUR x 1,000	31-12-2021	31-12-2020	31-12-2019	31-12-2018	31-12-2017
Net asset value	1,233,841	1,042,906	1,072,482	901,278	1,048,788
Less: value of priority shares	3	3	3	3	3
	1,233,838	1,042,903	1,072,479	901,275	1,048,785
Income from investments and other result	17,047	10,717	19,606	22,919	14,719
Value changes of investments	283,427	76,923	319,867	-80,331	135,892
Expenses	-7,321	-6,115	-6,160	-6,246	-6,374
Total result	293,153	81,525	333,313	-63,658	144,237

Classic class					
Per share EUR	31-12-2021	31-12-2020	31-12-2019	31-12-2018	31-12-2017
Number of outstanding ordinary shares	9,676,335	10,431,532	11,483,492	13,265,538	14,216,195
Net asset value	127.51	99.98	93.39	67.94	73.77
Transaction price ¹	127.19	99.73 ²	93.20	67.80	73.62
Dividend ³	1.30	1.25	1.45	1.20	0.90
Performance % ⁴	29.0	8.8	39.5	-6.8	14.7
Performance index %	27.5	6.7	28.9	-4.8	8.9
Relative performance % ⁵	1.5	2.1	10.6	-2.0	5.8

1 The transaction price is determined on the first valuation day of the next reporting period on the basis of the net asset value at the end of the reporting period with fixed movements for redemptions.

2 In the annual report 2020 an incorrect value, amounting to €99.18 was presented which is corrected in this annual report. This correction has no further impact.

3 Dividend per ordinary share over the reporting period.

4 Distributed dividend is considered when calculating the return based on the net asset value. The dividend is shown and included in the performance over the reporting period in which the dividend was paid, not in the reporting period to which the dividend relates.

5 The relative performance is the difference between the performance and the performance of the index. Rounding differences may occur.

Results per share EUR¹	01-01-2021	01-01-2020	01-01-2019	01-01-2018	01-01-2017
	31-12-2021	31-12-2020	31-12-2019	31-12-2018	31-12-2017
Average number of outstanding ordinary shares ²	10,097,314	10,791,643	12,855,005	13,950,284	15,472,550
Income from investments and other result	1.69	0.98	1.59	1.67	0.98
Value changes of investments	28.06	7.12	25.99	-5.86	9.00
Expenses	-0.72	-0.55	-0.50	-0.45	-0.42
Total result	29.03	7.55	27.08	-4.64	9.56

1 The earnings per share are calculated based on the net asset value and the average number of outstanding shares.

2 The average number of outstanding shares, as used in the calculation of the investment result per share, is calculated as the sum of the outstanding shares on a daily basis divided by the number of observations, based on the number of days that the net asset value determination takes place during the reporting period.



Board Report

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About OBAM

OBAM is a Dutch investment company with variable capital. OBAM was founded in 1936 and has been listed on the stock exchange since 1954. This makes OBAM one of the best known and oldest existing investment funds in Europe. After years of operating under the wings of large parent companies, OBAM became independent as of 1 July 2020.



Our mission

OBAM's mission is to achieve a high and consistent return for investors against an acceptable risk and in a sustainable manner.

Our core values

1. *Passion*

OBAM is passionate about investing. We thoroughly select the best investment opportunities for our investors to achieve the best possible performance.

2. *Sustainability*

Sustainability is key to OBAM. We pursue for long-term sustainable performance and we do so with respect for the environment, people and society. We make our investment decisions based on the best possible expected results and make a positive impact where possible.

3. *Reliability*

We appreciate that our investors entrust their money to OBAM. For this reason, we treat the sum paid in by our investors with the greatest dedication and respect.

4. *Think different*

At OBAM we do not allow ourselves to be influenced by the daily news and short-term developments. We actively monitor developments in the markets, the economy and in the wider society and use this to form our own opinion. We make very conscious choices and invest with great conviction. We are critical and eager to learn in our research and innovative in our investment process.

Our investment strategy

The OBAM global equity fund is an actively managed Fund that invests in high quality stocks. OBAM aims to achieve a higher return than the benchmark (MSCI AC World NR), in the medium long term (3 to 5 years).

OBAM's active investment policy aims to select well-positioned quality companies within a sector that can profit optimally from structural growth trends. OBAM holds a concentrated portfolio and aims an attractive risk/return profile. Although spreading risk is an important point in connection with policy determination, a relatively large part of our capital is deliberately concentrated in well-led quality companies. This investment strategy may lead that OBAM's composition, development and results considerably vary from the benchmark.

Our investment strategy is based on five investment believes:

1. **OBAM focuses on the long term**

One of OBAM's characteristics is that in principle, investments remain in our portfolio for a prolonged period. We make investments based on medium-term prospects (three to five years), selecting companies that show stable growth and create value within our investment horizon.

2. **OBAM focuses on structural growth trends**

We select companies within a sector that can profit optimally from structural growth trends. We distinguishes four structural growth trends: (i) digitalization of the world, (ii) sustainability & energy transition (iii) robotics & automation and (iv) emerging and aging consumer markets.

3. **OBAM focuses on quality**

OBAM continuously searches quality companies with strong market position in the sector where they are active. These are companies with major competitive advantages based on, for instance, a technological headstart, a well-known brand name or access to low raw material prices. Companies are selected based on various selection criteria such as market position, growth/margin structures, cash flow generation, ESG-score and valuation.

4. **OBAM focuses on valuation**

The companies in our portfolio must have an attractive valuation, whereby we consider a company's risk-return profile.

5. **OBAM focuses on sustainability**

Sustainability is an integrated part of OBAM IM's investment process. At OBAM, we believe that asset managers play a pivotal role in creating a more sustainable world. Therefore, our investor's assets will be managed through a transparent and sustainable investment strategy. We believe in a sustainable investment strategy from both a societal conviction and a strategic perspective. Sustainability issues may impact the value and reputation of entities. By building a portfolio consisting of companies with strong and leading business models, that contribute to a more sustainable world and future, we will create outperformance for our investors.

Our sustainability strategy

OBAM promotes environmental and social characteristics provided that the companies in which the investment are made follow good governance practices (article 8 SFDR).

The ecological and social characteristics promoted by OBAM are integrated into our sustainable investment strategy. This strategy is based on three pillars:

1. Companies in which OBAM invests should comply with OBAM's sustainable investment principles

These principles form the foundational layer of OBAM's sustainable investment strategy. OBAM's sustainability principles are based on the UN Global Compact Principles. The UN Global Compact is a global sustainability initiative that calls on companies to adhere 10 principles in the area of human rights, labor, environment and anti-corruption. OBAM encourages portfolio companies to comply with the sustainable investment principles by following an active voting and engagement policy. Companies that do not comply with the sustainable investment principles and are unable or unwilling to improve their behavior are excluded.

2. OBAM is of the opinion that sustainability risks could negatively impact the value of a company

OBAM identifies, assesses and monitors sustainability risks of (potential) portfolio companies as part of the portfolio selection and the portfolio monitoring activities. If the sustainability risk of a (potential) portfolio company exceeds OBAM's risk appetite, additional control measures will be considered to mitigate the risk. A higher sustainability risk could mean that OBAM requires a higher return. As an ultimate measure, OBAM may consider excluding a (potential) portfolio company. Furthermore, on behalf of OBAM, OBAM IM does not invest in controversial industries, such as: (i) controversial weapons, (ii) palm oil, (iii) tobacco, (iv) nuclear energy, (v) tar sand, coal and fossil energy and (vi) adult entertainment. The extent to which companies in these industries are excluded from the investment universe depends on the exclusion levels determined by OBAM.

3. OBAM endorses the importance of all 17 Sustainable Development Goals

OBAM endorses the importance of all 17 Sustainable Development Goals ('SDGs') as drawn up by the United Nations. During the investment management process,

OBAM identifies whether (potential) portfolio companies violate one or more SDGs. OBAM excludes companies which violate one or more SDGs and which are unable or unwilling to improve their behavior from the portfolio. OBAM has selected five SDGs that it aims to make a proactive contribution to: quality of education (SDG 4), decent work and economic growth (SDG 8), industry, innovation and infrastructure (SDG 9), responsible consumption and production (SDG 12) and climate action (SDG 13). These SDGs are referred to as our focus SDGs. OBAM strives to select companies who will provide a positive contribution to one of these focus SDGs. Furthermore, OBAM encourages portfolio companies to increase their contributions to these focus SDGs by its voting and engagement policy.

Our organization

At OBAM, we believe that a transparent organizational structure contributes towards realizing our investment strategy in a responsible manner. In doing so we pursue an organizational structure that does not just comply with the relevant laws and regulations, but which also matches our activities.



OBAM Corporate Governance

Management Board of OBAM

The Management Board of OBAM is responsible to ensure that OBAM achieves its (investment) objectives and (investment) strategy. In addition, the Management Board is responsible for complying with relevant laws and regulations and for risk management. The Management Board is accountable to the Supervisory Board and the General Meeting.

Since 1 July 2020, OBAM IM acts as Management Board of OBAM. Furthermore, OBAM IM has been appointed as the Management Company of OBAM. As per the date of signing this report, the Management Board of OBAM IM consists of:

- Mr S.H.W. Zondag (CEO/CIO); and
- Mr I. Habets (CFRO).

Supervisory Board of OBAM

The Supervisory Board supervises the conduct and policies. The Supervisory Board also provides advice to the Management Board. The supervision of the Supervisory Board focuses on, among other things: the realization of the strategy, the general course of affairs within OBAM, the internal risk management and internal control framework and the financial reporting.

As per the date of signing this report, the Supervisory Board of OBAM consists of:

- Mrs M. Tiemstra (chair);
- Mr A.H. Lundqvist; and
- Mr L. Meijaard.

The General Meeting of OBAM

The General Meeting represents the interests of the investors.

The authorized capital of OBAM is divided into ordinary shares and priority shares. The ordinary shares of OBAM are statutory subdivided into two classes of lettered shares, designated with the letters 'C' (or 'Classic') and X. As per the date of this annual report, no share class X shares are issued. The priority shares are held by Stichting Keizerberg foundation. A description of the rights and obligations with regard to priority shares is included under 'Other information'.

Diversity

OBAM is of the opinion that different competences, cultures, knowledge and experiences contribute to an effective decision-making process. That is why OBAM strives for a balanced composition of the organization based on: gender, knowledge and experience, competences and cultural background.

While OBAM does not employ any staff members and there are no natural persons on the Management Board, OBAM applies the diversity principles in practice to the composition of the Supervisory Board. The above diversity principles are considered when nominating supervisory board members.

In recent years, OBAM has focused on a balanced composition of men and women in the Supervisory Board, with the objective being that at least 30% of the seats were fulfilled by women and at least 30% of the seats by men. During this reporting period, the Supervisory Board consisted of two men and one woman (66.7% - 33.3%), thereby realizing the set objective.

Compliance and Fund Governance

OBAM adheres to the applicable laws and regulations and the guidelines of supervisory authorities. In addition, OBAM, as a listed investment fund, subscribes to the principles and 'best practices' of the Dutch Corporate Governance Code.

The Management Company

OBAM is an institution for collective investment in transferable securities ('UCITS') as defined in the Dutch Financial Supervision Act ('Wft'). OBAM has appointed a Management Company to manage the fund as referred to in art. 1:1 of the Wft. The Management Company has a licence pursuant to art. 2:69b of the Wft to manage UCITS and is under the supervision of the Dutch Authority for the Financial Markets ('AFM'). Since 1 July 2020, OBAM IM acts as Management Company of OBAM.

Management tasks

The Management Company is responsible for portfolio management, the fund administration, the risk management and marketing, sales and distribution. The Management Company can perform these activities independently or outsource them. Even in the event of outsourcing, the Management Company remains ultimately responsible for the implementation of the tasks.

The section 'Outsourcing parties and service providers' under 'General Notes' outlines which service providers and outsourcing parties the Management Company has appointed to perform the above-described management activities during the reporting period.

Remuneration Policy of the Management Company

OBAM IM, as the Management Company of OBAM, has established a remuneration policy that complies with the UCITS Directive, ESMA guidelines on sound remuneration policies and the Dutch act regarding remuneration policies of financial institutions. The remuneration policy of the Management Company is available via the website and will be described high-level within this section.

The remuneration policy has the following objectives:

- avoiding conflicts of interest;
- aligning the personal objectives of staff members with the long-term objectives of OBAM IM; and
- ensuring that staff members act in the best interest of (the investors of) OBAM and do not take excessive risks in the performance of their work.

The Supervisory Board of the Management Company is responsible for the establishment, maintenance and evaluation of the remuneration policy. Furthermore, the Supervisory Board of the Management Company monitors the correct implementation of remuneration policy by the Management Board of the Management Company.

Considering the size, nature scope and complexity of its organization, the Management Company qualifies all staff members as identified staff. The regular remuneration policy therefore has adequate safeguards to mitigate excessive risk-taking in the short term.

The remuneration structure of the Management Company consists of the following categories:

- *Fixed remuneration*: each staff member receives a fixed remuneration that is based on the function and role of the staff member, thereby considering the professional experience, tasks and responsibilities, job complexity, market

conditions and market standards;

- *Variable remuneration*: is a supplement to the fixed remuneration and is based on both the individual performance of the staff member and the collective performance of the Management Company. When a variable remuneration has been granted, it is always paid out in cash. In accordance with applicable legislation and regulations, the available budget for variable remuneration is approved by the Supervisory Board of the Management Company on a proposal from the Management Board;
- *Pension scheme*: all staff members participate in the defined contribution pension scheme of the Management Company, which provides for retirement pension and partner's pension. In addition, all staff members are separately insured for income in the event of incapacity for work; and
- *Other benefits*: staff members are entitled to other benefits, such as travel allowance.

