

16<sup>th</sup> December, 2019

To: *All shareholders of KBI Institutional Fund ICAV (the “ICAV”)*

**This Notice is important. It requires your immediate attention. If you have any doubt about the contents of this Notice, you should seek independent professional financial advice. The Directors of the ICAV accept responsibility for the accuracy of the contents of this Notice.**

**Re: *Updates to Prospectus of the ICAV***

Dear Shareholder(s),

As you will be aware the ICAV is registered pursuant to the provisions of the Irish Collective Asset-management Vehicles Act, 2015 (the “**ICAV Act**”) and established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011), as amended, with segregated liability between its Funds.

We are writing to notify Shareholders of a number of proposed changes to the Prospectus of the ICAV (subject to Central Bank approval), as further detailed below.

### **Prospectus Changes**

#### **1. *Change of Name of ICAV and Sub-Funds***

Subject to the approval of the Central Bank, it is proposed to change the name of the ICAV from “KBI Institutional Fund ICAV” to “KBI Funds ICAV”.

Subject to the approval of the Central Bank, it is also proposed to change the name of certain sub-funds of the ICAV. Details of the proposed name changes of the sub-funds of the ICAV are set out in the Schedule 1 attached hereto.

#### **2. *Change of Valuation Point***

Subject to Central Bank approval, it is proposed to amend the definition of “Valuation Point” in respect of each Sub-Fund listed below from “12p.m. (midday)

Irish time” to “close of business in the relevant market that closes last on the relevant Dealing Day”.

KBI INSTITUTIONAL WATER FUND
KBI INSTITUTIONAL ENERGY SOLUTIONS FUND
KBI INSTITUTIONAL DEVELOPED EQUITY FUND
KBI INSTITUTIONAL EMERGING MARKETS EQUITY FUND
KBI INSTITUTIONAL EUROZONE EQUITY FUND
KBI INSTITUTIONAL GLOBAL EQUITY FUND
KBI INSTITUTIONAL 50/50 GLOBAL/EUROZONE EQUITY FUND
KBI INSTITUTIONAL ACWI EQUITY FUND

Accordingly, the definition of “Valuation Point” in the Supplements for the Sub-Funds listed above will be amended to read as follows:

*““Valuation Point“ Means close of business in the relevant market that closes last on the relevant Dealing Day or such other time as the Directors may determine and notify in advance to Shareholders provided, always, that the Dealing Deadline falls before the Valuation Point.”*

Please note that this will not impact how you deal in the Sub-Funds as the dealing deadlines for placing orders for subscription or redemption of Shares will not change.

### **3. Changes to Minimum Subscription and Minimum Holding Size**

Subject to Central Bank approval, the Supplement for each Sub-Fund (except KBI Eco Water Fund (ICAV)) shall be updated to reflect the new proposed minimum subscription of €10,000 (or currency equivalent) and new proposed minimum holding of €10,000 in respect of each Shareholder in each relevant Sub-Fund. Accordingly, Section 7 of each relevant Supplement shall be deleted and replaced with the following:

*“The Minimum Subscription or in respect of each Shareholder is €10,000 (or currency equivalent). There is no minimum subsequent subscription amount. The Minimum Holding in respect of each Shareholder is €10,000 (or currency equivalent).”*

*The ICAV may compulsorily redeem the Shares of any Shareholder who holds less than the Minimum Holding except where such breach of the Minimum Holding results from a depreciation in the value of that Shareholder's holding.*

*The Directors have the right at their discretion to waive these restrictions at any time, provided that Shareholders in the same position in the same Class shall be treated equally and fairly."*

#### **4. Update to Index Disclosures**

Subject to Central Bank approval, the investment policy of each Sub-Fund shall be updated to clarify (i) that each Sub-Fund is actively managed (ii) whether each Sub-Fund is actively managed "in reference" to an Index and (iii) if a Sub-Fund is actively managed in reference to an Index, on what basis it is considered to be so actively managed (i.e. by virtue of the fact that it seeks to outperform the Index and/or it uses the Index as a universe from which to select securities and / or it measures performance against the Index etc). Further details of such investment policy updates and index disclosure are set out in Schedule 2 hereto.

#### **Implementation of Changes**

Subject to Central Bank approval, the changes outlined above will be reflected in a revised updated Prospectus of the Company, to be issued on or around February 13<sup>th</sup>, 2020. The revised Prospectus will be available on the website of the Investment Manager at [www.kbiglobalinvestors.com](http://www.kbiglobalinvestors.com) once issued.

If you have any queries in relation to the matters outlined herein, please do not hesitate to contact me at [pat.cassells@kbigi.com](mailto:pat.cassells@kbigi.com).

