



**KBI Global Investment Fund**

**ANNUAL REPORT &  
AUDITED FINANCIAL STATEMENTS**

**For the financial year ended 30 September 2020**

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**Administrator, Registrar and Transfer Agent**

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**Background to the Fund****Description**

The KBI Global Investment Fund (the "Fund") was constituted on 22 December 2000, as an open-ended umbrella Unit Trust authorised by the Central Bank of Ireland pursuant to the provisions of the Unit Trusts Act, 1990. The Fund registered as a Retail Investor Alternative Investment Fund ("RIAIF") on 22 July 2014. The Alternative Investment Fund Manager is KBI Fund Managers Limited (the "AIFM"). The Fund is structured as an umbrella fund, in that different series of units (each allocated to a particular Sub-Fund) may be issued from time to time by the Directors of the AIFM with the approval of the Central Bank of Ireland. Each Sub-Fund may issue several sub-classes of units whose respective rights may differ in that different fee structures may be applicable to each of such sub-classes.

The Sub-Funds trading as at 30 September 2020 are:

KBI Managed Fund  
KBI Ethical Managed Fund  
KBI Innovator Fund  
and KBI Integris Eurozone Equity Fund.

KBI Cash Fund ceased trading on 23 January 2020.

KBI Passive Managed Fund ceased trading on 27 June 2019. KBI Index Eurozone/Global Equity Fund ceased trading on 27 June 2019. They are due to be revoked from the Central Bank subsequent to the clearing down of residual cash post year end.

The Prospectus of the RIAIF is available on the website of the Investment Manager, [www.kbiglobalinvestors.com](http://www.kbiglobalinvestors.com).

**Calculation of the Net Asset Value**

The Net Asset Value of a Sub-Fund shall be expressed in the base currency of the relevant Sub-Fund and shall be calculated on each Dealing Day by ascertaining the value of the assets of the Sub-Fund on such Dealing Day and deducting from such value the liabilities of the Sub-Fund on such Dealing Day.

**Unit Classes**

Whether on the establishment of a Sub-Fund or from time to time, the AIFM can create more than one class of units in a Sub-Fund, and can create different series within one class of units, to which different levels of subscription fees and expenses (including the management fee), designated currency, distribution policy and such other features will apply.

The classes available in a Sub-Fund and their respective subscription fees and expenses (including the management fee), designated currency, and other relevant class specific features shall be detailed in separate classes information cards which forms part of the prospectus and are available from the Administrator and relevant Distributor.

**Distribution Policy**

The AIFM intends to automatically reinvest all earnings, dividends and other distributions of whatever kind as well as realised capital gains arising from that proportion of the net asset value of each Sub-Fund attributable to "A" Units pursuant to the investment objective and policies of the relevant Sub-Fund for the benefit of unitholders in the relevant Sub-Fund.

The AIFM may make distributions in respect of "B" Units out of that proportion of the net asset value of the Sub-Fund attributable to "B" Units.

**Corporate Governance**

The Directors of the AIFM have approved the adoption of the Irish Funds Corporate Governance Code (the "Code").

**Investment Manager's Report****For the year ended 30 September 2020****KBI Managed Fund**

For the 12 months to 30 September 2020, the Fund declined by 5.7% and underperformed the custom benchmark return of 1.5% in euro terms. Comparatively, the Fund returned 2.6% underperformed the custom benchmark return of 8.4% in euro terms over the 12 months to 30 September 2019. The Fund was in compliance with the strategy and objectives as set out in the Sub-Fund Information Card.

The Fund underperformed its benchmark principally because of its higher (than benchmark) exposure to “value” stocks which significantly underperformed “growth” stocks over the period, as the Covid crisis led investors to favour companies with exposure to the ‘Work from Home’ economy, and to avoid companies with exposure to activities most hit by government restrictions. The difference in performance between value and growth stocks during the period was unusually large as a result, while the fund had a higher than benchmark exposure to value stocks.

Over the period, the MSCI world equity index rose by 2.6% in euro terms. From a regional perspective, North American equities increased by 7.3%, Pacific ex Japan equities decreased by 12.7% and European equities decreased by 7.8%. Emerging markets rose by 2.8%, marginally outperforming developed markets. The Technology sector continued to make strong gains while the Energy sector was particularly weak. Bond markets were weak over the period, with the eurozone over 5-year index increasing by 1.2%, and the eurozone over 10-year index increasing by 2%. The Bloomberg Commodities Index declined by 14.6%. The euro strengthened by 7.6% against the US Dollar, and by 2.5% against Sterling.

Global equity markets fell sharply in the first quarter of 2020 due to the spread of the Covid19 disease and its impact on economic activity worldwide. In response, governments and central banks announced stimuli packages to offset the damage caused by the spread of the disease. Central banks cut interest rates, restarted quantitative easing and promised to keep the cost of corporate borrowings low.

The US Federal Reserve cut interest rates to almost zero, announced a \$700 bn stimulus package and that it would work with other central banks to increase the availability of dollars for commercial banks, while the Bank of England embarked on a £100 billion quantitative easing programme. While the European Central Bank left interest rates unchanged, it increased its Pandemic Emergency Purchase Programme by a further €600 bn, more than what the market had expected. The European Union further proposed a €750bn Covid-19 recovery package.

Global equity markets recovered over the second half of the period as most European countries saw a fall in daily new Covid-19 infections. However, as Covid-19 infections began to rise again towards the end of the summer, policymakers tried to cushion the economy by using targeted measures instead of countrywide lockdowns.

Political risks still remained as China-US trade tensions, a no-deal Brexit and the upcoming US Presidential elections continued to concern investors.

**Investment Outlook**

Covid19 has had a dramatic impact on the global economy, pushing all major economies into deep recessions. Although most economies have had a strong rebound after a period of effective shutdown, it appears unlikely that economic activity will return to pre-crisis levels until well into 2021. A key variable is the extent to which “social distancing” will be enforced until a vaccine is widely available.

Fortunately, inflation remains low, which has allowed monetary policy makers and fiscal authorities scope to ease policy, which has helped to offset some of the damage to the economy. However, undoubtedly many companies will find themselves in severe difficulties despite the measures being taken by governments, central banks and bank regulators.

Global equity valuations are high relative to history, with Europe and emerging markets the most attractive on a valuation basis – though valuation metrics are less than usually useful given the uncertainty about the shape and speed of the economic recovery. We remain wary of the valuation of momentum stocks and sectors. Government bonds remain overvalued, with no obvious catalyst on the horizon to cause a sudden sell-off.

**KBI Global Investors Limited**  
**30 September 2020**

**Investment Manager's Report (Continued)****For the year ended 30 September 2020****KBI Ethical Managed Fund**

In the 12 months to 30 September 2020, the Fund declined by 6.8% underperforming the formal Ethical Blended benchmark which rose by 2.8%, in euro terms. Comparatively, the Fund return rose by 5.1% underperforming the formal Ethical Blended benchmark which rose by 10.0%, in euro terms over the 12 months to 30 September 2019. The Fund was in compliance with the strategy and objectives as set out in the Sub-Fund Information Card.

The Fund underperformed its benchmark principally because of its higher (than benchmark) exposure to “value” stocks which significantly underperformed “growth” stocks over the period, as the Covid crisis led investors to favour companies with exposure to the ‘Work from Home’ economy, and to avoid companies with exposure to activities most hit by government restrictions. The difference in performance between value and growth stocks during the period was unusually large as a result, while the fund had a higher than benchmark exposure to value stocks.

Over the period, the MSCI world equity index rose by 2.6% in euro terms. From a regional perspective, North American equities increased by 7.3%, Pacific ex Japan equities decreased by 12.7% and European equities decreased by 7.8%. Emerging markets rose by 2.8%, marginally outperforming developed markets. The Technology sector continued to make strong gains while the Energy sector was particularly weak. Bond markets were weak over the period, with the eurozone over 5-year index increasing by 1.2%, and the eurozone over 10-year index increasing by 2.0%. The Bloomberg Commodities Index declined by 14.6%. The euro strengthened by 7.6% against the US Dollar, and by 2.5% against Sterling.