The annual fixed and variable remuneration for every staff member who is not a member of the Management Board of OBAM IM is determined by the Management Board of the Management Company. The annual fixed and variable remuneration for Management Board members is determined by the Supervisory Board of the Management Company.

The Management Company has implemented a formal performance cycle consisting of a semi-annual development interview and a formal year-end performance review. The performance will be assessed considering the key performance indicators as defined at the beginning of the year for both each staff member individually and collectively as an organization. The Management Company distinguishes both financial performance criteria and non-financial performance criteria. At least of 50% of the defined key performance indicators should be related to non-financial performance criteria. In addition, the CFRO of the Management Company assesses whether the individual performance indicators do not encourage staff members to adopt a risk attitude that is not consistent with the risk attitude of the Management Company and / or OBAM.

In addition to the regular remuneration policy, the Management Company has implemented additional remuneration requirements that apply to staff members who perform a control function:

- the remuneration structure must enable the Management Company to hire and retain qualified and experienced staff members for control functions;
- the remuneration structure must not influence the independence of these staff members and must not lead to a potential conflict of interest;
- they are assessed on the basis of the achievement of performance indicators related to their position, independent of the performance of the organizational domains they monitor;
- if they qualify for variable remuneration, this remuneration is based on job-specific objectives and is not only determined on the basis of collective performance objectives;
- the Supervisory Board of the Management Company oversees the remuneration for control functions; and
- control functions may not be placed in a position where, for example, approving a

transaction, making decisions or giving advice on risk and financial control matters could be directly linked to an increase or decrease in their performance-based remuneration.

Finally, the Management Company has implemented additional risk management measures regarding variable remuneration. For example, the Management Company has the option for all staff members to reclaim (claw-back) or reduce (malus) the variable remuneration awarded if an employee has shown serious undesirable behavior or has carried out actions that have led to a substantial deterioration of the employee's financial position of the Management Company and/or OBAM.

Considering this remuneration policy, the table below provides an overview of the aggregated quantitative information regarding the remuneration of the staff members (including Management Board members) of the Management Company during the reporting period.

OBAM Investment Management B.V.	Number of staff¹	Total remuneration (fixed and variable) X EUR 1,000	Of which total variable remuneration X EUR 1,000²
Staff members of the Management Company	9	1,419	102
<i>of which Identified Staff</i>	9	1,419	102
<i>of which directors</i>	2	412	45

1 All staff members qualify as identified staff.

2 The variable remuneration is based on the performance of the previous financial year.

Compliance and Fund Manager Governance

OBAM IM, as the current Management Company of OBAM, adheres to applicable laws and regulations and the guidelines of regulators. The Compliance Officer periodically monitors compliance with applicable laws and regulations and ensures that new and / or amended legislation is implemented in the organization on time. During the reporting period extra attention was paid to:

- the implementation of ESG legislation, more specifically the implementation of the Regulation on disclosure of sustainability in the financial services sector (EU/2019/2088), which entered into force on 10 March 2021;

- the implementation of the revised Regulation on improving securities settlement in the European Union and on central securities depositories (EU/909/2014);
- the implementation of the ESMA guidelines on outsourcing to cloud service providers;
- the implementation of the revised Directive and Regulation regarding cross-border distribution of funds (EU/2019/1156 and EU/2019/11560) and the ESMA Guidelines on marketing communication under the Regulation on cross-border distribution of funds; and

- preparation regarding the implementation of the key information document for PRIIPs based on the PRIIPs Regulation (EU/1286/2014).

In control statement

OBAM IM, as the Management Company of OBAM, did have a description of the business operations available during the reporting period that meets the requirements of the Financial Supervision Act and the Decree on conduct of business supervision of financial enterprises ('Bgfo').

During the reporting period, OBAM IM did not make any discoveries on the grounds of which it must conclude that business operations are not effective and do not function in accordance with the description.

Therefore, OBAM IM, as the Management Company of OBAM, declares with a reasonable degree of certainty that the description of the set-up of the business operations, as referred to in Section 121 of the Decree on conduct supervision of financial enterprises, is in accordance with the Financial Supervision Act and related legislation and that the business operations during the reporting period functioned effectively and in accordance with the description.

For the coming period, OBAM IM does not expect any change in the set-up of its business operations that will have a material impact on the management activities. OBAM IM naturally strives to further optimize the effectiveness of its business operations and internal control environment.

The Depositary

As a UCITS, OBAM is obliged to appoint a Depositary as defined in art. 1:1 Wft. OBAM has appointed BNP Paribas Securities Services S.C.A. acting through its branch in Amsterdam as Depositary. The Depositary holds a license to conduct the custody business and is under the supervision by both the AFM and the French Autorité des Marchés Financiers.

The Depositary is charged with the safekeeping of the assets of OBAM. Custody of the assets includes the following activities:

- safekeeping of OBAM's assets;
- monitoring and checking the cash flows of OBAM;

- supervising the Management Company. In the context of its supervisory duties, the Depositary will:

- ensure that the sale, repurchase, subscription, redemption and cancellation of OBAM shares are conducted in conformity with the prospectus, articles of association and applicable laws and regulations;
- ensure that the value of the shares of OBAM is calculated in conformity with the prospectus, articles of association and applicable laws and regulations;
- carry out the instructions of the Management Company, unless they conflict with the prospectus, articles of association and applicable laws and regulations;
- ensure that in transactions involving the assets of OBAM, any consideration is remitted to OBAM within the usual time limits; and
- ensure that the income of OBAM is applied in conformity with the prospectus, the articles of association and applicable laws and regulations.

The Depositary uses the services of the Luxembourg branch of BNP Paribas Securities Services S.C.A. for the safekeeping of the assets of OBAM. A further description of the services that are purchased by the Depositary from the Luxembourg branch of BNP Paribas Securities Services S.C.A. is included in the 'General notes' under 'Outsourcing parties and service providers'.

Our policy

Our policy is an important means of realizing our investment strategy. In this chapter we would like to share how we applied our investment policy, voting and engagement policy, marketing, sales and distribution policy and risk management policy during the reporting period.



Investment policy

Market developments

This reporting period was the third consecutive year in which global equities rose sharply, despite the outbreak of the coronavirus in March 2020. Global equity markets rose by an average of 18.5% (as measured by the MSCI AC World index) in 2021. Measured in Euro, the result was even 27.5%, mainly due to the strong appreciation of the US Dollar versus the Euro (+7.4% vs. the Euro).

At the beginning of the year, investors were still focused on the global roll-out of vaccines that would dispel the corona pandemic around the summer. As a result, the global economy could recover substantially in the second half of 2021, helped by support measures from central banks and governments. Many industries/companies that could benefit from this initially performed above average. However, the corona pandemic was by no means over. New variants emerged that also became more contagious. The Delta and Omicron variants caused a fourth wave of infections at the end of the reporting period, which caused some countries to go into lockdown again.

Throughout the year, however, macroeconomic figures remained better than expected, and business results were for the most part better than expected. Inflation rates rose steadily during this reporting period, with the highest in both Europe and the United States in twenty years. Initially, this higher inflation was still seen as temporary. At the end of the year, however, the President of the US Central Bank indicated that he no longer considered it temporary. This could mean that in the United States, interest rates will rise more quickly in 2022. Consequently, long-term interest rates (10-year) in the United States rose from below 1% at the beginning of the reporting period to 1.5% at the end of the reporting period. One cause of the higher inflation was sharply higher prices for raw materials. Several raw materials showed sharp price increases. For example, the price of oil (West Texas Intermediate) rose by 55.0%, aluminum by 42.9%, copper by 26.8%, corn by 54.1% and coffee even by 70.2%. Companies increasingly faced problems in the supply chain with shortages of, for example, microprocessors and various materials. Transportation costs also increased as a result of the corona pandemic combined with an improving economy.

Looking at sectors, all sectors ended with positive returns for 2021. Energy led the list with an increase of 30.7% due to the sharp rise in oil prices. Information technology also performed

above average in 2021 with a return of 26.4%. Among others, companies in the semiconductor industry were able to profit strongly from the high demand for microprocessors. Financials also performed above average with a return of 21.5%, due to the expectation that (short-term) interest rates will rise in the coming years. Utility companies were among the worst performers. An increase in interest rates is seen as negative for these mostly regulated companies that are seen as an alternative to bonds. In general, the more defensive sectors, such as consumer goods, lagged behind the market average, as investors looked more to companies that could benefit from the economic recovery.

Regionally, the United States was the best performing region, driven by a strongly represented IT (and Internet) sector. Emerging markets ended this reporting period with a negative result (-4.6%), driven by, among other, a very weak Chinese market. Chinese equities underperformed as a result of stricter regulation by the Chinese government for companies in, amongst others, the internet, real estate and education sectors. There was also uncertainty surrounding the troubled Chinese real estate company Evergrande.

Unless stated otherwise, all the above-mentioned returns are in local currencies.

Investment policy

OBAM focuses on sectors that can benefit from structural growth trends. Within these sectors OBAM selects companies with high quality business models, high sustainability standards, robust profitability and favorable growth prospects at an attractive valuation. This reporting period OBAM has been overweight in the sectors consumer goods and information technology and companies that profit from the growth trends 'digitalization' and 'sustainability & energy transition'. OBAM was underweight in amongst other banks, real estate and utilities.

At industry level, exposure was particularly increased to companies that can benefit from the growth trend "sustainability & energy transition". Examples were acquisitions in subsectors such as solar energy (Solaredge, Nextera Energie and Shoals), hydrogen (Plug Power) and water (NX Filtration and Advanced Drainage). The sector rotation towards more cyclical stocks that took place as a result of sharply rising long-term interest rates provided an attractive entry point for a number of leading franchises such as Adobe, Zoetis and Equinix that were affected by this

sector rotation. During the year, exposure to the industrial sector was further increased. On the one hand by companies with exposure to the energy transition and on the other by companies benefiting from the growth trend "robotics & automation" (such as Fanuc). In the IT sector, a number of positions were sold that no longer had much upward potential due to the strong price rise. These positions were exchanged for shares where upward potential is still expected, such as Intel. Positions in Amazon and Nike were also unwound after a strong price rise reduced the upward potential.

Performance

The total investment return on the portfolio in this reporting period was 29.0% (based on net asset value after costs). This meant that the index was beaten by more than 1.5%. The stock selection effect was positive, particularly in the sectors communication services, durable consumer goods and materials. The selection effect was negative in the sectors healthcare and financials. The allocation effect was positive in the information technology sector, while in the energy and consumer staples sectors it was negative. Stocks such as ASML, EssilorLuxottica, Alphabet, Nike, Microsoft, Ahold and Sonos had the largest positive effect. Vestas, Siemens Energy, Philips, Fidelity National Information Services and Vopak contributed negatively to the result.

Outlook

Financial market volatility is expected to increase in 2022 due to the uncertainties surrounding rising inflation and the pace at which the US central bank will raise interest rates. This need not ultimately be negative for equity markets, as long as inflation and interest rate rises are gradual and driven by economic growth. Some of the inflationary pressures are expected to ease in 2022 as supply chain and logistical constraints ease during the year. However, it looks increasingly likely that inflation will reach higher levels. In addition, in early 2022, financial markets reacted very volatile to the Russia-Ukraine conflict. We expect this volatility to continue for some time. Finally, growth trends will continue to be a key driver for companies to achieve above-average growth in 2022.

Voting and engagement policy

The voting and engagement policy enables OBAM to promote good entrepreneurship of the portfolio companies. The voting and engagement policy is an integral part of the investment process and an important mechanism for implementing the sustainable investment strategy. This section

briefly describes OBAM's voting and engagement policy. For more information, please refer to the Voting and Engagement Policy as published on our website.

Voting policy

As a shareholder of portfolio companies, OBAM has the right to vote at shareholders' meetings. OBAM has formulated key voting guidelines which form the basis for our voting decisions. These voting guidelines are aimed at improving the governance of portfolio companies and increasing the contribution of portfolio companies to the (focus) SDGs. We expect portfolio companies to pursue a transparent policy aimed at long-term value creation in the interest of shareholders and stakeholders. OBAM votes in principle for proposals that prevent portfolio companies from violating one or more sustainability principles and/or that decrease the sustainability risk of portfolio companies.

OBAM IM, as the current Management Company of OBAM, has appointed Sustainalytics B.V. ('Sustainalytics') to support the implementation of the voting policy. Based on the general voting policy, Sustainalytics will perform an analysis for each agenda item of each shareholders' meeting and subsequently issue a voting recommendation to OBAM IM. This voting recommendation can be accepted or rejected by OBAM IM, after which Sustainalytics ensures that the votes are cast in accordance with the voting decision of OBAM IM.

Each quarter, we publish on our website, per company, how we voted on each agenda item. During the reporting period, we voted fully in line with our voting policy.

Engagement policy

Through engagement OBAM aims to exert a positive influence on the good entrepreneurship and social involvement of portfolio companies.

OBAM distinguishes two forms of engagement:

- *Responsive engagement*: responsive engagement is a direct response to an action or omission of a portfolio company as a result of which the portfolio company: (i) violates one or more focus SDGs and/or (ii) violates one or more of our sustainability principles. The aim of responsive engagement is not only to remedy the incident, but also to improve the portfolio company's future sustainability performance and risk management to ensure that incidents don't occur again; and

- *Proactive engagement*: proactive engagement focuses on the opportunities for improving the corporate governance of portfolio companies. For example, when the sustainability risk of a portfolio company increases.