Yours faithfully,



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**Director**  
**For and on behalf of**  
**KBI Institutional Fund ICAV**

**SCHEDULE 1**
**NEW SUB-FUND NAMES**

<b>CURRENT SUB-FUND NAME</b>	<b>NEW PROPOSED SUB-FUND NAME</b>
KBI INSTITUTIONAL WATER FUND	KBI WATER FUND
KBI INSTITUTIONAL ENERGY SOLUTIONS FUND	KBI ENERGY SOLUTIONS FUND
KBI INSTITUTIONAL DEVELOPED EQUITY FUND	KBI DEVELOPED EQUITY FUND
KBI INSTITUTIONAL GRS FUND	KBI GLOBAL RESOURCE SOLUTIONS FUND
KBI INSTITUTIONAL EMERGING MARKETS EQUITY FUND	KBI EMERGING MARKETS EQUITY FUND
KBI INSTITUTIONAL EUROZONE EQUITY FUND	KBI EUROZONE EQUITY FUND
KBI INSTITUTIONAL GLOBAL EQUITY FUND	KBI GLOBAL EQUITY FUND
KBI INSTITUTIONAL 50/50 GLOBAL/EUROZONE EQUITY FUND	KBI 50/50 GLOBAL/EUROZONE EQUITY FUND
KBI INSTITUTIONAL NORTH AMERICA EQUITY FUND	KBI NORTH AMERICA EQUITY FUND
KBI INSTITUTIONAL ACWI EQUITY FUND	KBI ACWI EQUITY FUND
KBI INSTITUTIONAL EAFE SMALL CAP EQUITY FUND	KBI EAFE SMALL CAP EQUITY FUND
KBI INSTITUTIONAL GLOBAL SUSTAINABLE INFRASTRUCTURE FUND	KBI GLOBAL SUSTAINABLE INFRASTRUCTURE FUND

**SCHEDULE 2**  
**INDEX DISCLOSURE**

<b>SUB-FUND NAME (CURRENT)</b>	<b>INDEX DISCLOSURE</b>
KBI INSTITUTIONAL WATER FUND	The Fund is considered to be actively managed in reference to the MSCI ACWI Index by virtue of the fact that it uses the Index for performance comparison purposes. However the Index is not used to define the portfolio composition of the Fund or as a performance target and the Fund may be wholly invested in securities which are not constituents of the Index.
KBI INSTITUTIONAL ENERGY SOLUTIONS FUND	The Fund is considered to be actively managed in reference to the Wilderhill New Energy Global Innovation Index by virtue of the fact that it uses the Index for performance comparison purposes. However, the Index is not used to define the portfolio composition of the Fund or as a performance target and the Fund may be wholly invested in securities which are not constituents of the Index.
KBI INSTITUTIONAL DEVELOPED EQUITY FUND	The Fund is considered to be actively managed in reference to the MSCI World Index by virtue of the fact that it seeks to outperform the Index and it uses the Index as a universe from which to select securities. The majority of the Fund's securities may be components of and may have similar weightings to the Index, however the Investment Manager will use its discretion to invest in securities or sectors not included in the Index in order to take advantage of investment opportunities. The investment strategy will restrict the extent to which the Fund's holdings may deviate from the Index which may be limited. This is likely to influence the extent to which the Fund can outperform the Index.
KBI INSTITUTIONAL GRS FUND	The Fund is considered to be actively managed in reference to the S&P Global Natural Resources Index by virtue of the fact that it uses the Index for performance comparison purposes. However, the Index is not used to define the portfolio composition of the Fund or as a performance target and the Fund may be wholly invested in securities which are not constituents of the Index.

<p>KBI INSTITUTIONAL EMERGING MARKETS EQUITY FUND</p>	<p>The Fund is considered to be actively managed in reference to the MSCI Emerging Markets Index by virtue of the fact that it seeks to outperform the Index, it uses the Index as a universe from which to select securities and it measures performance against the Index. The majority of the Fund's securities may be components of and may have similar weightings to the Index, however the Investment Manager will use its discretion to invest in securities or sectors not included in the Index in order to take advantage of investment opportunities. The investment strategy will restrict the extent to which the Fund's holdings may deviate from the Index which may be limited. This is likely to influence the extent to which the Fund can outperform the Index.</p>
<p>KBI INSTITUTIONAL EUROZONE EQUITY FUND</p>	<p>The Fund is considered to be actively managed in reference to the MSCI EMU Index by virtue of the fact that it seeks to outperform the Index, it uses the Index as a universe from which to select securities and it measures performance against the Index. The majority of the Fund's securities may be components of and may have similar weightings to the Index, however the Investment Manager will use its discretion to invest in securities or sectors not included in the Index in order to take advantage of investment opportunities. The investment strategy will restrict the extent to which the Fund's holdings may deviate from the Index which may be limited. This is likely to influence the extent to which the Fund can outperform the Index.</p>
<p>KBI INSTITUTIONAL GLOBAL EQUITY FUND</p>	<p>The Fund is considered to be actively managed in reference to the MSCI World Index by virtue of the fact that it seeks to outperform the Index, it uses the Index as a universe from which to select securities and it measures performance against the Index. The majority of the Fund's securities may be components of and may have similar weightings to the Index, however the Investment Manager will use its discretion to invest in securities or sectors not included in the Index in order to take advantage of investment opportunities. The investment strategy will restrict the extent to which the Fund's holdings may deviate from the Index which may be limited. This is likely to influence the extent to which the Fund can outperform the Index.</p>
<p>KBI INSTITUTIONAL 50/50 GLOBAL/EUROZONE EQUITY FUND</p>	<p>Fifty percent (50%) of the assets of the Fund are considered to be actively managed in reference to the MSCI EMU Index and fifty percent (50%) of the assets of the Fund are considered be actively managed in reference to the MSCI World ex Eurozone Index by</p>