Global Equity markets fell sharply in the first quarter of 2020 due to the spread of the Covid19 disease and its impact on economic activity worldwide. In response, governments and central banks announced stimuli packages to offset the damage caused by the spread of the disease. Central banks cut interest rates, restarted quantitative easing and promised to keep the cost of corporate borrowings low.

The US Federal Reserve cut interest rates to almost zero, announced a \$700 bn stimulus package and that it would work with other central banks to increase the availability of dollars for commercial banks, while the Bank of England embarked on a £100 billion quantitative easing programme. While the European Central Bank left interest rates unchanged, it increased its Pandemic Emergency Purchase Programme by a further €600 bn, more than the market expected. The European Union further proposed a €750bn Covid-19 recovery package.

Global equity markets recovered over the second half of the period as most European countries saw a fall in daily new Covid-19 infections. However, as Covid-19 infections began to rise again towards the end of the summer, policymakers tried to cushion the economy by using targeted measures instead of countrywide lockdowns.

Political risks still remain as China-US trade tensions, a no-deal Brexit and the upcoming US Presidential elections continue to concern investors.

**Investment Outlook**

Covid19 has had a dramatic impact on the global economy, pushing all major economies into deep recessions. Although most economies have had a strong rebound after a period of effective shutdown, it appears unlikely that economic activity will return to pre-crisis levels until well into 2021. A key variable is the extent to which “social distancing” will be enforced until a vaccine is widely available.

Fortunately, inflation remains low, which has allowed monetary policy makers and fiscal authorities scope to ease policy, which has helped to offset some of the damage to the economy. However, undoubtedly many companies will find themselves in severe difficulties despite the measures being taken by governments, central banks and bank regulators.

Global equity valuations are high relative to history, with Europe and emerging markets the most attractive on a valuation basis – though valuation metrics are less than usually useful given the uncertainty about the shape and speed of the economic recovery. We remain wary of the valuation of momentum stocks and sectors. Government bonds remain overvalued, with no obvious catalyst on the horizon to cause a sudden sell-off.

**Investment Manager's Report (Continued)****For the year ended 30 September 2020****KBI Cash Fund**

The KBI Cash Fund closed on 23 January 2020. The period from 1 October 2019 to 23 January 2020 was a negative period for the KBI Cash Fund, as the Fund fell -0.4%, underperforming the benchmark Euribor return which was -0.2%. The Fund was in compliance with the strategy and objectives as set out in the Sub-Fund Information Card.

In the period under review, there was no change in the European Central Bank's key official interest rates. Its Deposit Rate remained at -0.5% while its Marginal Lending Facility remained at 0.25%.

**KBI Global Investors Limited  
30 September 2020**

**Investment Manager's Report (Continued)****For the year ended 30 September 2020****KBI Innovator Fund**

The KBI Innovator Fund (the "Fund") bundles environmental and emerging market equity strategies and commodity investments. This investment opportunity is provided within a single fund and has the potential to generate strong long-term investment returns as well as offering added diversification to pension and investment portfolios.

Over the twelve months, the Fund returned 2.7% while the MSCI World index rose by 2.6% in euro terms over the year to 30 September 2020. Comparatively, the Fund returned 9.2% while the MSCI World index rose by 8.5% in euro terms over the 12 months to 30 September 2019. The Fund was in compliance with the strategy and objectives as set out in the Sub-Fund Information Card.

Over the period, the MSCI world equity index rose by 2.6% in euro terms. From a regional perspective, North American equities increased by 7.3%, Pacific ex Japan equities decreased by 12.7% and European equities decreased by 7.8%, weighed down by a looming "no deal" Brexit. Emerging markets rose by 2.8%, marginally outperforming developed markets. The Bloomberg Commodities Index declined by 14.6%. The euro strengthened by 7.0% against the US Dollar, and by 2.5% against Sterling.

Global equity markets fell sharply in the first quarter of 2020 due to the spread of the Covid19 disease and its impact on economic activity worldwide. In response, governments and central banks announced stimuli packages to offset the damage caused by the spread of the disease. Global equity markets recovered over the second half of the period as most European countries saw a fall in daily new Covid-19 infections, and where there was a rise in Covid-19 infections, policymakers cushioned the economy by using targeted measures instead of countrywide lockdowns.

Performance of the sectors in the fund were largely mixed. The Global Resource Solutions strategy component rose by 6.1%, outperforming the broad market, as energy solutions, water, and sustainable infrastructure components returned 23.4%, -0.5% and -0.7% respectively. Stock selection in emerging markets detracted value. Commodities also declined over the period as it fell sharply in the first quarter, when Covid19 restrictions around the world dampened global demand and supply chains.

**Investment Outlook**

Covid19 has had a dramatic impact on the global economy, pushing all major economies into deep recessions. Although most economies have had a strong rebound after a period of effective shutdown, it appears unlikely that economic activity will return to pre-crisis levels until well into 2021. A key variable is the extent to which "social distancing" will be enforced until a vaccine is widely available.

Fortunately, inflation remains low, which has allowed monetary policy makers and fiscal authorities scope to ease policy, which has helped to offset some of the damage to the economy. However, undoubtedly many companies will find themselves in severe difficulties despite the measures being taken by governments, central banks and bank regulators.

Global equity valuations are high relative to history, with Europe and emerging markets the most attractive on a valuation basis – though valuation metrics are less than usually useful given the uncertainty about the shape and speed of the economic recovery. We remain wary of the valuation of momentum stocks and sectors. Government bonds remain overvalued, with no obvious catalyst on the horizon to cause a sudden sell-off.

**KBI Global Investors Limited**  
**30 September 2020**



**Investment Manager's Report (Continued)****For the year ended 30 September 2020****KBI Integris Eurozone Equity Fund**

Over the twelve-month period to end September 2020, the KBI Integris Eurozone Equity Fund declined by 12.9% against its benchmark the MSCI EMU index which was down 7.8% in euro terms. Comparatively, the Fund declined by 1.2% during the 12 months to end September 2019 against a rise of 4.2% in the MSCI EMU index in euro terms. The Fund was in compliance with the strategy and objectives as set out in the Sub-Fund Information Card.

Over the past year, global stock investors have experienced three distinct phases:

In the period prior to the global spread of the pandemic, the exceptional rally in global stocks continued. The balance of macro and corporate data was positive and the fear that policy may be impotent in the face of overwhelmingly negative structural forces had lessened appreciably. Against that backdrop, the early months of the year saw global stock markets set new all-time highs.

This positive period came to a shuddering halt in early March. The feared economic impact of the COVID-19 pandemic dominated all, and global stock markets suffered the fastest bear market on record.

However, from the low point on 23 March, global stock markets have rebounded sharply. The aggressive policy responses, the slowdown of the virus spread, and the first steps towards the lifting of lockdowns, combined to ease the extreme level of investor fear and fuel a remarkable rally to fresh all-time highs.

It was a particularly difficult period from a style perspective as growth outperformed value by 18.8%. High yield also struggled underperforming by 2.9% as investors showed little interest in equity income even as interest rates continued to decline. Also, of note, small cap stocks underperformed their larger cap counterparts by 0.3%.

Stock selection was disappointing in real estate, capital goods and in media and entertainment. In real estate, Unibail Rodamco fell sharply as retail landlords not only face the need to reconsider leasing approaches with more flexibility – turnover and footfall related and more affordable rents but now face the incapacity of small independent retailers to pay any rent as long as businesses struggle. Cash rent collection was only 38% in Q2 while the company reported a decline in like for like rental income of 14% and a 5% decline in asset values. The combined effect of rent relief, doubtful debtors and deferred rents led to an estimated €0.6bn in cash drop or almost one third of last year's funds from operations. The company has outlined a long-term re-balancing towards mixed use, residential and office to reduce exposure to retail and to rebuild growth prospects. In capital goods, ACS declined sharply after Hochtief (50.4% owned by ACS) announced a profit warning at its Asia Pacific unit CIMIC in January. The profit warning occurred at the same time as the collapse in oil prices and the COVID-19 pandemic. Since then earnings have stabilized and second quarter results were broadly in line with expectations on revenue and moderately above on EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization). Management tone was confident regarding business resilience in the face of the pandemic although commentary on working capital could imply a €300m cash outflow in the full year. In media and entertainment, Publicis struggled due to a range of risks overhanging the stock from COVID-19 to question marks over the rate of attrition from existing Fast-Moving Consumer Goods clients. Investors are also focused on the risks associated with the Epsilon acquisition related to areas of the Epsilon portfolio under pressure, concern over data protection/privacy issues and over the level of debt required to complete the transaction.