Engagement can be conducted in various ways, such as: entering into dialogue conversations or initiating or supporting collective engagement initiatives. OBAM is convinced that a collective of investors with the same vision can have relevant impact.

At the end of December 2021, there were no companies in the portfolio that violate one or more sustainability principles. During this reporting period, we kept a close watch on two holdings (“watch list”) because we received signals that these portfolio companies might violate one or more of our sustainability principles. (Collective) engagement activities have therefore taken place. One of these engagement activities is further explained below. Ultimately, OBAM decided to sell its holdings in these portfolio companies for various reasons. As a result, there are no longer portfolio companies on the 'watch list' at the end of December 2021. For more information on our engagement activities, please refer to our Proxy Voting and Engagement Reports as published on our website.

During this reporting period, OBAM continued its engagement activities vis-à-vis Amazon. These engagement activities started in 2020, after OBAM identified that Amazon was not fully committed to our sustainability principles regarding the right to a safe and healthy workplace. In the first half of 2021, our engagement activities focused on creating a safe and healthy workplace. Several contact moments with the company took place to improve its policy on a safe and healthy workplace. In February 2021, Amazon acknowledged that improving working conditions is an important point of attention. In May 2021, Amazon announced the introduction of an improvement program with the objective to improve the health and well-being of warehouse workers and reducing the number of recorded workplace injuries by 50% by 2025. In the second half of the reporting period, our engagement activities regarding Amazon focused on the mitigation of anti-union practices by Amazon. However, results in this area are still very limited. These alleged anti-union practices of the company do not seem to be isolated incidents according to various analysts.

Marketing, sales and distribution policy

Marketing, sales and distribution policy

The marketing, sales and distribution policy aims to increase the fund assets of OBAM by means of activating various distribution channels. OBAM focusses on the broad distribution of the fund in both the wholesale market, the institutional market and the retail market.

Marketing, sales and distribution activities

This reporting period was dominated by the repositioning of OBAM as a Dutch premium investment fund with a long investment history. In addition to OBAM's above-average investment results for many years, the message was further reinforced by our intrinsic sustainability approach.

We have increased the intensity of our commercial activities with the aim of increasing brand awareness. Among other things, we started the 'OBAM Talks' podcast, which is distributed via various platforms. In addition, we have further intensified the communication via our social media channels and the channels of our strategic partners with the aim of generating more attention. Finally, OBAM regularly published articles that are placed in various media, and we participated in various fund-related events. These activities have led to OBAM being clearly visible in the market again. The independently measured scores indicate that our content scores very high when it comes to downloads and read articles in both the professional market and retail market. In addition, OBAM is among the best-selling funds on a number of direct platforms.

The next step in our marketing, sales and distribution strategy is to further develop our cross-border distribution activities. From 1 January 2022, the Management Company will enter into a strategic partnership with Allington Investment Advisors GmbH and its tied agent Fundbridge GmbH to distribute OBAM in Germany and Luxembourg. Distribution activities in other European countries are also expected to commence in 2022.

Fund volume

During the reporting period, the total number of outstanding shares (Classic class) of OBAM decreased from 10,431,532 to 9,676,335 at the end of that year. The liquidity of the holdings in the portfolio is more than sufficient, as a result of which the outflow of funds entrusted has not affected the investment policy pursued. The development of the fund volume in relation to the fund market remains a point of attention

for both the Management Company and the Supervisory Board of OBAM. This subject is regularly discussed during Management Board and Supervisory Board meetings.

Dividend policy

OBAM strives for the most attractive and stable dividend distribution possible. In determining the dividend proposal to shareholders, OBAM considers, among others, the results of OBAM during the reporting period and the net income from investments (direct income minus costs). In addition, OBAM takes into account the following fiscal aspects when determining the dividend proposal:

- the status of OBAM as a fiscal investment institution ('fiscale beleggingsinstelling');
- the possibility of settling withheld withholding tax; and
- (additional) withholding of Dutch dividend tax at the level of the shareholders.

These tax aspects are explained in more detail below.

Taking the above-mentioned aspects into account, OBAM will determine a dividend that is appropriate given the company's results over the preceding financial year and which takes into account the interests of the shareholders. At the forthcoming General Meeting, it will be proposed to the holders of ordinary shares (Classic) to pay out EUR 1.30 per share for the financial year 2021. The dividend proposal is explained in more detail under '9. Profit appropriation' in the 'Notes to the profit and loss account'.

OBAM as a fiscal investment institution

OBAM has opted for the status of fiscal investment institution as referred to in Article 28 of the Corporate Income Tax Act 1969. Based on this status, OBAM is not liable for corporate tax if several conditions are met. One of these conditions relates to the distribution of dividends. OBAM must distribute the profit available for distribution (almost) in full to the shareholders within eight months after the end of the financial year. This is also referred to as the 'distribution obligation'. The distribution obligation plays an important role in determining the amount of the dividend proposal to the shareholders.

Setting off of withheld withholding tax

When determining the amount of the dividend proposal, the amount of domestic and foreign

withholding tax withheld from dividends received by OBAM is taken into account.

This withheld withholding tax can, under certain conditions, be deducted from the dividend tax which OBAM has to pay on the dividends it distributes itself. Settlement of the withholding tax benefits the liquidity position of OBAM and in the longer term OBAM's net asset value and performance.

(Additional) withholding of Dutch dividend tax at the level of the shareholders

A dividend distribution that, based on tax laws and regulations, is higher than strictly necessary, results in an additional withholding of Dutch dividend tax at the level of the shareholders. However, in most cases shareholders can offset the Dutch dividend withholding tax against their own tax liability without limitation.

Formation of a balanced dividend proposal

Bearing in mind the above tax-related factors and the expectations with regard to future dividend income, the Management Board draws up a dividend proposal that is appropriate given the company's result over the preceding financial year. The dividend proposal for the reporting period is included under '9. Profit appropriation' in the 'Notes to the profit and loss account'.

Risk management policy

OBAM identifies the risks that arise in the implementation of the investment strategy and formulates policy to manage these risks. At OBAM we identify, assess and manage risks by means of our integral risk management framework. The framework consists of four parts: (i) the risk taxonomy, (ii) the risk appetite, (iii) the risk assessment and (iv) the risk control framework.

OBAM IM, as the Management Company of OBAM, is responsible for the risk management of OBAM. The Management Company is accountable to OBAM's Supervisory Board for the risk management of OBAM.

Risk taxonomy

The risk taxonomy outlines the risk categories that OBAM has identified. A risk category is a cluster of risks that may have a negative effect on the implementation of the (investment) strategy. The overview below shows all risk categories identified by OBAM. These risk categories are further defined in the prospectus.

Risk Taxonomy

Financial risks	Non-financial risks
Market risk	Operational risk
Concentration risk	Pandemic risk
Liquidity risk	Outsourcing risk
Country risk	Conflicts of interest risk
Risks related to investment in mainland China	Risks relating to legislation and regulations
Counterparty risk	
Custody risk	
Risks of investing with borrowed money	
Settlement risk	
Erosion risk	
Risks associated with techniques for efficient portfolio management	
Model risk	
Risks associated with the segregation of assets	
Risk related to the suspension of redemption or issue of shares	
Sustainability risk	

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OBAM periodically reassesses the risk taxonomy, investigating whether new risks have been identified that may negatively influence the (investment) strategy. In this reporting period OBAM has identified two additional financial risks:

- *Sustainability risk*: refers to the risk that an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative effect on the value of the investment; and
- *Risk relating to suspension of redemption or issue of shares*: situations may arise where OBAM is required to suspend the redemption or issue/sale of shares for an extended period of time. In those situations, shares cannot be sold or purchased for an extended period of time.

Risk appetite

The risk appetite is the aggregate level of risk that OBAM is willing to accept to realize its investment strategy. OBAM defines a risk appetite per identified risk category as outlined in the risk taxonomy.

The risk appetite will be periodically reassessed, whereby it is examined whether internal and external developments give cause to adjust the risk appetite. During this reporting period, OBAM reassessed its risk appetite. Based on the outcome of the re-assessment, OBAM did not see any need to adjust the risk appetite. Please refer to the current risk appetite of the financial risks to the section 'General Notes' under 'Risk factors'.

Risk assessment

The risk assessment is the process of identifying, assessing, managing and monitoring risks:

- *Identification*: for each risk category, OBAM identifies the ways risks may materialize. We call this risk scenarios;
- *Assessment*: for each scenario identified, an estimate is made of the likelihood a scenario occurring and the impact that the scenario has on OBAM. This results in a gross risk. We subsequently assess whether the gross risk falls within or outside our identified risk appetite for

the relevant risk category;

- *Mitigation*: the risk response depends on whether the gross risk exceeds the risk appetite. If the gross risk exceeds the risk appetite, we will implement appropriate risk control measures to mitigate the risk; and
- *Monitoring*: the risk management measures are implemented in the risk control framework. The CFRO and the Legal and Compliance Officer of the Management Company monitor the effectiveness of the risk control framework. The effectiveness of the risk control measures determines the net risk of a specific risk scenario. If the risk control measures prove to be insufficiently effective (net risk exceeds the risk appetite), OBAM will review the risk control measures taken and/or propose additional risk control measures.

Risk control framework

The risk control framework consists of all activities embedded in the organization to provide reasonable assurance regarding the achievement of the investment strategy and mitigating the associated risks. The risk control framework consists of:

- *Entity-level controls*: are risk control measures that are pervasive throughout the organization. Entity-level controls are not aimed at mitigating one specific risk but ensuring the functioning of the entire integrated risk management framework. These controls enhance the effectiveness of activity-level controls. Examples of entity-level controls are a clear division of roles and responsibilities within the organization, adequate separation of roles and responsibilities, establishment of a code of conduct and ensuring that employees receive training.
- *Activity-level controls*: are risk control measures focusing on the mitigation of one specific risk. Activity-level controls are implemented in policies, processes and monitoring and reporting activities.

Management of risks during this reporting period

OBAM distinguishes financial and non-financial risks. The management of the financial risks during this reporting period is described in more detail in the section 'General Notes' under 'Risk factors'. The management of non-financial risks during this reporting period is described in more detail in this section:

- *Operational risk*: the operational infrastructure which is used by OBAM carries the risk of potential losses due among other things to processes, systems, staff and external events.

The Management Company has implemented various risk control measures to mitigate the operational risk. One of these measures concerns the implementation of an incident procedure. Incidents at the Management Company or the outsourcing parties are reported to the CFRO. The CFRO investigates the cause of the reported incidents and assesses whether additional risk control measures need to be implemented. The CFRO also assesses whether investors have suffered damage as a result of the incident and whether they are eligible for compensation. Finally, the CFRO assesses whether the incident, in view of its materiality, should be reported to the supervisory authority (AFM).

During this reporting period, no incidents occurred that led to a possible compensation of investors or had to be reported to the regulator.

- *Pandemic risk*: outbreak of a pandemic may, also depending on the severity and duration of the pandemic, have negative impact on the activities that the Management Company performs for OBAM. The outbreak of a pandemic among employees of the Management Company, employees of any outsourcing party and/or employees of other service providers may negatively affect the quality and continuity of the management activities.

Given the current corona pandemic, the pandemic risk was top of mind during this reporting period. To manage the pandemic risk, the Management Company has established a business continuity policy and plan and periodically tests the effectiveness of this policy and plan. In addition to the business continuity policy and plan, the Management Company has taken additional measures during the reporting period to prevent, as far as possible, the spread of corona among employees. The Management Company requires outsourcing parties to have a similar policy and to test its effectiveness periodically.

As a result of these control measures, the pandemic risk was adequately managed during the reporting period, so that the corona pandemic did not pose a threat to the continuity of the management activities.

- *Outsourcing risk*: outsourcing of activities entails the risk that the other party does not fulfil its obligations, despite agreements made.

The Management Company, which remains ultimately responsible for the outsourced activities, periodically monitors compliance with the agreements and takes action when it deems necessary. The Management Company has established a monitoring cycle for each outsourcing party, consisting of operational monitoring activities, tactical monitoring activities and strategic monitoring activities. The monitoring activities are aimed at the timely identification and adjustment of agreements. When an outsourcing party structurally fails to comply with agreements made, the Management Company may reconsider the relevant outsourcing relationship.

During this reporting period, there was no reason for the Manager to reconsider the current outsourcing relationships.

- *Conflict of interest risk*: a conflict of interest arises when one or more stakeholder interests conflict and ultimately adversely affect investors.

The Management Company has formulated a policy on conflicts of interest to ensure the timely identification, assessment and mitigation of potential conflicts of interest. Based on this policy, the Management Company periodically conducts a conflict-of-interest risk assessment, whereby the Management Company identifies potential conflicts of interest and implements appropriate mitigated measures. If, despite these mitigated measures, conflicts of interest are identified, they will be reported to the Legal and Compliance Officer. The Legal and Compliance Officer reviews the reported conflicts of interest and determines whether additional mitigated measures are necessary. If the reported conflicts of interest cannot be managed adequately, investors shall be informed of these conflicts of interest.

During this reporting period, no additional conflicts of interest were reported that could not be adequately managed and therefore had to be disclosed.

- *Risks relating to (non-compliance with) legislation and regulations*: possible changes in the (tax) legislation and regulations as well as the interpretation thereof may have a positive or negative influence on OBAM.