	<p>virtue of the fact that the relevant portion of the assets of the Fund seeks to outperform the relevant Index and uses the relevant Index as a universe from which to select securities. The majority of the Fund's securities may be components of and may have similar weightings to the relevant Index, however the Investment Manager will use its discretion to invest in securities or sectors not included in the relevant Index in order to take advantage of investment opportunities. The investment strategy will restrict the extent to which the Fund's holdings may deviate from the relevant Index which may be limited. This is likely to influence the extent to which the Fund can outperform the relevant Index.</p>
<p>KBI INSTITUTIONAL NORTH AMERICA EQUITY FUND</p>	<p>The Fund is considered to be actively managed in reference to the MSCI North America Index by virtue of the fact that it seeks to outperform the Index and it uses the Index as a universe from which to select securities. The majority of the Fund's securities may be components of and may have similar weightings to the Index, however the Investment Manager will use its discretion to invest in securities or sectors not included in the Index in order to take advantage of investment opportunities. The investment strategy will restrict the extent to which the Fund's holdings may deviate from the Index which may be limited. This is likely to influence the extent to which the Fund can outperform the Index.</p>
<p>KBI INSTITUTIONAL ACWI EQUITY FUND</p>	<p>The Fund is considered to be actively managed in reference to the MSCI ACWI Index. by virtue of the fact that it seeks to outperform the Index and it uses the Index as a universe from which to select securities. The majority of the Fund's securities may be components of and may have similar weightings to the Index, however the Investment Manager will use its discretion to invest in securities or sectors not included in the Index in order to take advantage of investment opportunities. The investment strategy will restrict the extent to which the Fund's holdings may deviate from the Index which may be limited. This is likely to influence the extent to which the Fund can outperform the Index.</p>
<p>KBI INTEGRIS GLOBAL EQUITY FUND</p>	<p>The Fund is considered to be actively managed in reference to the MSCI World Index by virtue of the fact that it seeks to outperform the Index and it uses the Index as a universe from which to select securities. The majority of the Fund's securities may be components of and may have similar weightings to the Index, however the Investment Manager will use its</p>

	<p>discretion to invest in securities or sectors not included in the Index in order to take advantage of investment opportunities. The investment strategy will restrict the extent to which the Fund's holdings may deviate from the Index which may be limited. This is likely to influence the extent to which the Fund can outperform the Index.</p>
<p>KBI INSTITUTIONAL EAFE SMALL CAP EQUITY FUND</p>	<p>The Fund is considered to be actively managed in reference to the MSCI EAFE SMALL CAP Index by virtue of the fact that it seeks to outperform the Index and it uses the Index as a universe from which to select securities. The majority of the Fund's securities may be components of and may have similar weightings to the Index, however the Investment Manager will use its discretion to invest in securities or sectors not included in the Index in order to take advantage of investment opportunities. The investment strategy will restrict the extent to which the Fund's holdings may deviate from the Index which may be limited. This is likely to influence the extent to which the Fund can outperform the Index.</p>
<p>KBI INSTITUTIONAL GLOBAL SUSTAINABLE INFRASTRUCTURE FUND</p>	<p>The Fund is considered to be actively managed in reference to the S&amp;P Global Infrastructure Index by virtue of the fact that it uses the Index for performance comparison purposes. However the Index is not used to define the portfolio composition of the Fund or as a performance target and the Fund may be wholly invested in securities which are not constituents of the Index.</p>
<p>KBI ECO WATER FUND (ICAV)</p>	<p>The Fund is considered to be actively managed in reference to the MSCI World Index by virtue of the fact that it uses the Index for performance comparison purposes. However the Index is not used to define the portfolio composition of the Fund or as a performance target and the Fund may be wholly invested in securities which are not constituents of the Index.</p>
<p>KBI DIVERSIFIED GROWTH FUND</p>	<p>The Fund is actively managed without reference to any index meaning that the Investment Manager has full discretion over the composition of the Fund's portfolio, subject to the stated investment objectives and policies.</p>