Relative stock selection contributed positively to performance in transportation and in consumer durables and apparel. In transportation, Deutsche Post rallied strongly as COVID-19 is expected to lead to a structural acceleration in Business to Consumer parcel growth driven by increased e-commerce penetration. The acceleration of industry growth is likely to lead to upward pressure on margins on the back of better capacity utilisation, improved pricing and increased efficiencies. Deutsche Post is ahead of peers in transforming from letters to parcels and parcel growth can drive margin expansion given the company focus on yields and productivity. Deutsche Post offers the highest automation among its European peers because of its investment in digitalisation and sorting centres. In consumer durables and apparel, Kering recovered even though it had to deal with significant store closures in recent months. 53% of stores were closed at the end of March with one third still closed in early June although less than 20% are closed now with some of them open with reduced hours. Investors have targeted Kering several times over the past 18 months with multiple questions on the Gucci brand. Investors underestimate its more classic leather goods business and the multiple advantages that a bigger scale has brought to the brand. Valuation has not reflected Kering's shift as a pure luxury play with concurring high margin and return profile while it also has a strong track record in turning around brands with Bottega Veneta the latest illustration of this.

**Investment Manager's Report (Continued)****For the year ended 30 September 2020 (Continued)****KBI Integris Eurozone Equity Fund (Continued)****Investment Outlook**

Stock markets often surprise, but the rebound of recent months has shocked many. Given the scale of economic and earnings contraction, it seemed especially strange. But in the wake of the Lehman collapse in September 2008, the global economy and banking system also faced meltdown. Many feared a re-run of the great depression. This view failed to reckon with the powerful tools available to policymakers. Crucially, the policy responses to the pandemic have seen these tools deployed with renewed and expanded aggression.

For example, negative official interest rates are the new normal in Europe and bond investors at every maturity out to 30 years are all but paying for the privilege of loaning money to many Eurozone governments. More generally, negative real long-term interest rates are now embedded globally.

Notwithstanding how economies behave in the months ahead, in the years ahead, the likelihood that many stocks will generate positive cash flows is high. In contrast to their bond brethren, long-term stock investors will likely be well compensated for risking their capital. Historically low discount rates matter. While predicting the direction of the stock market is notoriously challenging, the return of investor optimism may prove more durable than many currently fear.

**KBI Global Investors Limited**  
**30 September 2020**

**Responsible Investment Activities Report prepared by the Investment Manager****Background Information:**

KBI Global Investors Ltd, Investment Manager to the Fund ("the firm"), has a strong commitment to Responsible Investing issues, and has managed Responsible Investment strategies for more than two decades. We have been a signatory of the United Nations (UN) Principles for Responsible Investment (PRI) since 2007. Internally we have robust Responsible Investment controls, policies and processes in place that govern our activities and a high-level Responsible Investing Committee to oversee all aspects of Responsible Investment policy and implementation (membership includes three of the five Executive Directors of the firm).

**Integration:**

Environmental and Social factors are a fundamental underpinning of our Natural Resource Strategies, grounding the investment premise for our Water, Energy Solutions, Sustainable Infrastructure and blended strategies. Our team applies its expertise to evaluate the investment implications of environmental challenges, evolving world demographics, and opportunities in environmental solutions and then integrates these assessments into the overall fundamental assessment of companies. The Environmental, Social and Governance (ESG) performance of a company is reviewed as part of our fundamental analysis of a company, and is a highly material factor in all investment (buy/sell/position sizing) decisions. We have determined, and published on our website, a list of material ESG factors which we take into account when assessing the ESG performance of a company. We engage with companies where we identify particular Environmental, Social or Governance risks or issues. We also measure the Impact of our strategies (using alignment with the United Nations Sustainable Development Goals (SDG) as a proxy), using our Revenue Aligned SDG Score ('RASS') methodology.

Responsible Investing is explicitly integrated into our Global Equity Strategies. We believe that there is a connection between dividend payments and corporate governance standards. Identifying companies with the ability to pay sustainable dividends, we believe, is a unique way to identify better governed companies, particularly in emerging markets. Firm-level corporate governance provisions matter more in countries with weaker legal environments or political instability and better governance is typically associated with higher dividend payouts. While equity investors can receive returns through capital gains or dividends, agency theory indicates that shareholders may prefer dividends, particularly when they fear expropriation by insiders; have concerns over the motivations of management; or there is a weak regulatory environment. These portfolios are constructed so that the overall ESG rating of each portfolio is materially higher than the benchmark. The Environmental, Social and Governance performance of a company is reviewed as part of our fundamental analysis of a company, and is a material factor in all investment (buy/sell/position sizing) decisions. We engage with companies where we identify particular Environmental, Social or Governance risks or issues. Some portfolios also exclude investment in certain controversial sectors as determined by the Responsible Investing committee, and exclude investments in companies that score the worst overall ESG grade ("CCC") from MSCI ESG Research.

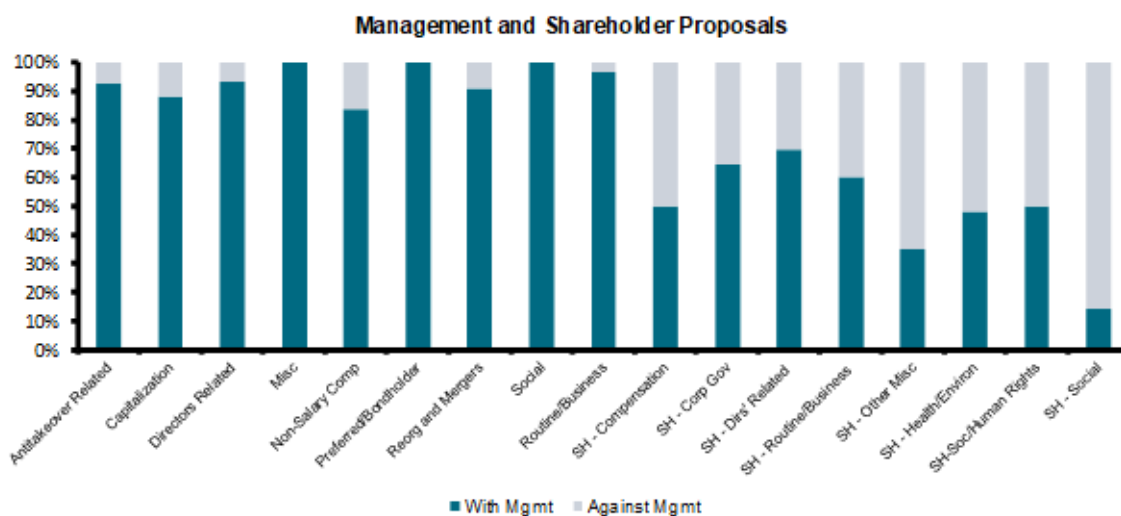
**Developments at the firm:**

- We are pleased to report that for the fourth consecutive year, the PRI (Principles for Responsible Investment) awarded us the maximum "A+" rating for all firm-wide and equity-related components (Strategy and Governance, Listed Equity – Incorporation, Listed Equity – Active Ownership) in the PRI's annual assessment of our Responsible Investment activities. The methodology and full report are available on request.
- We extended our house policy screen. All portfolios do not invest in companies involved with the manufacturing or distribution of land mines, cluster bombs, depleted uranium, biological and chemical weapons. We also do not invest in companies that repeatedly violate one or more of the ten principles of the UN Global Compact. We furthermore exclude companies which are involved in large-scale coal extraction or coal-fired electricity generation.
- We published a whitepaper on 'ESG distribution and performance', based on a region by region analysis of MSCI ESG ratings and performance.
- We now consider carbon intensity in the investment process for our Global Equity Strategies.
- We released the 2019 update of our Revenue Aligned SDG Scores, measuring the Impact of our natural resource strategies in terms of how the portfolios' revenues are aligned with achieving the United Nations Sustainable Development Goals.
- We participated in a number of collaborative engagements (more detail below), usually on the topics of climate change and the disclosure of environmental information which have been identified by us as being our strategic areas of focus for engagement, both collaboratively and on a bilateral basis.