The Management Company monitors developments in legislation and regulations and discusses the impact of these developments with the legal and tax advisers. The development of new activities, including the distribution of OBAM to Germany and Luxembourg, may also lead to additional legislation and regulations becoming applicable.

Schiphol, 31 March 2022

The Management Board
OBAM Investment Management B.V.



Supervisory Board

6. Message from the Supervisory Board

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Message from the Supervisory Board

The past financial year was again a special year in many ways. The corona virus affected many things, including the way in which the Supervisory Board has performed its supervisory duties. Nevertheless, we look back on this reporting period with satisfaction, as the fund once again achieved a positive, consistently and sustainable return on investments.



Key points of attention during the reporting period

During the reporting period, the Supervisory Board held both formal and informal meetings with the Management Board of OBAM. The following subjects were discussed in particular:

- the investment policy pursued and to be pursued and the quarterly results achieved, focusing primarily on possible political and macro-economic risks for the equity markets and the active share policy, regional, country and sector positioning, individual equity interests and the various attributions at portfolio level. This year, extra attention was again paid to the impact of the corona virus, rising valuations, inflation and interest rate expectations on the investment policy of OBAM and the stock markets;
- the general policy matters;
- the annual report and annual accounts and the findings of the external auditor;
- the development of the fund's assets in relation to developments in the investment markets;
- the periodic risk management report; and
- The marketing, sales and distribution policy.

Organization of the Supervisory Board

Composition of the Supervisory Board

As at the date of signing this report, the Supervisory Board consists of:

- Ms M. Tiemstra (chair);
- Mr A.H. Lundqvist; and
- Mr L. Meijaard.

For more information on the personal details of the Supervisory Board, please refer to the table at the end of this section.

During the General Meeting of 18 May 2021, Mr R.W.F. van Tets stepped down as chair and member of the Supervisory Board. The current Supervisory Board would like to express its sincere thanks once again to Mr R.W.F. van Tets for his chairmanship, high level of contribution and involvement to OBAM over the past ten years, and the very pleasant cooperation.

The Supervisory Board, the Management Board and the priority shareholder have mutually decided to keep the size of the Supervisory Board unchanged, as a result of which one position on the Supervisory Board has become vacant following the resignation of Mr R.W.F. van Tets. Accordingly, at the General Meeting of 18 May 2021, Mr L. Meijaard was appointed as a member of the Supervisory Board for a period of four years ending on the date of the General Meeting at which the financial statements for the financial year 2024 will be discussed. Ms M. Tiemstra took over the chairmanship from Mr R.W.F. van Tets.

Finally, during this reporting period the term of appointment of Mr. A.H. Lundqvist expired. At the Annual General Meeting on 18 May 2021, Mr. A.H. Lundqvist was reappointed as a member of the Supervisory Board for a period of two years ending on the date on which the Annual General Meeting is held at which the financial statements for the financial year 2022 will be adopted.

Meetings

The Supervisory Board met four times during the reporting period for a regular meeting. Due to the corona pandemic, the members were not physically present in all cases. All members of the Supervisory Board and a (delegation of a) member of the Board of Management of OBAM are present at the meetings. Supervisory Board members are expected to be present at Supervisory Board meetings. During the reporting period an attendance score of 91.6% was achieved.

Quality assurance

Self-assessment

Once every financial year, the Supervisory Board of OBAM has an internal meeting in which the functioning of Supervisory Board is evaluated. During this self-evaluation, consideration is given among other things to the mutual collaboration, the collaboration with the Management Board of OBAM and the composition of the Supervisory Board in relation to the future needs of OBAM and its stakeholders. No material points for attention emerged from the self-evaluation.

Independence of the Supervisory Board

The Supervisory Board must be composed in such a way that members of the Supervisory Board can operate independently and critically towards each other and towards the Management Board of OBAM. All members of the Supervisory Board are fully independent as defined in the Dutch Corporate Governance Code. During the

Supervisory Board

reporting period, no situations arose in which there was a conflict of interest

Annual report and annual accounts

Overall, the Supervisory Board is of the opinion that the policy has been adequately implemented in accordance with the investment objective of OBAM. We recommend to the General Meeting to adopt this annual report and the annual accounts unamended and to discharge the Management Board in respect of its management and the Supervisory Board for its supervision thereof.

We endorse the proposal of the Management Board to fix the dividend per ordinary share at EUR 1.30. It will be proposed to the General Meeting that the proposed dividend be approved.

Thanks

We would like to thank the Management Board and all employees of the Management Company for the way in which they have performed their tasks with excellent fund results, high commitment and enthusiasm in yet another special year for the stock market.

Schiphol, 31 March 2022

On behalf of the Supervisory Board,

Mrs M. Tiemstra

Personal details Supervisory Board

M. Tiemstra	A.H. Lundqvist	L. Meijaard
General	General	General
Gender: female	Gender: male	Gender: male
Nationality: Dutch	Nationality: Dutch	Nationality: Dutch
Date of birth: 14-02-1954	Date of birth: 11-05-1945	Date of birth: 25-05-1961
Appointment and nomination	Appointment and nomination	Appointment and nomination
Date of appointment: 19-11-2013	Date of appointment: 20-11-2012	Date of appointment: 18-05-2021
First reappointment: 2018	Second reappointment: 2021	Appointment period: four years
Appointment period: four years	Appointment period: two years	
Main (additional) functions:	Main (additional) functions:	Main (additional) functions:
<ul style="list-style-type: none"> • Board member of Stichting Huizer Bidders • Board member (secretary) of Stichting Mag ik dan bij jou • Chairman of the board of Federatie Varend Erfgoed Nederland • Chairman of the board of Buurtpreventievereniging Waaksaam • National Register, Teacher Course Board Potentials • CRMLink, Teacher education Governance Basics • Quist Executive Coaches, Member Outer Circle 	<ul style="list-style-type: none"> • Chairman of the Supervisory Board Aviolanda Business Park, MRO Luchtvaart Cluster • Vice chairman of the Supervisory Board of the Dutch Research Council • Board member of Stichting Preferente Aandelen ASML¹ • Member nomination committee of AWTI 	<ul style="list-style-type: none"> • Chairman of the Supervisory Board of Achmea Investment Management B.V. • Chairman of the Supervisory Board of AFC Ajax N.V. • Chairman of the Supervisory Board of Anthos Fund and Asset Management B.V. • Chairman of the Supervisory Board of Fourthline/Safened B.V. • Board member of Prins Bernard Cultuurfonds • Board member of the Dutch Venture Initiative • Advisor to the investment committee of Pensioenfonds PGB • Member of the Supervisory Board of OBAM Investment Management B.V.²

¹ Throughout the financial year 2021, Mr. A.H. Lundqvist was director of Stichting Preferente Aandelen ASML and resigned on 31 December 2021. In this capacity Mr. A.H. Lundqvist was not involved in the daily management of ASML Holding N.V. and was subject to an insider regulation. In his capacity as a member of the OBAM Supervisory Board, Mr. A.H. Lundqvist is a member of a supervisory body and as such not involved in investment and divestment decisions. He is also subject to the OBAM insider regulations.

² In addition to his role as a Supervisory Director of OBAM, Mr. L. Meijaard is also a Supervisory Director of OBAM Investment Management B.V., after approval by the AFM in 2021.



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Annual figures



Balance sheet

before appropriation of result	Notes	31-12-2021 EUR x 1,000	31-12-2020 EUR x 1,000
Investments	1		
Shares		1,168,488	994,547
		1,168,488	994,547
Receivables	2		
Dividends receivable		609	563
Receivable on subscriptions		92	-
Other receivables, prepayments and accrued income		1,667	1,428
		2,368	1,991
Other assets	3		
Cash		64,405	48,124
		64,405	48,124
Current liabilities	4		
Due for redemptions		174	459
Other liabilities, accruals and deferred income		1,246	1,297
		1,420	1,756
Total of receivables and other assets minus current liabilities		65,353	48,359
Total of assets minus current liabilities		1,233,841	1,042,906
Shareholders' equity	5		
Issued share capital		6,776	7,305
Share premium		-	61,807
Other reserve		933,912	892,269
Unappropriated result		293,153	81,525
Total shareholders' equity		1,233,841	1,042,906
Net asset value per share (EUR)		127.51	99.98

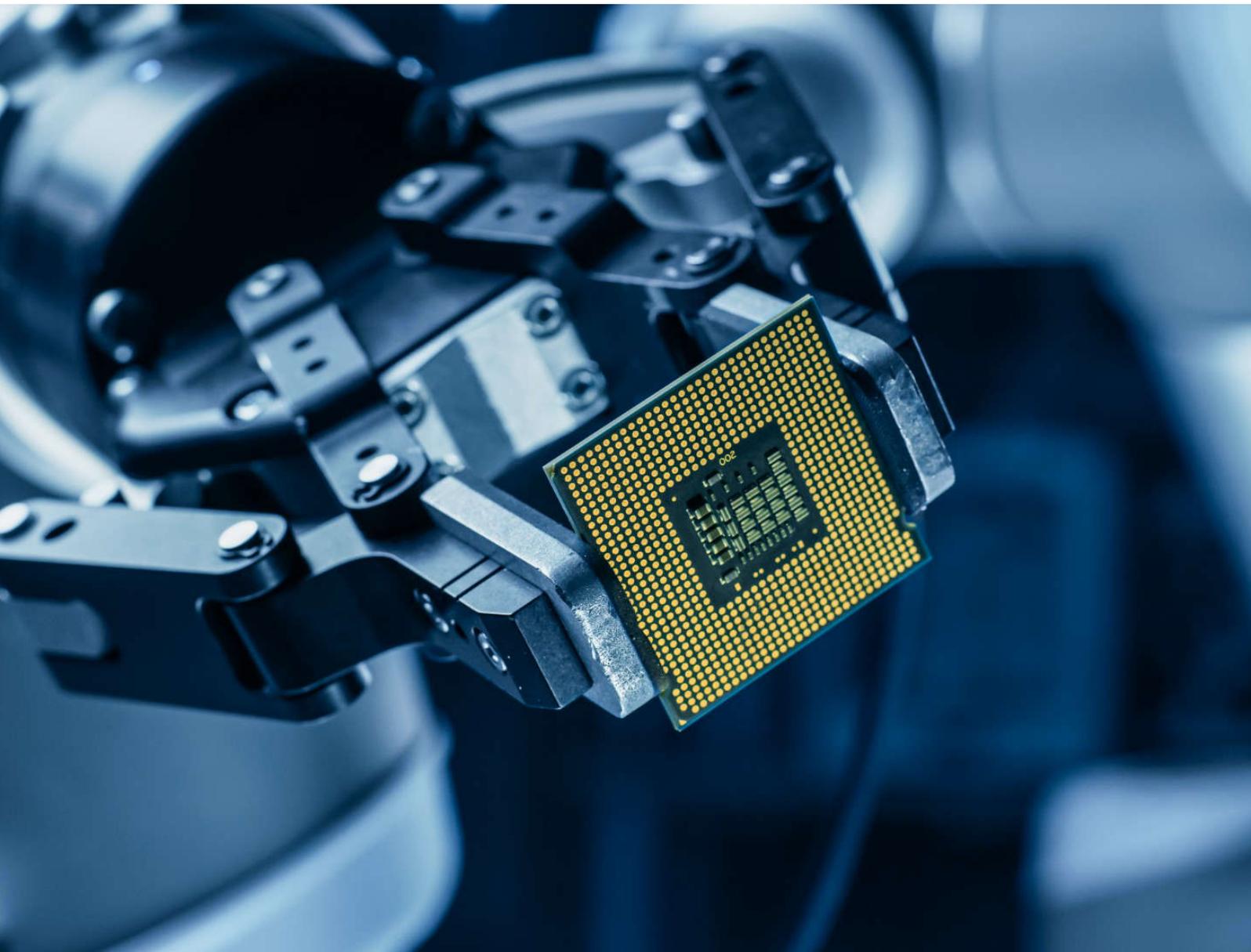
Profit and loss account

	Notes	01-01-2021 31-12-2021 EUR x 1,000	01-01-2020 31-12-2020 EUR x 1,000
Direct result on investments	6		
Dividends		15,225	13,681
Interest income		-	78
		15,225	13,759
Indirect result on investments	6		
<i>Realised value changes of investments</i>			
Price results on shares		92,686	-26,935
Foreign exchange results on shares		15,677	-1,518
		108,363	-28,453
<i>Unrealised value changes of investments</i>			
Price results on shares		142,694	150,050
Foreign exchange results on shares		32,370	-44,674
		175,064	105,376
Other result	6		
Exchange differences on cash		1,519	-3,394
Subscription and redemption fees		302	342
Other income		1	10
		1,822	-3,042
Total operating income		300,474	87,640
Expenses	7		
Investment management fees		6,088	5,131
Interest expenses		132	188
Other expenses		1,101	796
Total expenses		7,321	6,115
Result		293,153	81,525
Result per share (EUR)		29.03	7.55

Cash flow statement

	Notes	01-01-2021 31-12-2021 EUR x 1,000	01-01-2020 31-12-2020 EUR x 1,000
Cash flow from investment activities			
Purchases		-762,384	-598,855
Sales		871,870	692,094
Dividend received		14,940	13,432
Interest received		-	78
Interest paid		-132	-188
Payments related to investment management		-6,052	-5,037
Other receivables		1	163
Other payables		-1,188	-851
Cash flow from investment activities		117,055	100,836
Cash flow from financing activities			
Received on (re-)issued shares		16,056	25,988
Paid on repurchased shares		-105,920	-121,875
Received subscription and redemption fees		302	343
Dividend distribution		-12,731	-15,449
Cash flow from financing activities		-102,293	-110,993
Net cash flow		14,762	-10,157
Cash at the beginning of the reporting period	3	48,124	61,675
Exchange differences on cash		1,519	-3,394
Cash at the end of the reporting period		64,405	48,124

General notes



General

Principles of the financial statements

OBAM is an investment company with variable capital, incorporated in 1936 under Dutch law and established in Amsterdam. The Chamber of Commerce number is 33049251.

This financial statements have been prepared in accordance with the following principles:

- the financial statements have been prepared in accordance with applicable laws and regulations, including: (i) Part 9, Book 2 of the Dutch Civil Code, (ii) the Model Annual Accounts Decree, (iii) the Financial Supervision Act and (iv) the Guidelines for Annual Reporting. These financial statements have been prepared as much as possible in accordance with the standard model annual accounts for investment institutions, as set out in the Model Annual Accounts Decree. These financial statements differ in some areas, so we will explain why;
- the financial statements have been prepared on the basis of the going concern assumption. This means that the financial statements have been prepared on the assumption that OBAM's continuity will be maintained and that OBAM can continue its (investment) activities in the foreseeable future;
- OBAM's statutory financial year runs from 1 January to 31 December. The reporting period of this annual report and these financial statements relates to the period 1 January 2021 up to and including 31 December 2021;
- the financial statements are presented in euros; this is both the functional currency and the presentation currency;
- the numbers stated at the items in the Balance Sheet, Profit and Loss Account and Cash Flow Statement correspond with the relevant numbers in the 'Notes to the figures';
- the five-year overview of: (i) the total net asset value, (ii) the total result, (iii) the number of shares outstanding, (iv) the net asset value and (v) the transaction price per share as well as the performance data are included on page 17 of the financial statements; and
- the valuation principles, the principles for determining the result as well as the principles for the cash flow statement are unchanged from the principles used in the annual report for the financial period 1 January 2020 up to 31 December 2020.

Securities lending

In accordance with the prospectus, it is not permitted to lend securities from the portfolio.

Risk factors

The risk management policy is described as part of the 'Management report'.

Within this risk management policy, risks are periodically identified and assessed based on significance and materiality. The internal procedures and control activities aim to effectively mitigate both financial and non-financial risks. This section describes the individual risk categories that OBAM distinguishes.

Market risk

Market risk is the risk of fluctuations on the financial markets, or fluctuations in share prices, interest rates, exchange rates, commodity prices and derivatives linked to these products.

OBAM has an average risk appetite compared to the market. In general, The Management Company prefers stocks which are less dependent on market fluctuations and the more on company specific developments. At the end of December 2021, the (3 year) beta factor was 1.03 which is comparable to average market movements.

Price risk

The value of the investments fluctuates with changes in the prices of the shares in which the company invests. This risk increases when the spread of shares in portfolio is narrowed to a specific region, sector and/or individual stock selection.

OBAM's policy is intended to reduce the potential negative effect of price fluctuations on the company's net asset value as far as possible, among other things through judicious selection and diversification. By investing in various sectors and countries, an attempt is made to ensure that there is sufficient diversification in the portfolio. OBAM accordingly manages the value risk primarily through diversification of the investment portfolio.

The risks may increase further where use is made of futures and (written) option positions or where investments are funded with borrowed money.

No guarantees are given that the investment targets will be achieved. This can result in the increase or the decrease of the net asset value of OBAM shares. This implies that investors may receive less money back than they have invested.

With regard to price risk, OBAM has an average risk appetite. The portfolio of OBAM at the end of the reporting period is diversified across 11 sectors and 11 countries. The Management Company uses diversification to limit the price volatility as compared to the market. This is reflected among other things in the (3 years) beta-factor of 1.03 which is similar to the market. The 'active share' is, at 85.25%, higher compared to average investment funds because OBAM invests with conviction in the stocks it has identified as attractive. These stocks are generally more dependent on company-specific developments than on market trends.

To manage price risks, liquidity and marketability will be monitored continuously at fund level. OBAM primarily invests in medium-sized and large companies with a dominant market position and high liquidity of the underlying shares. At the end of the reporting period, the investment portfolio showed an overweight position in the sectors information technology, consumer staples and industrials. OBAM is strongly overweighted in the Netherlands and France. Besides, the company is directly underweighted in emerging markets.

Risk of investing in emerging markets

The risk may be considerably greater in emerging markets. This will be the case particularly in countries where there is for example an authoritarian regime, political instability or high taxes. Compared with mature markets, the equity markets in these countries may be characterised by greater volatility, lower liquidity and higher transaction costs, while the investment information may be incomplete or unreliable.

With regard to risk of investing in emerging markets, OBAM has a low risk appetite. At the end of the reporting period, the company had an underweighted direct position in emerging markets. This means that the direct risk of investing in emerging markets is relatively limited compared to the market. The emerging markets in which OBAM has direct investments are Brazil and India. OBAM does invest in many multinationals which increasingly generate their sales in emerging markets. In this way the Management Company seeks to profit from the relatively high growth in these markets.

Derivatives risk

OBAM may make use of financial derivatives. This may involve a leverage effect, which may cause the volatility of the company to increase. Certain derivatives give rise to losses that are greater than the costs of those derivatives. Some derivatives, especially derivatives traded over the counter ('OTC'), may be valued in different ways. A derivative may have a weaker than expected correlation with the underlying securities and may therefore appear to be ineffective or even have an adverse effect on the value of the company. OBAM can make use of OTC options. These options are agreed upon by parties. The risk to which OBAM is exposed if the other party cannot fulfil its obligations is limited to the positive net asset value of the relevant OTC contracts.

With regard to derivatives risk, OBAM has a low risk appetite. The Management Company did not use derivatives during the reporting period. The primary purpose of any future use of derivatives is to hedge risks, not to generate additional income.

Currency risk

OBAM may invest in securities or other instruments that are denominated in a currency other than the euro. As a result, OBAM's performance may be affected by movements in exchange rates. These currency fluctuations can have both a positive and a negative effect on the return. The Management Company may choose (within the scope of the investment policy) to hedge the currency risks by using financial derivatives.

With regard to currency risk, OBAM has a high risk appetite. OBAM invests in shares worldwide and is herewith exposed to currency risk just as the broad market is. The slightly increased currency risk is the result of the regional allocation of the portfolio. This deviates from the benchmark. OBAM tries to spread the portfolio regionally, directly and indirectly so that it has a dampening effect on currency risk. Although the Management Company is free to do so, currencies are generally not hedged. During the financial period, the Management Company did not use foreign exchange contracts.

The net asset value of OBAM will fluctuate as a result of changes in exchange rates against the euro, as well as changes in the prices of securities.

In the table below a summary is shown of the currency exposure that is based on the currency in which the shares in the portfolio are listed, as a percentage of total investments. This information can be used to provide a view of the extent to which the value of the company's investments may fluctuate. The summary shows the situation as at the balance sheet date. This is a snapshot. The percentage distribution can change constantly as a result of transactions and price fluctuations.

	Percentage total investments 31-12-2021	Percentage total investments 31-12-2020
Currency		
US dollar	62.5	62.1
Euro	28.3	25.3
Japanese yen	4.6	1.1
British pound	3.4	2.9
Danish krone	1.2	1.4
Swiss franc	-	4.7
Hong Kong dollar	-	2.0
Swedish krona	-	0.5
Total	100.0	100.0

The notes on the concentration risk and country risk provide further information on the allocation of the investments across sectors and countries.

Concentration risk

Although spreading risk is an important factor in the determination of the policy, a relatively large proportion of the assets may be invested in a relatively small number of companies (see chapter 'The 15 largest investments').

With regard to the concentration risk, OBAM has a high-risk appetite compared to the market. At the end of December 2021, there were 55 stocks in portfolio. As a result, the concentration risk of OBAM is higher than the market. The Management Company invests with great conviction in the stocks it identifies as attractive propositions, with the aim of generating a high absolute and relative return. To control the risks, the Management Company diversifies by investing in various countries, regions, currencies, sectors or subsectors. The Management Company may also increase the cash position to a maximum of 15% of

the invested capital. This situation did not arise during the reporting period. At the end of the reporting period, OBAM was invested in 55 shares, spread across 11 countries and 11 sectors. This ensures that the investments are well diversified and limits the concentration risk. Investments during the reporting period were made within the limits as set out in the prospectus.

The table below provides insight into the spread of the investments of OBAM across sectors at the end of the reporting period.

	Percentage MSCI 31-12-2021 ¹	Percentage total investments 31-12-2021	Percentage MSCI 31-12-2020 ¹	Percentage total investments 31-12-2020
Sector				
Communication services	8.6	8.6	9.2	9.6
Consumer discretionary	12.4	10.6	13.0	16.8
Consumer staples	6.8	10.4	7.4	11.7
Energy	3.4	1.0	3.0	-
Financials	13.8	13.4	13.4	13.3
Health care	11.7	6.9	11.8	11.3
Industrials	9.6	12.8	9.7	7.3
Information technology	23.6	31.3	21.9	24.2
Materials	4.7	3.4	5.0	2.8
Real estate	2.7	1.1	2.6	1.8
Utilities	2.7	0.5	3.0	1.2
Total	100.0	100.0	100.0	100.0

¹ Source: Bloomberg and MSCI

Liquidity risk

The degree of marketability of the securities in which the company invests influences the actual sale and purchase prices. To limit the liquidity risks, the company invests mainly in highly marketable listed securities. The high degree of liquidity also forms the basis for timely payment in the event of repurchase of own shares by OBAM. The degree of (non)liquidity of the securities in OBAM's portfolio is expressed in the values of the relevant positions.

With regard to liquidity risk, OBAM has a low risk appetite. The liquidity of OBAM remained fairly stable during the reporting period. OBAM invests primarily in equities with high levels of market capitalization and liquidity. As at 31 December 2021, 90% of the portfolio can be expected to be sold within two working days, where it is expected that these sales (based on approximately 20% of the daily volume) will not affect the share prices in a negative way.

Country risk

Market risks can be greater in certain countries, in particular those with such characteristics as political instability, lack of complete or reliable information, market irregularities or high taxation.

With regard to country risk, OBAM has an average risk appetite. To mitigate country risk, the weights are monitored continuously.

The table below provides insight into the spread across the different countries in which OBAM is invested.

	Percentage MSCI 31-12-2021 ¹	Percentage total investments 31-12-2021	Percentage MSCI 31-12-2020 ¹	Percentage total investments 31-12-2020
Geographical breakdown, based on the MSCI-classification²				
Australia	1.7	-	2.0	-
Belgium	0.2	-	0.2	-
Brazil	0.4	1.2	0.7	0.8
Canada	2.9	-	2.7	-
China	3.4	-	4.9	2.0
Denmark	0.7	1.2	0.7	1.4
Finland	0.3	-	0.3	-
France	2.8	8.0	2.9	6.1
Germany	2.2	4.8	2.5	6.1
Hong Kong	0.9	-	1.2	-
India	1.4	1.5	1.2	1.8
Indonesia	0.2	-	0.2	-
Ireland	1.0	-	1.0	-
Israel	0.2	0.6	0.2	-
Italy	0.5	-	0.6	-
Japan	5.5	4.6	6.7	1.1
Luxembourg	0.1	-	0.1	-
Malaysia	0.2	-	0.2	-
Mexico	0.2	-	0.2	-
The Netherlands	1.6	13.1	1.4	12.0
Norway	0.2	-	0.2	-
Russia	0.4	-	0.4	-
Saudi Arabia	0.4	-	0.3	-
Singapore	0.3	-	0.3	-
South Africa	0.3	-	0.5	-
South Korea	1.4	-	1.8	-
Spain	0.6	2.0	0.7	-
Sweden	0.9	-	0.9	0.5
Switzerland	2.9	-	2.9	4.7
Taiwan	1.8	-	1.7	-
Thailand	0.2	-	0.2	-
United Kingdom	3.6	3.9	3.8	4.6
United States	59.6	59.1	55.2	58.9
Other	1.0	-	1.2	-
Total	100.0	100.0	100.0	100.0

¹ Source: Bloomberg and MSCI

² The geographical breakdown of the portfolio of OBAM is based on MSCI-classification. In principle, the classification of the individual shares depends on the country of domicile of the share.

Risks associated with techniques for efficient portfolio management

Techniques employed for efficient portfolio management and in particular relating to the quality of the collateral instruments received/reinvested, may give rise to various risks, such as liquidity risks and counterparty risks, which can have an impact on the results of the company.

The Management Company did not use techniques for efficient portfolio management during the reporting period.

Principles

Valuation principles

Assets and liabilities are valued on the basis of fair value, unless mentioned otherwise.

Valuation of the investments

The valuation of investments is carried out on the basis of the following criteria:

- the regularly traded listed securities are valued at the closing prices which are fixed after the cut-off time. For OBAM's investments in Asian markets, the most recently known market prices will be taken into account consistently for the time of valuation;
- on days when one or more stock exchanges or markets on which a substantial part of the underlying investments is traded is or are closed for the usual reasons, the listed investments may be valued on the basis of an appraisal by the Management Board which it deems advisable for such investments; and
- listed securities that are not traded or are traded irregularly are valued at the discretion of the Management Board at an (estimated) market value taking into account all criteria which it deems advisable for such investments.

Trade date and settlement date

All purchases and sales of financial assets and liabilities that must be settled within the time frame established by regulation or a market convention are recognized based on the transaction date. The transaction date is the date on which OBAM becomes a party to the contractual provisions of the instrument. Forward purchases and sales other than those that must be settled within the timeframe established by regulation or a market convention are recognized as derivative financial instruments until settlement.