**Responsible Investment Activities Report prepared by the Investment Manager (Continued)****Proxy Voting**

KBI Global Investors Ltd policy is to vote all securities that we are entitled to vote on behalf of our client portfolios. Proxies are voted in a manner which serves the long-term best interests of the portfolio.

In the year to September 2020, as a firm, we voted at 1001 meetings worldwide for all our strategies. We voted against management in 8.1% of all proposals, and we voted against management on 40% of shareholder proposals. Shareholder proposals are initiatives put forward by shareholders, usually requesting management to take action on particular issues.

**Engagement**

As a specialist boutique asset manager with focused resources, we endeavour to leverage relationships to engage in collective engagement when appropriate. We are members of The United Nations Principles for Responsible Investment (PRI), Climate Action 100+, The Institutional Investors Group on Climate Change (IIGCC), The Carbon Disclosure Project and the CERES (Coalition for Environmentally Responsible Economies) Investors Network on Climate Risk.

Examples of collaborative engagement over the year include:

- We continue to participate in Climate Action 100+, an initiative led by some of the biggest investors and investor networks, including the PRI and the four main European, US and Asian climate change organisations (including IIGCC and CERES), to engage with the world's largest corporate greenhouse gas emitters to curb emissions, strengthen climate-related financial disclosures and improve governance on climate change. As part of Climate Action 100+ (CA100+), we are part of the groups of investors leading engagement with a large Italian manufacturer and distributor of electricity and gas, a large Chinese oil company, a multinational chemical company and an American forest and paper company.
- We signed a CA100+ letter to the Ministry of Economy and Finance ("MOEF") of South Korea, a majority shareholder of Korea Electric Power Company ("KEPCO") on the subject of overseas coal-fired power projects that KEPCO is currently considering an investment in. A total of US\$5.86 trn AUM supported the letter.
- We signed a CA100+ lead engagement statement made at Total SA's 2020 AGM in support of Total's ambition to achieve net zero emissions by 2050 across its operations and products.
- With other investors, we wrote to Eni, to express concerns on how climate risks are treated in its annual accounts, e.g. energy price assumptions, and copied its auditors.
- We signed a PRI Statement of Investor Commitment to Support a Just Transition on Climate Change.
- We supported an investor initiative to encourage improvements in corporate practice and performance on farm animal welfare through commending good practice and encouraging poor performers to improve. Joined the Business Benchmark on Farm Animal Welfare (BBFAW). As part of BBFAW collaboration, we wrote to 150 benchmarked food companies commenting on their performance in the 2019 BBFAW assessment and suggesting ways in they can improve in the 2020 assessment.

**Responsible Investment Activities Report prepared by the Investment Manager (Continued)****Engagement (Continued)**

- We endorsed a PRI statement of investor expectations re the Responsible Sourcing of Cobalt. Cobalt is used in lithium-ion batteries that form an integral part of mobile phones, laptops and electric cars. The Democratic Republic of Congo holds close to 50% of the world's reserves. 20% of the country's cobalt is extracted by miners where serious systemic human rights violations are commonplace; including child labour, health hazards from toxic metals and lack of safety in the mines.
- We signed a PRI and CERES coordinated letter asking companies to commit and increase efforts to eliminate deforestation in their operations and supply chains in Brazil and around the globe.
- We co-signed an IIGCC letter to European Union (EU) leaders, ahead of a key EU summit meeting, requesting that the EU adopt a near-zero emissions target for 2050 at the latest.
- We co-signed an IIGCC letter to EU policymakers regarding methane emissions. We asked that a legislative proposal be drawn up which would specify a threshold for the intensity of upstream supply for all gas sold in the EU by 2025, the pursuit of a high level of accuracy in emissions measurements, and the incorporation of robust corporate disclosures to support investor confidence and decision-making.
- We joined a collaborative group working with auditors and audit committees to ask if they have included climate change risk in financial, targeted largely at fossil fuel companies. The group has received responses from Chairs/Lead Partners of audit firms. There has been significant progress with Total and Shell and BP.
- We endorsed a CERES coordinated investor statement to support the mining sector in its transition towards more responsible water management. The statement recommends various measures covering disclosure, implementation, site-level water management, accountability and collaboration.
- We signed up to a collaborative engagement initiative by the CDP, targeting high-impact companies. CDP will engage with a selected 1900 high impact companies on committing and setting Science Based Targets aligned with 1.5°C temperature scenarios and approved by the Science Based Targets Initiative.

**Statement of Alternative Investment Fund Manager's Responsibilities**

The Alternative Investment Fund Manager is KBI Fund Managers Limited (the "AIFM") is responsible for preparing the Annual Report and the Fund's Financial Statements, in accordance with applicable law and regulations.

Irish law requires the AIFM of the Fund to prepare Financial Statements for each financial year. Under that law the AIFM has elected to prepare the Financial Statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union (the "EU").

The Fund's Financial Statements are required by law and IFRSs as adopted by the EU to present fairly the financial position and performance of the Fund. The Unit Trusts Act, 1990 provides in relation to such Financial Statements that references in the relevant parts of this Act to Financial Statements giving a true and fair view are references to their achieving a fair presentation.

The Financial Statements are required by law to give a true and fair view of the state of affairs of the Fund and of the profit or loss for that year.

In preparing these Financial Statements, the AIFM is required to:

- select suitable accounting policies and then apply them consistently;
- state whether they have been prepared in accordance with IFRS as adopted by the EU;
- make judgements and estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Sub-Funds will continue in business.

The AIFM is responsible for keeping adequate accounting records which disclose, with reasonable accuracy, at any time, the financial position of the Fund and enable them to ensure that the Financial Statements comply with the Unit Trust Act, 1990 and the European Union (Alternative Investment Fund AIFMs) Regulations 2014. The AIFM is responsible for safeguarding the assets of the Fund to a depositary, Northern Trust Fiduciary Services Ireland Limited for safe keeping. The AIFM has general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities.

**Corporate Governance**

The Directors of the AIFM adopted the Irish Funds Corporate Governance Code (the "Code").

**Connected Parties**

In accordance with the Central Bank's AIF Rulebook, any transaction carried out with the Fund by its management company, depositary, investment manager or by delegates or group companies of these entities ("connected parties") must be carried out as if negotiated at arm's length. Such transactions must be in the best interests of the Unitholders. The Directors of the AIFM are satisfied that there are arrangements in place to ensure that these requirements are applied to transactions with connected parties, and that transactions with connected parties during the year complied with the requirement. In addition to those transactions, there are also transactions carried out by connected parties on behalf of the Fund in respect of which the Directors of the AIFM must rely upon assurances from its delegates that the connected parties carrying out these transactions do carry them out on a similar basis.

**Remuneration**

As part of its authorisation, the AIFM has implemented a Remuneration Policy consistent with ESMA's remuneration guidelines and in particular the provisions of Annex II of Directive 2011/61/EU. The remuneration policy is outlined in the Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) on pages 80 to 101.

The AIFM has reviewed the information in the Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures.

**Statement of Alternative Investment Fund Manager's Responsibilities (Continued)**

Signed on behalf of KBI Fund Managers Limited.

**Director:**



**Patrick Cassells**

**Director:**



**Gerard Solan**

Date: 22 January 2021

**KBI Fund Managers Limited**  
**3rd Floor**  
**2 Harbourmaster Place**  
**International Financial Services Centre**  
**Dublin 1**  
**Ireland**



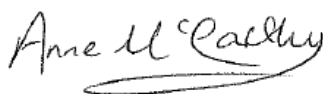
**Annual Report of the Depositary to the Unitholders of KBI Global Investment Fund**

We, Northern Trust Fiduciary Services (Ireland) Limited (“NTFSIL”), appointed Depositary to KBI Global Investment Fund (the “Fund”) provide this report solely in favour of the unitholders of the Fund for the or the period 1 October 2019 to 30 September 2020 (“Annual Accounting Period”). This report is provided in accordance with current Depositary obligation under the Central Bank of Ireland Alternative Investment Fund (the “AIF”) Rule Book, Chapter 5 (iii). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or person to whom this report is shown.