Netting

If legal regulations require netting of financial assets with financial liabilities and OBAM has the intention to net at settlement date or the net assets settle at the same time and the obligation to settle, then financial assets and liabilities will be netted and only the net value will be presented on the balance sheet.

Valuation of derivative financial instruments

Derivatives are derived financial instruments such as forward contracts, futures and options. The value of derivatives depends on the value of the underlying variables, these financial instruments need relatively little or no net initial investment and are settled at a certain moment in the future.

Forward contracts, futures and options which have not yet been settled are stated at fair market value. Realised and unrealised results on these contracts are accounted for in the results on investments in the profit and loss account.

Taxes

The taxes consist mainly of reclaimable and deferred dividend and withholding taxes. The receivables due to reclaimable and deferred dividend and withholding taxes have a term in excess of one year. The other receivables have a term shorter than one year. Valuation takes place after deduction of a provision for any irrecoverability, if necessary.

Valuation of other assets and liabilities

Other assets and liabilities are stated at nominal value. Where necessary, provisions are formed for irrecoverability.

Foreign currency

The following basic principles are applied by the company for the conversion of currency:

- assets and liabilities in foreign currencies are converted into euros at the rate prevailing on the date of valuation;

Financial statements

- currency exchange differences are recognized in the results;
- income and expenditure in foreign currencies are converted into euros at the exchange rate prevailing on the transaction date.

Exchange rates at 31 December, equivalent to 1 euro.

Exchange rates	31-12-2021	31-12-2020
US dollar	1.1372	1.2236
British pound	0.8396	0.8951
Chinese yuan ¹	7.2478	7.9453
Danish krone	7.4376	7.4435
Hong Kong dollar	8.8660	9.4873
Indian rupee ¹	84.5345	88.9960
Japanese yen	130.9543	126.3255
Swedish krona	10.2960	10.0485
Swiss franc	1.0361	1.0816

¹ In the comparative reporting period, no investments were made in shares in this currency.

Principles of determination of results

The results are determined by the proceeds from the dividend received during the reporting period, the interest over the reporting period and other income after deduction of the costs attributable to the reporting period.

The buying costs of investments are capitalised in the cost price and are thus classified as part of the results on investments. Selling costs of investments are deducted from the realised price results on shares.

Realised and unrealised price and currency results on investments are taken directly to the profit and loss account. Realised value changes are the difference between the realised sales proceeds and the value at the beginning of the reporting period or the purchase price during the reporting period. The unrealised value changes presented in a reporting period are the difference between the value at the end of the reporting period and the value at the beginning of the reporting period or the purchase price during the reporting period.

The premiums and discounts for the issue or the redemption of shares are accounted for in the profit and loss account.

Cash flow statement accounting principles

The cash flow statement is prepared according to the direct method, whereby a distinction is made between cash flow from investment activities and financing activities

Exchange rate differences on cash arise from movements in foreign exchange rates regarding the conversion of receivables and liabilities denominated in a currency other than the fund currency between the moment of entering a transaction and the settlement date of a transaction. As a result of increases and decreases in transaction (volumes) as well as volatility of foreign exchange rates, the item exchange differences on cash may undergo (significant) changes compared to the comparable period.

Outsourcing parties and service providers

As set out in 'Our organization' under 'The Management Company' and 'The Depositary', the Management Company and the Depositary may make use of service providers and outsourcing parties for the execution of their management tasks respectively depositary tasks. In this section we further explain which service providers and outsourcing parties were used by the Management Company and the Depositary during the past reporting period, among others, in the performance of their duties.

Affiliated parties and service providers of the Management Company

The Management Company is responsible for the management of the investments (portfolio management) of OBAM, the fund administration, the risk management and the trading of OBAM shares (sales and distribution).

OBAM IM has outsourced part of the management activities related to the administration as defined in art. 1:1 Financial Supervision Act to the Administrator:

- *Administrator:* the Administrator is responsible, among other things, for: (i) the financial administration of OBAM, (ii) the investment administration of OBAM, including receiving, transmitting and monitoring the execution of orders, (iii) calculating the net asset value and (iv) preparing regulatory reports and annual and semi-annual reports.

BNP Paribas Securities Services S.C.A., Amsterdam branch has been appointed by OBAM IM as Administrator. BNP Paribas Securities Services S.C.A. Amsterdam branch outsources part of the work related to the calculation of the net asset value to BNP Paribas Global Securities Operations Private Limited, India.

In addition, OBAM IM used the services of ING Bank N.V. for the execution of the management activities during the past reporting period:

- *Fund Agent:* the Fund Agent is charged, among other things, with assessing and accepting or rejecting purchase and sale orders in respect of the shares of OBAM as entered in the stock market order book. The Fund Agent is therefore responsible for OBAM's investor administration.

ING Bank N.V. acts as Fund Agent of OBAM; and

- *Paying Agent and Listing Agent:* the Paying Agent is charged among other things with the payment of dividends on behalf of OBAM and adjustment of the global share certificate which embodies the shares of Classic share class. The Listing Agent is charged among other things with all activities related to the listing of the Classic share class of OBAM on Euronext Amsterdam.

ING Bank N.V. acts as Paying Agent and Listing Agent of OBAM.

Advisors associated with OBAM

On behalf of OBAM the Management Company has appointed Meijburg & Co as tax adviser for the preparation of the declaration corporate income tax, the calculation of the distribution obligation and levy reduction and declaration dividend tax.

Affiliated parties and service providers of the Depositary

The Depositary is responsible for the safekeeping of OBAM's assets. OBAM has appointed BNP Paribas Securities Services S.C.A. acting through its Amsterdam branch as Depositary.

To be able to execute depositary activities in a large number of countries, the Depositary has outsourced depositary tasks to (non) affiliated parties. A list of third parties to which the Depositary has outsourced depositary tasks is available on the website of the Depositary (www.bnpparibas.nl) and will be available free of charge by the Depositary upon request. The list may be updated from time to time. In principle, the Depositary is liable to OBAM for the loss of a financial instrument taken into custody, also in the event of outsourcing of custody tasks.

Notes to the figures



Notes to the balance sheet

1. Investments

	01-01-2021	01-01-2020
	31-12-2021	31-12-2020
Shares	EUR x 1,000	EUR x 1,000
Position at the beginning of the reporting period	994,547	1,010,863
Purchases	762,384	598,855
Sales	-871,870	-692,094
Realised and unrealised results on investments	283,427	76,923
Position at the end of the reporting period	1,168,488	994,547

All shares are listed. A specification of the portfolio as at 31 December 2021 is included on page 65 of this report. The active share on 31 December 2021 was 85.25% (31 December 2020: 86.73%). This percentage is a snapshot per that date.

2. Receivables

Receivable on subscriptions

These solely include the receivables in respect of the issuances of shares of OBAM still unsettled as at the balance sheet date.

Other receivables, prepayments and accrued income

	31-12-2021	31-12-2020
Other receivables, prepayments and accrued income	EUR x 1,000	EUR x 1,000
Reclaimable dividend and withholding taxes	1,667	1,428
Position at the end of the reporting period	1,667	1,428

Tax recovery under the Aberdeen/Fokus Bank project

In several European Union member states, community law grants undertakings for collective investments (UCIs), the right to file claims with a view to recovering taxes they have been unjustly forced to pay. When one member state imposes a higher tax burden on a foreign UCI than on a resident UCI, this constitutes discrimination under community law.

This principle was confirmed by the ruling of the Court of Justice of the European Union (CJEU) in the 'Aberdeen' case (18 June 2009). This ruling acknowledges that a non-resident UCI can be subject to discriminatory taxation, which constitutes an obstacle to freedom of establishment and/or the free movement of capital. Other CJEU rulings have subsequently confirmed this jurisprudence. Key examples are the rulings in the Santander (10 May 2010) and Emerging Markets (10 April 2014) cases regarding French and Polish tax legislation, respectively.

In light of this jurisprudence and in order to safeguard the right of UCIs to receive tax rebates, the Management Company has decided to file claims with the tax authorities in several member states whose discriminatory legislation fails to comply with community law. Preliminary studies will be carried out to determine whether or not the claims are viable, i.e. for which funds, in which member states and over what period of time it is necessary to request a rebate. This project is referred to as the Aberdeen/ Fokus Bank Project.

To date, there is no European legislation establishing a uniform framework for this type of claim. As a result, the time taken to receive a rebate and the complexity of the procedure vary depending on the member state in question. This means that it is necessary to constantly monitor developments in this regard.

In case such rebate is received for OBAM N.V. and the concerned amount of tax withheld was earlier offset against Dutch dividend tax paid, such rebate might need to be reimbursed to the Dutch tax authority.

Under the Aberdeen cases no tax amounts were received nor offset in 2021. In 2020 EUR 71,004.51 has been received. This amount was fully settled with the Dutch tax authority.

3. Other assets

Cash

This only concerns bank balances immediately due.

4. Current liabilities

Due for redemptions

These solely include the debts in respect of the redemptions of shares of OBAM still unsettled as at the balance sheet date.

Other liabilities, accruals and deferred income

	31-12-2021 EUR x 1,000	31-12-2020 EUR x 1,000
Other liabilities, accruals and deferred income		
Management fee payable	521	437
Depositary fee payable	112	160
Other expenses payable	613	700
Position at the end of the reporting period	1,246	1,297

5. Shareholders' equity

Issued share capital

	01-01-2021 31-12-2021 Quantity	01-01-2020 31-12-2020 Quantity	01-01-2021 31-12-2021 EUR x 1,000	01-01-2020 31-12-2020 EUR x 1,000
Issued share capital				
Classic class				
Position at the beginning of the reporting period	10,431,532	11,483,492	7,302	8,038
Issued	139,456	307,927	97	216
Repurchased	-894,653	-1,359,887	-626	-952
Position at the end of the reporting period	9,676,335	10,431,532	6,773	7,302
Priority shares				
Position at the end of the reporting period	60	60	3	3
Total issued share capital			6,776	7,305
Authorized capital at the end of the reporting period:				
Ordinary shares, nominal value EUR 0.70			56,350	56,350
Priority shares, nominal value EUR 50.00			3	3
Total authorized capital			56,353	56,353

Share premium

	01-01-2021 31-12-2021 EUR x 1,000	01-01-2020 31-12-2020 EUR x 1,000
Share premium		
Classic class		
Position at the beginning of the reporting period	61,807	156,723
Received on shares issued	16,051	25,772
Paid on shares repurchased	-105,009	-120,688
Received from Other reserve	27,151	-
Position at the end of the reporting period	-	61,807

Other reserve

	01-01-2021 31-12-2021 EUR x 1,000	01-01-2020 31-12-2020 EUR x 1,000
Other reserve		
Position at the beginning of the reporting period	892,269	574,405
Received from Unappropriated result	68,794	317,864
Transferred to Share premium	-27,151	-
Position at the end of the reporting period	933,912	892,269

Unappropriated result

	01-01-2021 31-12-2021 EUR x 1,000	01-01-2020 31-12-2020 EUR x 1,000
Unappropriated result		
Position at the beginning of the reporting period	81,525	333,313
Dividend distribution on shares	-12,731	-15,449
Transferred to Other reserve	-68,794	-317,864
Result current reporting period	293,153	81,525
Position at the end of the reporting period	293,153	81,525

Three years overview

Totals EUR x 1,000	31-12-2021	31-12-2020	31-12-2019
Net asset value	1,233,841	1,042,906	1,072,482
Less: value of priority shares	3	3	3
	1,233,838	1,042,903	1,072,479
Number of outstanding shares	9,676,335	10,431,532	11,483,492
Net asset value per share (EUR)	127.51	99.98	93.39
Result per share (EUR)	29.03	7.55	27.08

Statement of changes in equity

	01-01-2021 31-12-2021 EUR x 1,000	01-01-2020 31-12-2020 EUR x 1,000
Statement of changes in equity		
Shareholders' equity at the start of the reporting period	1,042,906	1,072,482
(Re)issued	16,148	25,988
Repurchased	-105,635	-121,640
End of the reporting period	953,419	976,830
Direct result from investments	15,225	13,682
Investment management fees	-6,088	-5,131
Other expenses	-1,101	-796
	8,036	7,755
Indirect result from investments	283,427	76,923
Other result	1,690	-3,153
	285,117	73,770
Net result	293,153	81,525
Dividend distribution	-12,731	-15,449
Shareholders' equity at the end of the reporting period	1,233,841	1,042,906

Composition of the capital for tax purposes

	31-12-2021 EUR x 1,000	31-12-2020 EUR x 1,000
Composition of the capital for tax purposes¹		
Issued capital	6,776	7,305
Approved share-premium	226,235	314,891
Re-investment reserve	986,982	706,909
Tax difference reserve (maximum)	2,330	3,222
Minimum distribution obligation for the financial year (minimum)	11,518	10,579
Capital for tax purposes	1,233,841	1,042,906

¹ This composition is based on the minimum distribution obligation with maximum addition to the tax difference reserve based on the figures as per 31 December 2021 respectively 31 December 2020.

Notes to the profit and loss account

6. Income from investments

Dividends

This refers to gross cash dividends, reduced by the portion of the non-reclaimable withholding tax which is not eligible for deduction from the dividend tax payable and foreign withholding tax that is not reclaimed.

In principle, all reclaimable foreign withholding tax is reclaimed, unless in practice it proves impossible to meet the rules of procedure to reclaim it and/or the costs would outweigh the benefits.

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This is the case in the following countries Philippines, Malaysia, Taiwan, Singapore, Canada – if the shares are held on an U.S. stock exchange – and South Korea. Furthermore, OBAM does not reclaim any individual amounts of less than EUR 354 (on account of the high cost of reclaiming the funds in relation to the amount reclaimed). Withholding tax that is not reclaimed is disclosed as a loss in the profit and loss account.

The non-reclaimable withholding tax and the dividend tax withheld in The Netherlands are set off against the dividend tax payable by the company on its own dividend distribution.

(Un)realised results on investments

	01-01-2021 31-12-2021			01-01-2020 31-12-2020		
	gain	loss	EUR x 1,000	gain	loss	EUR x 1,000
Realised						
Price results on shares	113,226	-20,540	92,686	70,334	-97,269	-26,935
Foreign exchange results on shares	16,803	-1,126	15,677	7,150	-8,668	-1,518
Total			108,363			-28,453

	01-01-2021 31-12-2021			01-01-2020 31-12-2020		
	gain	loss	EUR x 1,000	gain	loss	EUR x 1,000
Unrealised						
Price results on shares	177,986	-35,292	142,694	175,492	-25,442	150,050
Foreign exchange results on shares	33,250	-880	32,370	205	-44,879	-44,674
Total			175,064			105,376

Interest income/-expenses

This includes the interest income and expenses in respect of the cash held, respectively bank debts and withdrawn term deposits.

Exchange differences on cash

This includes foreign exchange result on bank accounts, receivables and liabilities in other currency than the euro.

Subscription and redemption fees

OBAM operates as an open-end fund and is prepared to buy shares or issue new shares on any valuation day (as defined in the prospectus of OBAM) at the prevailing transaction price. The transaction price of Classic class is determined in euros on each valuation day and will be published on the website.

In the event of a net increase in the assets of OBAM due to the repurchase and / or issue of shares on a valuation day, the net asset value will be increased by a premium; in the event of a net decrease of the assets of OBAM due to the repurchase and/or issue of shares, the net asset value will be reduced by a discount. The price set in this manner is the transaction price.

The purpose of the discount and premium is to protect the incumbent shareholders and is added to the fund assets. The premium and discount is used by OBAM to cover the costs of the entry and withdrawal of shareholders. This concerns the purchase and sale costs of the underlying investments and any market impact and taxes. The Management Board has capped the premium and discount at a

maximum percentage. This maximum percentage is mentioned in the chapter 'Fees and expenses' in the prospectus of OBAM. The Management Company will publish the actual percentage on the website.

Other income

This relates to other income that cannot be included in any other category in the profit and loss account.

7. Expenses

	01-01-2021 31-12-2021 EUR x 1,000	01-01-2020 31-12-2020 EUR x 1,000
Investment management fees		
Management fee Classic class	5,901	4,909
Depositary fee	187	222
Total	6,088	5,131

Management fee

A fee of 0.5% is charged for management costs for the Classic class. The management fee is calculated on a daily basis on the basis of the assets of the class. The management fee is charged to the results of the class on a daily basis excluding VAT.

Depositary fee

OBAM is required to pay the Depositary:

- a fee for the performance of its depositary tasks – excluding the safekeeping of securities in the OBAM investment portfolio – equal to a maximum of 0.006%. The fee is calculated on a daily basis on the basis of the assets of the Classic class; and
- a safekeeping fee whose size depends on the countries in which OBAM invests. The safekeeping of the securities in the investment portfolio of OBAM as well as the placement of liquid assets in deposits by OBAM take place at normal market rates.

The fee for the depositary tasks and the safekeeping fees are charged on a daily basis – plus VAT wherever applicable – to the result of the Classic class.

Transaction costs

The transaction costs are market-based and are charged against the result of the company. The transaction costs for 2021 amount to EUR 2,415,055 (2020: EUR 1,514,945).

Other expenses

	01-01-2021 31-12-2021 EUR x 1,000	01-01-2020 31-12-2020 EUR x 1,000
Other expenses		
Fee Administrator and Fund Agent	160	196
Costs of (monitoring of) execution of transactions	260	-
Fee Paying Agent, Listing Agent and Clearer	84	49
Marketing expenses	303	261
Auditors' fees	65	55
Remuneration for Supervisory Board	68	61
Operational expenditure and reporting	30	40
Supervision Dutch Authority for the Financial Markets	76	75
Advisory fees	35	35
Miscellaneous	20	24
Total	1,101	796

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Fee Administrator, fee Paying Agent, Listing Agent and fee Fund Agent

OBAM pays an administration fee to the administrator amounting to 0.01247%, with a minimum of EUR 150,000 per year. OBAM pays ING Bank N.V. a fee for its services as Paying Agent, Listing Agent and Fund Agent amounting to EUR 20,000 per year, increased by transaction fees in line with market practice. These fees are calculated on a daily basis on the basis of the assets of the Class. No VAT is charged on these fees. The fees are charged to the results of the Class.

OBAM pays to BNP Paribas Securities Services S.C.A. a fee for transmitting orders to execution brokers and for monitoring the execution of the transactions.

Auditors' fees

Auditors' fees relate solely to the audit of annual financial statements and also to the activities related to the agreed upon procedures for the semi-annual financial statements and are charged to the results of the Classic class. Auditors' fees are shown in the table below.

	01-01-2021 31-12-2021 EUR x 1,000	01-01-2020 31-12-2020 EUR x 1,000
Auditors' fees		
Audit of annual financial statements	45	46
Other audit services	20	13
Totaal	65	59

Remuneration Supervisory Board

The Supervisory Board of OBAM receives a fee charged to the company for its performed activities. The remuneration of the members of the Supervisory Board is a maximum of EUR 25,000 per annum. Where legally required, VAT will be added to the remuneration and charged to the result of OBAM. These costs are charged directly to the result of OBAM.

For the financial year the members of the Supervisory Board receive a gross remuneration specified as in the table below.

	01-01-2021 31-12-2021 EUR x 1,000	01-01-2020 31-12-2020 EUR x 1,000
Remuneration Supervisory Board		
M. Tiemstra	22	23 ¹
L. Meijaard	13	-
A. Lundqvist	22	23 ¹
R.W.F. van Tets	11	22
Total	68	68

¹ Including VAT.

Comparison actual expenses with expenses according to prospectus

01-01-2021 31-12-2021	Actual costs EUR x 1,000	Costs according to prospectus EUR x 1,000	Percentage difference
Management fee	5,901	5,901	0.00%
Administration fee	160	160	0.00%
Fee Paying Agent and Listing Agent	84	84	0.00%
Depositary fee	187	187	0.00%
Remuneration for Supervisory Board	68	68	0.00%
Other expenses	789	789	0.00%
Totaal	7,189	7,189	

The prospectus describes expenses that are payable by the company. The management fee, the fees for the Administrator, the fees for the Paying Agent, the Listing Agent and the Fund Agent and a part of the Depositary fee are calculated on a daily basis, based on a percentage of the assets, as mentioned in the prospectus. The part of the Depositary fee that relates to the safekeeping of the securities depends on the geographic distribution of the portfolio. The remuneration for the Supervisory Board has been capped, and the maximum values per person are listed in the prospectus.

Ongoing charges

On the basis of laws and regulations, the total costs that are withdrawn from the assets of the company during the reporting period must be reported as 'ongoing charges'. These costs are calculated as follows: total costs that are withdrawn from the assets during the reporting period divided by the average net asset value.

- 'Total costs' include the costs incurred in the reporting period charged to the total results as well as the costs charged to shareholders' equity. The costs of investment transactions (excluding entry/exit fees that OBAM pays for purchase/ sale of units in other investment funds), interest expenses, any performance fee and any costs associated with holding derivatives (e.g. margin calls) are not taken into account for this.
- The 'average net asset value' is calculated as the sum of all the net asset values calculated during the reporting period, divided by the number of net asset values calculated during this reporting period.

	Ongoing charges 01-01-2021 31-12-2021	Ongoing charges 01-01-2020 31-12-2020
Classic class	0.61%	0.60%

8. Calculation fiscal result

The fiscal result should, in connection with the status of an investment institution, be distributed to shareholders within eight months after the close of the financial year, taken into consideration the movement allowed in the tax difference reserve. The minimum distribution obligation (with maximum addition tax difference reserve) is EUR 11,518,000. The maximum distribution obligation (with the release to the tax difference reserve as per 31 December 2021) is EUR 13,848,000. Any repurchase of shares during the period between the balance sheet date 31 December 2021 and payment date of the dividend should be taken into consideration by the determination of the dividend per share to be distributed.

9. Profit appropriation

Dividend payment

According to the Articles of Association a dividend of EUR 1.30 will be distributed on the priority shares with a par value of EUR 50.00. To holders of ordinary shares, it will be proposed to the forthcoming General Meeting to distribute the following dividend per ordinary share :

	Dividend proposal
Classic class	EUR 1.30

In order to comply with fiscal regulations, the dividend proposal per ordinary share can be adjusted during the General Meeting so that the company will at least comply with its distribution obligation. The profit appropriation proposal has not been included in the annual accounts.

Portfolio turnover ratio

The so-called portfolio turnover ratio ('PTR') for OBAM for the 2021 reporting period is 128.01% (for the 2020 reporting period: 116.37%). The PTR is expressed as a percentage of the sum of the purchases and sales of the investments minus the sum of the issued and repurchased OBAM shares, divided by the average net asset value of OBAM. For the calculation of the average net asset value, reference is made to the ongoing charges.

Transactions with affiliated parties

OBAM IM is the Management Company and Director of OBAM. Based on Article 2:381, paragraph 3 of the Dutch Civil Code, OBAM IM and its Management Board are therefore considered to be affiliated parties. These related parties have not carried out any transactions with OBAM in 2021, other than the management fee that OBAM IM invoices on a monthly basis. The management fee is 0.5% and is calculated on a daily basis over the assets of the class and charged to the result of the Classic class without VAT.

The three members of the OBAM Supervisory Board are also considered affiliated parties of OBAM based on Article 2:381, paragraph 3 of the Dutch Civil Code. Accordingly, in 2021, these three affiliated parties did not carry out any transactions with OBAM other than their annual fixed remuneration for their membership of the Supervisory Board.

Staff members

As in the previous year, the company has no employees.

Off-balance-sheet commitments

On the balance sheet date, there were no other commitments than those shown on the balance sheet.

Subsequent events

In February 2022, international financial markets reacted very volatile to the Russia-Ukraine conflict. High quality, low leverage and low cyclicity investments provided relative downside protection. OBAM has no direct exposure to business models in Russia or Ukraine. The portfolio's indirect exposure based on operating results within Russia and Ukraine is very low, with OBAM having no exposure to business models with a high dependence on oil and gas. OBAM holds a relatively high position in liquid assets in order to be able to respond extra to highly volatile movements. OBAM monitors all long-term overweight European investment positions closely, as the European region may be more affected relative to the United States, Japan and emerging markets due to its proximity in this conflict.

Other information

Buying and selling policy

OBAM operates as an open-end fund and is prepared to buy shares or issue new shares on any valuation day (as defined in the prospectus of OBAM) at the prevailing transaction price. The transaction price of Classic class is determined in euros on each valuation day and will be published on the website.

In the event of a net increase in the assets of OBAM due to the repurchase and / or issue of shares on a valuation day, the net asset value will be increased by a premium; in the event of a net decrease of the assets of OBAM due to the repurchase and/or issue of shares, the net asset value will be reduced by a discount. The price set in this manner is the transaction price.

The purpose of the discount and premium is to protect the incumbent shareholders and is added to the fund assets. The premium and discount is used by OBAM to cover the costs of the entry and withdrawal of shareholders. This concerns the purchase and sale costs of the underlying investments and any market impact and taxes. The Management Board has capped the premium and discount at a maximum percentage. This maximum percentage is mentioned in the chapter 'Fees and expenses' in the prospectus of OBAM. The Management Company will publish the actual percentage on the website.

In principle, shares of OBAM may be purchased and sold on any valuation day on the stock exchange of Euronext Amsterdam through the agency of a bank or other financial firm. Orders will be executed once each valuation day at the transaction price determined by the Management Company. Orders placed with the company before 16.00 hrs (the 'cut-off time') will be executed on the next valuation day ('T') at approximately 10.00 hrs at the transaction price announced by the Management Company for that day. Orders placed after the cut-off time will be executed on the following valuation day.

Research commission sharing agreements

In 2021, Research Commission Sharing Agreements with brokers were made use of. Transaction costs, charged by brokers, consist of two components: a fee for the actual execution of an order and a fee for the research supplied by the relevant broker for the purpose of the company. In a Research Commission Sharing Agreement, it is agreed with the broker that the fee with respect to the purchase of research is separated from the fee with respect to the actual execution of the transaction. The compensation for research is then booked separately on the relevant broker's account as a credit. OBAM may decide to transfer (a part of) this compensation to another broker or research provider for the provision of research. By separating the execution from the purchase of research, the best brokers in both fields can be identified.