In accordance with our Depositary obligation under the AIF Rule Book, we have enquired into the conduct of the Alternative Investment Fund Manager (the “AIFM”) for this Annual Accounting Period and we hereby report thereon to the unitholders of the Fund as follows;

We are of the opinion that the Fund has been managed by the AIFM during the Annual Accounting Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Fund by the constitutional document and by the Central Bank of Ireland under the powers granted to the Central Bank of Ireland by the investment fund legislation; and
- (ii) otherwise in accordance with the provisions of the constitutional document and the investment fund legislation.



**For and on behalf of**  
**Northern Trust Fiduciary Services (Ireland) Limited**

**22 January 2021**





**KPMG  
Audit**  
1 Harbourmaster Place  
IFSC  
Dublin 1  
D01 F6F5  
Ireland

## **INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF OF THE SUB-FUNDS (AS SET OUT BELOW) OF KBI GLOBAL INVESTMENT FUND**

### **Report on the audit of the financial statements**

#### ***Opinion***

We have audited the financial statements of KBI Managed Fund, KBI Ethical Managed Fund, KBI Cash Fund, KBI Innovator Fund, KBI Integris Eurozone Equity Fund (collectively the "Sub-Funds") of KBI Global Investment Fund (the "Trust") for the year ended 30 September 2020, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Units, Statement of Cash Flows and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards ("IFRS") as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of each of the Sub-Funds as at 30 September 2020 and of their change in net assets attributable to holders of redeemable participating units for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the Unit Trusts Act 1990.

#### ***Basis for opinion***

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust and its Sub-Funds in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority ("IAASA"), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

#### ***Emphasis of matter – non-going concern basis of preparation***

We draw attention to the disclosure made in note 2 to the financial statements which explains that the financial statements are not prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

## **INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF OF THE SUB-FUNDS (AS SET OUT ABOVE) OF KBI GLOBAL INVESTMENT FUND (continued)**

### ***Other information***

The Manager is responsible for the Other Information presented in the Annual Report together with the financial statements. The Other Information comprises the information included in the Organisation, Background to the Fund, Investment Manager's Report, Responsible Investment Activities Report, Statement of AIFM's Responsibilities, Annual Depositary Report to the Unitholders of KBI Global Investment Fund, Information in respect of underlying investments (Unaudited), Schedule of Total Expense Ratios (Unaudited), Schedule of Material Portfolio Changes (Unaudited), and Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited). The financial statements and our auditor's report thereon do not comprise part of the Other Information. Our opinion on the financial statements does not cover the Other Information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the Other Information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the Other Information.

### **Respective responsibilities and restrictions on use**

#### ***Responsibilities of the Alternative Investment Fund Manager ("AIFM") for the financial statements***

As explained more fully in the AIFM's responsibilities statement set out on pages 12 and 13, the Directors of the AIFM are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Sub-Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Sub-Funds of the Trust or to cease operations, or have no realistic alternative but to do so.

#### ***Auditor's responsibilities for the audit of the financial statements***

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

A fuller description of our responsibilities is provided on IAASA's website at [https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf)



**INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF OF THE SUB-FUNDS (AS SET OUT ABOVE) OF KBI GLOBAL INVESTMENT FUND (continued)**

***The purpose of our audit work and to whom we owe our responsibilities***

Our report is made solely to the unitholders of Sub-Funds, as a body in accordance with Section 15 of the Unit Trusts Act 1990. Our audit work has been undertaken so that we might state to the Sub-Funds' unitholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Sub-Funds of the Trust and the Sub-Funds' unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

**Brian Clavin**  
**for and on behalf of**  
**KPMG**  
**Chartered Accountants, Statutory Audit Firm**  
**1 Harbourmaster Place**  
**IFSC**  
**Dublin**

**22 January 2021**

## Statement of Comprehensive Income

For the year ended 30 September 2020

	Notes	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund*	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
		Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR
<b>Income</b>						
Operating income	5	69,849	202,277	–	54	577,758
Net (losses)/gains on financial assets and liabilities held at fair value through profit or loss	6	(2,367,216)	(4,602,804)	–	1,234,347	(3,278,546)
Net currency gains/(losses)		5	1	–	(1)	381
<b>Net investment (expense)/income</b>		<u>(2,297,362)</u>	<u>(4,400,526)</u>	<u>–</u>	<u>1,234,400</u>	<u>(2,700,407)</u>
Operating expenses	7	(303,565)	(478,254)	(31,813)	(228,692)	(58,598)
<b>Net (expense)/income</b>		<u>(2,600,927)</u>	<u>(4,878,780)</u>	<u>(31,813)</u>	<u>1,005,708</u>	<u>(2,759,005)</u>
<b>Finance costs</b>						
Interest expense on financial liabilities that are not at fair value through the profit or loss		(2,233)	(679)	(29,075)	(1,150)	(1,115)
<b>Net (loss)/profit for the year before tax</b>		<u>(2,603,160)</u>	<u>(4,879,459)</u>	<u>(60,888)</u>	<u>1,004,558</u>	<u>(2,760,120)</u>
Withholding tax		–	–	–	–	(73,213)
<b>(Loss)/profit for the year after tax</b>		<u>(2,603,160)</u>	<u>(4,879,459)</u>	<u>(60,888)</u>	<u>1,004,558</u>	<u>(2,833,333)</u>
<b>(Decrease)/increase in Net Assets Attributable to Holders of Redeemable Participating Units</b>		<u><u>(2,603,160)</u></u>	<u><u>(4,879,459)</u></u>	<u><u>(60,888)</u></u>	<u><u>1,004,558</u></u>	<u><u>(2,833,333)</u></u>

\*Fund ceased trading on 23 January 2020.

There are no recognised gains or losses arising in the year other than the (decrease)/increase in Net Assets Attributable to Holders of Redeemable Participating Units of the Funds. In arriving at the results of the financial year, all amounts above relate to continuing operations with the exception of KBI Cash Fund which ceased trading on 23 January 2020.

The accompanying notes form an integral part of the Financial Statements.

## Statement of Comprehensive Income (Continued)

For the year ended 30 September 2019

	Notes	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
		Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR
<b>Income</b>						
Operating income	5	132,965	293,061	2	5	1,438,092
Net gains/(losses) on financial assets and liabilities held at fair value through profit or loss	6	1,540,913	4,348,138	–	4,261,280	(1,408,380)
Net currency losses		(1,176)	(19)	–	–	(50)
<b>Net investment income</b>		1,672,702	4,641,180	2	4,261,285	29,662
Operating expenses	7	(354,298)	(476,664)	(69,640)	(226,953)	(148,738)
<b>Net income/(expense)</b>		1,318,404	4,164,516	(69,638)	4,034,332	(119,076)
<b>Finance costs</b>						
Interest expense on financial liabilities that are not at fair value through the profit or loss		(1,166)	(652)	(84,631)	(3,752)	(1,399)
<b>Net profit/(loss) for the year before tax</b>		1,317,238	4,163,864	(154,269)	4,030,580	(120,475)
Withholding tax		–	–	–	–	(141,727)
<b>Profit/(loss) for the year after tax</b>		1,317,238	4,163,864	(154,269)	4,030,580	(262,202)
<b>Increase/(decrease) in Net Assets Attributable to Holders of Redeemable Participating Units</b>		1,317,238	4,163,864	(154,269)	4,030,580	(262,202)

There are no recognised gains or losses arising in the year other than the increase/(decrease) in Net Assets Attributable to Holders of Redeemable Participating Units of the Funds. In arriving at the results of the financial year, all amounts above relate to continuing operations.

The accompanying notes form an integral part of the Financial Statements.

## Statement of Financial Position

As at 30 September 2020

	Notes	KBI Managed Fund As at 30 September 2020 EUR	KBI Ethical Managed Fund As at 30 September 2020 EUR	KBI Cash Fund* As at 30 September 2020 EUR	KBI Innovator Fund As at 30 September 2020 EUR	KBI Integris Eurozone Equity Fund As at 30 September 2020 EUR
<b>Assets</b>						
<i>Financial assets at fair value through profit or loss</i>						
Financial assets at fair value through profit and loss	3	42,839,794	75,048,472	–	44,112,462	16,420,863
<i>Financial assets measured at amortised cost</i>						
Cash and Cash Equivalents	9	275,702	–	88,499	35	87,272
Receivables	10	3,160	1,212	2,295	1,212	3,264
<b>Total Assets</b>		<b>43,118,656</b>	<b>75,049,684</b>	<b>90,794</b>	<b>44,113,709</b>	<b>16,511,399</b>
<b>Liabilities</b>						
<i>Financial liabilities measured at amortised cost</i>						
Bank Overdraft	11	–	(1,740)	–	(10,332)	–
Payables (amounts falling due within one year)	12	(319,516)	(65,245)	(90,794)	(40,215)	(22,301)
<b>Total liabilities</b>		<b>(319,516)</b>	<b>(66,985)</b>	<b>(90,794)</b>	<b>(50,547)</b>	<b>(22,301)</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Units</b>		<b>42,799,140</b>	<b>74,982,699</b>	<b>–</b>	<b>44,063,162</b>	<b>16,489,098</b>

\*Fund ceased trading on 23 January 2020.

The accompanying notes form an integral part of the Financial Statements.

For and on behalf of the Directors of the AIFM

Director



Patrick Cassells

Director



Gerard Solan

22 January 2021

## Statement of Financial Position (Continued)

As at 30 September 2019

	Notes	KBI Managed Fund As at 30 September 2019 EUR	KBI Ethical Managed Fund As at 30 September 2019 EUR	KBI Cash Fund As at 30 September 2019 EUR	KBI Innovator Fund As at 30 September 2019 EUR	KBI Integris Eurozone Equity Fund As at 30 September 2019 EUR
<b>Assets</b>						
<i>Financial assets at fair value through profit or loss</i>						
Financial assets at fair value through profit and loss	3	55,993,684	80,828,138	19,965,800	46,393,886	33,373,454
<i>Financial assets measured at amortised cost</i>						
Cash and Cash Equivalents	9	20,519	40,799	1,386,786	849,996	157,948
Receivables	10	6,850	370	369	369	1,905
<b>Total Assets</b>		<u>56,021,053</u>	<u>80,869,307</u>	<u>21,352,955</u>	<u>47,244,251</u>	<u>33,533,307</u>
<b>Liabilities</b>						
<i>Financial liabilities measured at amortised cost</i>						
Payables (amounts falling due within one year)	12	<u>(90,988)</u>	<u>(108,216)</u>	<u>(37,696)</u>	<u>(59,006)</u>	<u>(43,566)</u>
<b>Total liabilities</b>		<u>(90,988)</u>	<u>(108,216)</u>	<u>(37,696)</u>	<u>(59,006)</u>	<u>(43,566)</u>
<b>Net Assets Attributable to Holders of Redeemable Participating Units</b>		<u><u>55,930,065</u></u>	<u><u>80,761,091</u></u>	<u><u>21,315,259</u></u>	<u><u>47,185,245</u></u>	<u><u>33,489,741</u></u>

The accompanying notes form an integral part of the Financial Statements.

## Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Units

## For the year ended 30 September 2020

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund*	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR
<b>Net Assets Attributable to Holders of Redeemable Participating Units at beginning of year</b>	55,930,065	80,761,091	21,315,259	47,185,245	33,489,741
(Decrease)/increase in net assets attributable to holders of Redeemable Participating Units	(2,603,160)	(4,879,459)	(60,888)	1,004,558	(2,833,333)
<b>Transactions with unitholders</b>					
Amounts received on issue of Redeemable Participating Units	425,762	2,015,067	2,783,324	2,984	–
Amounts paid on redemption of Redeemable Participating Units	(10,953,527)	(2,914,000)	(24,037,695)	(4,129,625)	(14,167,310)
Decrease in Net Assets resulting from Unit transactions	(10,527,765)	(898,933)	(21,254,371)	(4,126,641)	(14,167,310)
<b>Net decrease in Unitholders' funds</b>	(13,130,925)	(5,778,392)	(21,315,259)	(3,122,083)	(17,000,643)
<b>Net Assets Attributable to Holders of Redeemable Participating Units at end of year</b>	<u>42,799,140</u>	<u>74,982,699</u>	<u>–</u>	<u>44,063,162</u>	<u>16,489,098</u>

\*Fund ceased trading on 23 January 2020.

The accompanying notes form and integral part of the Financial Statements.

## For the year ended 30 September 2019

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR
<b>Net Assets Attributable to Holders of Redeemable Participating Units at beginning of year</b>	58,429,767	76,184,346	22,412,850	52,631,460	32,398,373
Increase/(decrease) in net assets attributable to holders of Redeemable Participating Units	1,317,238	4,163,864	(154,269)	4,030,580	(262,202)
<b>Transactions with unitholders</b>					
Amounts received on issue of Redeemable Participating Units	212,728	2,876,881	12,298,187	39,331	2,220,951
Amounts paid on redemption of Redeemable Participating Units	(4,029,668)	(2,464,000)	(13,241,509)	(9,516,126)	(867,381)
(Decrease)/increase in Net Assets resulting from Unit transactions	(3,816,940)	412,881	(943,322)	(9,476,795)	1,353,570
<b>Net (decrease)/increase in Unitholders' funds</b>	(2,499,702)	4,576,745	(1,097,591)	(5,446,215)	1,091,368
<b>Net Assets Attributable to Holders of Redeemable Participating Units at end of year</b>	<u>55,930,065</u>	<u>80,761,091</u>	<u>21,315,259</u>	<u>47,185,245</u>	<u>33,489,741</u>

The accompanying notes form an integral part of the Financial Statements.



## Statement of Cash Flows

For the year ended 30 September 2020

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund*	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR
<b>Cash flows from operating activities</b>					
Proceeds from sale of investments	17,908,330	11,905,552	44,174,752	5,716,128	26,393,554
Purchase of investments	(7,121,656)	(10,728,690)	(24,208,952)	(2,200,358)	(12,719,509)
Dividends received	69,793	202,186	–	–	504,621
Other income	56	91	–	54	22
Operating expenses paid	(344,441)	(522,070)	(50,377)	(247,655)	(81,302)
<b>Net cash inflow from operating activities</b>	<b>10,512,082</b>	<b>857,069</b>	<b>19,915,423</b>	<b>3,268,169</b>	<b>14,097,386</b>
<b>Cash flows from financing activities</b>					
Interest paid	(2,276)	(676)	(36,333)	(1,635)	(1,133)
<b>Unit transactions</b>					
Amounts received on issue of Redeemable Participating Units	425,762	2,015,067	2,783,324	2,984	–
Amounts paid on redemption of Redeemable Participating Units	(10,680,390)	(2,914,000)	(23,960,701)	(4,129,810)	(14,167,310)
<b>Net cash outflow from financing activities</b>	<b>(10,256,904)</b>	<b>(899,609)</b>	<b>(21,213,710)</b>	<b>(4,128,461)</b>	<b>(14,168,443)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>255,178</b>	<b>(42,540)</b>	<b>(1,298,287)</b>	<b>(860,292)</b>	<b>(71,057)</b>
Cash and cash equivalents at beginning of year**	20,519	40,799	1,386,786	849,996	157,948
Exchange gain/(loss) on cash and cash equivalents	5	1	–	(1)	381
<b>Cash and cash equivalents at end of year**</b>	<b>275,702</b>	<b>(1,740)</b>	<b>88,499</b>	<b>(10,297)</b>	<b>87,272</b>

\*Fund ceased trading on 23 January 2020.

\*\*Cash and cash equivalents include cash at bank, cash in hand and bank overdrafts.

The accompanying notes form an integral part of the Financial Statements.