	01-01-2021 31-12-2021 EUR x 1,000	01-01-2020 31-12-2020 EUR x 1,000
Credit		
Position at the beginning of the reporting period	876	309
Added to the credit	1,643	886
Withdrawn from the credit	-883	-319
Position at the end of the reporting period	1,636	876

Investments

As at 31 December 2021, based on MSCI-classification

Shares

Quantity		Market value EUR x 1,000	Percentage total investments
Communication services			
24,830	Alphabet -C	63,180	
550,731	JCDecaux	12,116	
47,700	Netflix	25,269	
		100,565	8.6
Consumer discretionary			
166,000	EssilorLuxottica	31,082	
159,529	Michelin	22,996	
147,500	Nike	21,618	
45,500	Shimano	10,653	
799,000	Sonos	20,938	
265,130	VF Corp	17,071	
		124,358	10.6
Energy			
391,500	Vopak	12,058	
		12,058	1.0
Financials			
680,877	ASR Nederland	27,576	
8,016,000	Banco Santander	23,571	
147,000	Deutsche Börse	21,623	
304,906	HDFC Bank	17,447	
4,151,000	Itaú Unibanco	13,688	
133,000	JPMorgan Chase	18,520	
301,000	State Street Corporation	24,616	
71,000	Upstart	9,446	
		156,487	13.4
Healthcare			
87,750	Becton Dickinson	19,405	
101,000	CVS Health Corporation	9,162	
248,000	Hologic	16,696	
510,000	Koninklijke Philips	16,710	
891,263	Sotera Health	18,457	
		80,430	6.9
Industrials			
86,000	Advanced Drainage Systems	10,295	
146,000	FANUC	27,181	
206,000	Intertek	13,813	
784,000	Komatsu	16,126	
997,201	NX Filtration	10,810	
173,000	RELX	4,934	
760,000	Plug Power	18,866	
270,000	Sensata Technologies	14,647	
267,000	Shoals Technologies	5,705	
323,000	Signify	13,172	

Quantity		Market value EUR x 1,000	Percentage total investments
525,500	Vestas Wind Systems	14,131	
		149,680	12.8
Information technology			
53,000	Adobe	26,428	
279,000	Akamai Technologies	28,715	
285,000	Apple	44,502	
59,000	Applied Materials	8,164	
49,000	ASML Holdings	34,628	
191,900	Fidelity National Financial	18,419	
795,000	Intel	36,003	
219,500	Microsoft	64,916	
249,700	PayPal	41,407	
278,000	SAP	34,722	
27,000	SolarEdge Technologies	6,661	
105,500	Visa	20,105	
		364,670	31.3
Materials			
301,000	International Flavors & Fragrances	39,875	
		39,875	3.4
Consumer staples			
113,000	Heineken	11,171	
879,000	Koninklijke Ahold Delhaize	26,489	
274,000	McCormick & Company	23,277	
66,100	L'Oréal	27,560	
43,000	PepsiCo	6,568	
350,500	Reckitt Benckiser Group	26,475	
		121,540	10.4
Utilities			
78,000	NextEra Energy	6,404	
		6,404	0.5
Real estate			
16,700	Equinix	12,421	
		12,421	1.1
Total shares		1,168,488	100.0
Total investments		1,168,488	100.0

The 15 largest investments

As at 31 December 2021

Quantity		Market value EUR x 1,000	Percentage total investments
219,500	Microsoft	64,916	5.6
24,830	Alphabet -C	63,180	5.4
285,000	Apple	44,502	3.8
249,700	PayPal	41,407	3.5
301,000	International Flavors & Fragrances	39,875	3.4
795,000	Intel	36,003	3.1
278,000	SAP	34,722	3.0
49,000	ASML Holdings	34,628	3.0
166,000	EssilorLuxottica	31,082	2.7
279,000	Akamai Technologies	28,715	2.5
680,877	ASR Nederland	27,576	2.4
66,100	L'Oréal	27,560	2.4
146,000	FANUC	27,181	2.3
879,000	Koninklijke Ahold Delhaize	26,489	2.3
350,500	Reckitt Benckiser Group	26,475	2.3
Total		554,311	47.7

Schiphol, 31 March 2022

The Management Board
OBAM Investment Management B.V.



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10. Personal interests

At the start and the end of the reporting period, the Management Board and the members of the Supervisory Board of OBAM held the following securities which are also held by OBAM.

	31-12-2021 quantity	31-12-2020 quantity
Shares		
Alphabet -C	-	159
ASML Holdings	-	684
Heineken	170	1,634
Microsoft	-	1,096
Nestlé	-	1,937
Roche Holding	-	505
SAP	-	1,063

11. Special rights

Special rights are assigned to the holder of priority shares. The most important rights are:

- to propose binding nominations for the (re)appointment of the Management Board and the members of the Supervisory Board; and
- to give prior consent with respect to amendment of the Articles of Association, legal mergers, legal splits and winding up of the company.

The priority shares are held by Stichting Keizerberg. As at the date of signature of this report, the board of directors of Stichting Keizerberg consists of Mr J.C. Kragt and Mr C.J.M. Janssen.

No transactions have taken place between Stichting Keizerberg and OBAM during the reporting period other than the dividend payment from OBAM to Stichting Keizerberg.

The following is an English translation of the independent auditor's report issued 31 March 2022

Independent auditor's report

To: the shareholders and the Supervisory Board of OBAM N.V.

Report on the audit of the financial statements 2021 included in the annual report

Our opinion

We have audited the financial statements for the year ended 31 December 2021 of OBAM N.V., based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of OBAM N.V. as at 31 December 2021 and of its result for 2021 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- The balance sheet as at 31 December 2021
- The profit and loss account for 2021
- The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements section of our report".

We are independent of OBAM N.V. (hereinafter: the fund) in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the "Wet toezicht accountantsorganisaties" (Wta, Audit firms supervision act), the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

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

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our understanding in OBAM N.V.

OBAM N.V. is an investment entity with variable capital, having its registered office in Amsterdam. The shares of OBAM N.V. are traded via Euronext Amsterdam, segment Euronext Fund Service. OBAM N.V. invest in listed securities for which the fair value is derived from quoted market prices. The management company and management board is OBAM Investment Management B.V. and references to positions and departments in this section are positions and departments of OBAM Investment Management B.V.

We start by determining materiality and identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Materiality

Materiality	€ 12 million (2020: € 10 million)
Benchmark applied	1% of Equity as of 31 December 2021.
Explanation	<p>We consider the net assets (Equity) of the fund an appropriate base for the determination of the materiality, as this is the (market) value which the shareholders are entitled to and is widely considered a key decision-making factor for shareholders.</p> <p>The determination of materiality has not changed compared to the previous year.</p>

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Supervisory Board that misstatements in excess of € 600,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Teaming and use of specialists

We ensured that the audit team the appropriate skills and competences which are needed for the audit of a listed investment entity. We included specialists in the area of taxes.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error.

Our audit response related to fraud risks

We identify and assess the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the investment entity and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes.

We refer to 'Risk taxonomy' of the board Report for management's (fraud) risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption, including potential conflict of interest between the management company and the investors in the investment entity. We evaluated whether these factors indicate that a risk of material misstatement due fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

As in all of our audits, we addressed the risks related to management override of controls.

Because of this risk, we have used data analysis to identify and test journal entries with an increased risk. We have also reviewed accounting estimates for biases that may present a risk of material misstatement. We also examined transactions where the costs for the investment entity are revenue for the management company and/or related parties. In that context, we refer to the key audit matter 'Outsourcing'.

We considered available information and made enquiries of relevant executives, directors compliance officer and the supervisory board.

From our evaluation of the risk of override of controls by management, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations

We assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements. In line with NBA Practice Note 1142 from the professional body for auditors in the Netherlands (NBA) on the "*Specific obligations from laws and regulations on financial supervision for the internal auditor and the external auditor of investment firms, alternative investment funds (managers) and (management companies of) undertakings for collective investment in transferable securities*", is our estimate based on our general industry experience, through discussions with the management board, inspection of the integrity risk analysis (SIRA), reading minutes and compliance reports. We have also performed substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected the reports of the legal department and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit.

Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern

As disclosed in section 8 'General notes', management made a specific assessment of the investment entity's ability to continue as a going concern and to continue its operations for at least the next 12 months.

We discussed and evaluated the specific assessment with management exercising professional judgment and maintaining professional skepticism. We considered whether management's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all events or conditions that may cast significant doubt on the investment entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify serious doubts on the investment entity's ability to continue as a going concern for the next 12 months. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause an investment entity to cease to continue as a going concern.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

We have not changed the key audit matters in comparison to previous year.

Existence, ownership and valuation of investments	
Risk	<p>Equity of the fund is mainly invested in listed shares. These investments are a significant factor in the financial position of the fund.</p> <p>We refer to the disclosures with regard to the investments and the breakdown of the investments per 31 December 2021, based on the MSCI-classification.</p> <p>We estimate the risk of a material error in these investments to be lower, in part because the investments consist of liquid, listed securities for which a quoted price is available on an active market and is therefore not subject to estimates. However, due to the extent of the investments in relation to the financial statements as a whole, the listed shares are the item that has the largest impact on our audit.</p>
Our audit approach	<p>Our audit procedures included among others evaluating whether the accounting policies applied by the investment entity for recognition and measurement of investments and the (currency) pricing data and protocols are in accordance with Part 9 of Book 2 of the Dutch Civil Code and whether these accounting policies, data and protocols have been consistently applied. We have evaluated the design and implementation of controls related to the valuation process.</p> <p>Our audit procedures with regard to the existence and valuation investments included, but were not limited to:</p> <ul style="list-style-type: none">• reconciling values of the investment portfolio to at least one independent pricing source;• verifying the existence and ownership of the holdings in the investment portfolio with independently received third party confirmations from the custodian.

Existence, ownership and valuation of investments

Key observations	Based on the procedures performed, we have no significant findings relating to the existence, ownership and valuation of the listed investments.
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Investment income

Risk	<p>Investment income is the main source of income of the investment entity and comprises both dividend and interest income as well as (un)realized changes in fair value of investments. Therefore, we consider investment income as a key audit matter.</p> <p>We refer to the breakdown of the direct – and indirect income from investments in the profit and loss account.</p> <p>We estimate the risk of material error in these returns to be lower for listed investments.</p>
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Our audit approach	<p>Our audit procedures with regard to investments income included, amongst others:</p> <ul style="list-style-type: none"> • obtaining an understanding and testing of controls, including relevant IT general controls, for processing transactions, corporate actions, reconciliation of investments and portfolio valuation. For outsourced processes, we have used the independent report on the design, implementation and operating of relevant controls; • Performing granular, substantive analytical procedures (including data-analytics using market data) on dividend income as well as (un)realized changes in fair value of investments in relation to the investments.
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Key Observations	Based on the procedures performed, we have no significant findings relating to the investment income.
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Outsourcing

Risk	<p>The Fund does not have any employees. and outsourced asset management, risk management, shareholder registration, financial accounting as well as bookkeeping to the management company, OBAM Investment Management B.V. The management company has outsourced a part of these activities to BNP Paribas Securities Services SCA.</p> <p>OBAM Investment Management B.V. is appointed as manager and takes over the responsibility for asset management and risk management of the Fund. The manager has in turn outsourced the stock registration, financial administration and investment administration to BNP Paribas Securities Services S.C.A.</p> <p>We consider outsourcing a key audit matter. The financial information from these activities is used for the preparation of the financial statements of the investment entity and management is ultimately responsible for the full service chain including the controlled and sound business processes of the management company This comprises the following two aspects:</p> <ul style="list-style-type: none"> • controlling the business processes and operational risks management by the management company and the fund’s administrator (outsourcing); and • mitigating integrity risks, which may result from potential conflict of interest between the management company and the investors of the fund.
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Outsourcing	
	We refer to the disclosure in the financial statements regarding outsourcing and the Management company's statement about operational management in the Director's report, as well as to the disclosure of ongoing charges in which a comparison is included with the agreements included in the prospectus.
Our audit approach	<ul style="list-style-type: none"> As part of our audit of the financial statements of the investment entity, we have focused on the controlled and sound business processes of the management company, in line with NBA Practice Note 1142. Our audit procedures consisted among others of: obtaining an understanding and testing of controls of the investment company and other parties to which (key) processes have been outsourced, including relevant IT general controls. We have made use of the independent report on the design, implementation and operating of relevant controls of the administrator;; confirming that the management company and depositary hold the required license from the supervisory authority; reading through the correspondence with the supervisory authorities and the report of the independent depositary. In performing our audit procedures, we have also remained alert of signals of potential non-compliance with laws and regulations in general and more specifically, the provisions of the Wet op het financieel toezicht (Wft, Act on Financial Supervision) and the Wet ter voorkoming van witwassen en financiering terrorisme (Wwft, Act on the prevention of money laundering and terrorist financing); verifying the management fees and other operating expenses charged by performing a recalculation in accordance with the stipulations in the prospectus and verifying that related party transactions are accurately and completely disclosed; performing substantive audit procedures such as analytical review and sampling on the outcome of relevant flows of financial information.
Key Observations	Based on the procedures performed, we have no significant findings related to outsourced activities and the resulting financial information with a direct impact on the financial statements of the fund.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We were engaged by the Annual General Meeting of Shareholders as auditor of the fund on the 6th of June 2014 as of the audit for period 1 July 2014 until 31 December 2015 and have operated as statutory auditor since that date.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

Description of responsibilities regarding the financial statements

Responsibilities of management board and the supervisory board for the financial statements

Management board is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the management board is responsible for such internal control as the management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the management board is responsible for assessing the investment entity's ability to continue as a going concern. Based on the financial reporting framework mentioned, the management board should prepare the financial statements using the going concern basis of accounting unless the management board either intends to liquidate the investment entity or to cease operations, or has no realistic alternative but to do so. The management board should disclose events and circumstances that may cast significant doubt on the investment entity's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the investment entity's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The 'Information in support of our opinion' section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.

Our audit further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the investment entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

The Hague, 31 March 2022

Ernst & Young Accountants LLP

Signed by M.J. Knijnenburg

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