## Statement of Cash Flows (Continued)

For the year ended 30 September 2019

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR
<b>Cash flows from operating activities</b>					
Proceeds from sale of investments	8,827,740	12,043,398	137,106,675	17,376,845	25,387,511
Purchase of investments	(4,717,499)	(12,302,715)	(135,119,955)	(7,285,063)	(27,824,894)
Interest received	—	293,053	—	—	—
Dividends received	121,908	—	—	—	1,296,264
Other income	11,057	8	2	5	3
Operating expenses paid	(343,678)	(468,925)	(65,945)	(238,861)	(144,810)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>3,899,528</b>	<b>(435,181)</b>	<b>1,920,777</b>	<b>9,852,926</b>	<b>(1,285,926)</b>
<b>Cash flows from financing activities</b>					
Interest paid	(1,370)	(705)	(87,875)	(3,311)	(1,349)
<b>Unit transactions</b>					
Amounts received on issue of Redeemable Participating Units	212,728	2,876,881	12,298,187	39,331	2,220,951
Amounts paid on redemption of Redeemable Participating Units	(4,029,668)	(2,464,000)	(13,241,509)	(9,615,941)	(867,381)
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(3,818,310)</b>	<b>412,176</b>	<b>(1,031,197)</b>	<b>(9,579,921)</b>	<b>1,352,221</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>81,218</b>	<b>(23,005)</b>	<b>889,580</b>	<b>273,005</b>	<b>66,295</b>
Cash and cash equivalents at beginning of year*	(59,523)	63,823	497,206	576,991	91,703
Exchange loss on cash and cash equivalents	(1,176)	(19)	—	—	(50)
<b>Cash and cash equivalents at end of year*</b>	<b>20,519</b>	<b>40,799</b>	<b>1,386,786</b>	<b>849,996</b>	<b>157,948</b>

\*Cash and cash equivalents include cash at bank, cash in hand and bank overdrafts.

The accompanying notes form an integral part of the Financial Statements.

**Notes to the Financial Statements****For the year ended 30 September 2020****1. Background to the Fund**

The KBI Global Investment Fund (the "Fund") was constituted on 22 December 2000, as an open-ended umbrella Unit Trust authorised by the Central Bank of Ireland pursuant to the provisions of the Unit Trusts Act, 1990. With effect from 22 July 2014 the Alternative Investment Fund Managers (the "AIFM") was authorised by the Central Bank as an AIFM pursuant to the European Union Regulations 2013. The Fund is a Retail Investor Alternative Investment Fund ("AIF") in accordance with the AIF Rulebook issued by the Central Bank. The Fund is authorised by the Central Bank to market its units to Retail Investors.

The Fund is structured as an umbrella fund, in that different series of units (each allocated to a particular Sub-Fund) may be issued from time to time by the Directors of the AIFM with the approval of the Central Bank of Ireland. Each Sub-Fund may issue several sub-classes of units whose respective rights may differ in that different fee structures may be applicable to each of such sub-classes.

KBI Cash Fund ceased trading on 23 January 2020.

**2. Significant Accounting Policies****a) Basis of Preparation**

These Financial Statements for the year ended 30 September 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and Irish Statute comprising the Unit Trust Act, 1990.

In preparing the Statement of Cash Flows under IFRS, cash and cash equivalents include cash at bank and in hand, highly liquid interest bearing securities with original maturities of three months or less and bank overdrafts.

The preparation of Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The Manager hopes to be in a position to contact investors in the remaining Sub-Funds of the Trust during the financial year to end September 2021 concerning its plans to move all the assets of each Sub-Fund to similar Sub-Funds within another, larger KBI fund structure which is also managed by KBI Global Investors Limited. The Manager therefore expects that all Sub-Funds of the Trust will cease trading within the next 12 months.

The Financial Statements have therefore been prepared on a non-going concern basis.

**International Financial Reporting Standards**

These Financial Statements have been prepared on standards and amendments to existing standards effective 1 October 2019.

**New standards, amendments and interpretations effective for year beginning on or after 1 October 2019.****IFRIC Interpretation 23, 'Uncertainty over Income Tax Treatments; ("IFRIC 23")**

IFRIC 23 is effective for annual reporting periods beginning on or after 1 January 2019 and aims to clarify how to reflect uncertainty in the recognition and measurement of income taxes under IAS 12.

An assessment has been carried out by the Investment Manager and the new standard does not have a significant impact on the Fund's financial position, performance or disclosures in its Financial Statements.

There are no other new standards, amendments or interpretations issued but are not yet effective that would be expected to have a significant impact on the Fund.

**Comparative Figures**

The comparative figures for the Financial Statements are for the year ended 30 September 2019. The formats of comparative disclosures have been amended to be consistent with the current year format of presentation.

**Notes to the Financial Statements (Continued)****For the year ended 30 September 2020****2. Significant Accounting Policies (Continued)****b) Financial Assets and Liabilities at Fair Value through Profit or Loss****i) Classification, Recognition and Derecognition**

The Fund recognises financial assets and financial liabilities when all significant rights and access to the benefits from the assets and the exposure to the risks inherent in those benefits are transferred to the Fund. The Fund derecognises financial assets and financial liabilities when all such benefits and risks are transferred from the Fund.

On initial recognition, the Fund classifies financial assets as measured at amortised cost or Financial Assets and Liabilities at Fair Value through Profit or Loss ("FVTPL").

A financial asset is measured at amortised cost only if both of the following criteria are met:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest.

All other financial assets of the Fund are measured at FVTPL.

**Business model assessment**

In making an assessment of the objective of the business model in which a financial asset is held, the Fund considers all of the relevant information about how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the investment manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Fund's continuing recognition of the assets.

The Fund has determined that it has two business models.

- Held-to-collect business model: this includes cash and cash equivalents, balances due from brokers and receivables from reverse sale and repurchase agreements. These financial assets are held to collect contractual cash flow.
- Other business model: this includes equity investments, P-notes and derivatives. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

Financial assets that are classified as amortised cost include cash, cash equivalents and debtors.

Financial liabilities that are classified as amortised cost include bank overdraft and creditors.

A regular purchase of financial assets is recognised using trade date accounting. From this date, any gains and losses, arising from changes in fair value of the financial assets or financial liabilities, are recorded in the Statement of Comprehensive Income.

**Contractual Cash Flow**

Solely payments of principal and interest ("SPPI") are not applicable when assessing whether the contractual cash flows are SPPI.

**Notes to the Financial Statements (Continued)****For the year ended 30 September 2020****2. Significant Accounting Policies (Continued)****b) Financial Assets and Liabilities at Fair Value through Profit or Loss (Continued)****ii) Measurement**

Financial instruments are measured initially at fair value (transaction price) plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately, while on other financial instruments they are amortised.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income in the period which they arise. Realised gains and losses on investments are calculated using average cost.

Financial assets classified as loans and receivables are carried at amortised cost using the effective interest rate method, less impairment, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate method.

Financial liabilities, arising from the Redeemable Participating Units issued by the Sub-Fund, are carried at the redemption amount representing the Investors' right to a residual interest in the Sub-Fund's assets.

**iii) Fair Value Measurement Principles**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date.

Securities listed on several Recognised Exchanges shall be valued on the basis of the closing mid-market price or (if this is not available) last available quoted bid-price as the Valuation Point for the relevant Valuation Day on the stock exchange or market which in the opinion of the AIFM or its delegate constitutes the main market for such assets for the foregoing purposes.

Securities which are not listed or which are listed but in respect of which prices are not available or in respect of which the closing mid-market price or last available price does not in the opinion of the AIFM or its delegate represent fair market value in the relevant market as at the Valuation Point for the relevant Valuation Day shall be valued at their probable realisation value estimated with care and in good faith by (i) the AIFM or the External Valuer or (ii) a competent person, firm or corporation (including the Investment Manager) selected by the AIFM. Where reliable market quotations are not available for fixed income securities the value of such securities may be determined using matrix methodology compiled by the AIFM whereby such securities are valued by reference to the valuation of other securities which are comparable in rating, yield, due date and other characteristics.

Units in investment funds shall be valued by reference to the latest net asset value of the units of the relevant investment fund available at the time of the production of the Net Asset Value of the relevant Sub-Fund provided that if the net asset value published or provided does not, in the opinion of the AIFM, reflect the fair value or is not available, the value shall be the probable realisable value estimated with care and in good faith by the AIFM in consultation with such competent person selected by the AIFM or the External Valuer.

In situations where the redemption period is greater than 90 days or the investment is not redeemable with the investee due to the imposition of a gate, sidepockets or other contractual limitation, net asset value may not necessarily approximate to fair value as the redemption period is not considered to be regular and frequent. Therefore these limitations are significant unobservable inputs which considered by management in the determination of an appropriate fair value. These investments are classified as Level 3 in the fair value hierarchy.

Time Deposits are classified as level 2 as they are approximated at fair value.

Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer. Realised gains and losses on investment disposals are calculated using the average cost method.

**Notes to the Financial Statements (Continued)****For the year ended 30 September 2020****2. Significant Accounting Policies (Continued)****b) Financial Assets and Liabilities at Fair Value through Profit or Loss (Continued)****iii) Fair Value Measurement Principles (Continued)**

The Sub-Fund's investments in other investment funds ('Investee Funds') are subject to the terms and conditions of the respective Investee Fund's offering documentation. The management reviews the details of the reported information obtained from the Investee Funds and considers:

- the liquidity of the Investee Fund or its underlying investments;
- the value date of the net asset value (NAV) provided;
- any restrictions on redemptions; and
- the basis of accounting and, in instances where the basis of accounting is other than fair value, fair estimation information provided by the Investee Fund's advisors.

**iv) Impairment**

Financial assets not classified at FVTPL were assessed at each reporting date to determine whether there was objective evidence of impairment. A financial asset or a group of financial assets was 'impaired' if there was objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset(s) and that loss event(s) had an impact on the estimated future cash flows of that asset(s) that could be estimated reliably.

Objective evidence that financial assets were impaired included significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of the amount due on terms that the Fund would not otherwise consider, indications that a borrower or issuer would enter bankruptcy, disappearance of an active market for a security or adverse changes in the payment status of the borrower.

An impairment loss in respect of a financial asset measured at amortised cost was calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses were recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continued to be recognised. If an event occurring after the impairment was recognised caused the amount of impairment loss to decrease, then the decrease in impairment loss was reversed through profit or loss.

The Fund recognises loss allowances for Expected Credit Loss ("ECLs") on financial assets measured at amortised cost.

The Fund measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

The Fund assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Fund considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Fund in full, without recourse by the Fund to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

**Notes to the Financial Statements (Continued)****For the year ended 30 September 2020****2. Significant Accounting Policies (Continued)****b) Financial Assets and Liabilities at Fair Value through Profit or Loss (Continued)****iv) Impairment (Continued)**

The Fund considers a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Fund is exposed to credit risk.

**Measurement of ECLs**

The Fund is obliged to recognise loss allowances for Expected Credit Losses on financial assets measured at amortised cost. While this could potentially impact losses on financial assets such as Cash and Cash Equivalents, Debtors and Bank Overdraft, the overall impact is not considered material.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

A credit event does not need to have occurred before credit losses are recognised. This model applies to the Funds' financial assets excluding investments held at FVTPL. The assets do not have a history of credit risk or expected future recoverability issues, therefore under the expected credit loss model there is no impairment to be recognized.

**Presentation of allowance for ECLs in the statement of financial position**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

**c) Cash and Cash Equivalent**

Cash and cash equivalent comprises cash at bank, cash in hand and bank overdraft. Deposits are measured at amortised cost. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

**d) Operating Income**

Dividends, gross of foreign withholding taxes, where applicable, are included as operating income in the Statement of Comprehensive Income when the security is declared to be ex-dividend. Bank interest income is accounted for on an accruals basis. Interest income on fixed and floating rate securities is accounted for on an effective yield basis.

**e) Fees and Charges**

In accordance with the Trust Deed, management fees, depositary fees, administration fees, directors' fees and other operating expenses are charged to the Statement of Comprehensive Income on an accruals basis.

**f) Redeemable Participating Units**

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

Redeemable Participating Units provide investors with the right to require redemption for cash at a value proportionate to the investors units in the Sub-Fund's net assets at each redemption date and also in the event of the Sub-Fund's liquidation.



**Notes to the Financial Statements (Continued)****For the year ended 30 September 2020****2. Significant Accounting Policies (Continued)****f) Redeemable Participating Units (Continued)**

A puttable financial instrument that includes a contractual obligation for the Sub-Fund to repurchase or redeem that instrument for cash or another financial asset is classified as equity if it meets all of the following conditions:

- It entitles the holder to a pro rata unit of the Sub-Fund's net assets in the event of the Sub-Fund's liquidation;
- It is in the class of instruments that is subordinate to all other classes of instruments;
- All financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- Apart from the contractual obligation for the Sub-Fund to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any other features that would require classification as a liability; and
- The total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value in the recognised and unrecognised net assets of the Sub-Fund over the life of the instrument.

Incremental costs directly attributable to the issue or redemption of redeemable units are recognised directly in equity as a deduction from the proceeds or part of the acquisition cost.

Redeemable Participating Units in the remaining Sub-Funds are redeemable at the unitholders' option and are classified as financial liabilities. These units are carried at their redemption amount that is payable if the investor exercised its right to put the units back to the Sub-Fund. Any distributions on these participating units are recognised in the Statement of Comprehensive Income as finance costs.

**g) Gains and Losses on Investments**

Realised gains or losses on disposal of investments during the year and unrealised gains and losses on valuation of investments held at the year end and anti dilution levy are included in Net gains and losses on financial assets and liabilities at fair value through profit or loss with in the Statement of Comprehensive Income.

**h) Taxation**

Capital gains tax may apply to realised gains on investments, dividend and interest income received by the Sub-Funds may be subject to withholding tax imposed in the country of origin. Investment income is recorded gross of such taxes.

The Sub-Funds themselves are not subject to Irish tax on its income and gains due to the tax exempt status of the underlying Unitholders and on the basis that they have provided appropriate documentation to the Sub-Funds.

**i) Foreign Currency Exchange**

The functional currency of the Sub-Funds is Euro. The AIFM has determined that this reflects the Sub-Funds' primary economic environment, as the majority of the Sub-Funds' Net Assets Attributable to Holders of Redeemable Participating Units are in Euro.

Foreign exchange gains and losses on financial assets and financial liabilities at fair value through profit and loss are recognised together with other changes in the fair value. Net currency gains/(losses) are net foreign exchange gains and losses on monetary financial assets and liabilities other than those classified at fair value through profit or loss are recognised separately in the Statement of Comprehensive Income.

Monetary assets and liabilities denominated in foreign currencies, other than the functional currency of the Sub-Funds, have been translated at the rate of exchange ruling at 30 September 2020. Non monetary assets and liabilities denominated in foreign currencies are translated to Euro at the foreign currency exchange rate ruling at the dates that the values were determined. Gains and losses on foreign exchange transactions are recognised in the Statement of Comprehensive Income in determining the result for the year.

The Sub-Funds have adopted the Euro as the presentation currency.



**Notes to the Financial Statements (Continued)****For the year ended 30 September 2020****2. Significant Accounting Policies (Continued)****j) Estimates**

The preparation of Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. For the year ended 30 September 2020 and 2019 estimates have been required for the valuation of investments.

**k) Structured entities and cross investments**

In accordance with IFRS 10 "Consolidated Financial Statements", the Sub-Funds are considered investment entities as they obtain funds from multiple investors for investment management purposes and measure the performance of substantially all of their investments on a fair value basis. As such, the Sub-Funds do not consolidate any of their investments in other funds. However, the Sub-Funds consider all of their investments in other funds ("Underlying Funds") to be investments in structured entities because the Underlying Funds have the following features:

- restricted activities
- a narrow and well-defined objective to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the Underlying Funds to investors.

The Sub-funds invest in Underlying Funds with a range of objectives. The Underlying Funds are managed by unrelated asset managers, with the exception of those disclosed in Note 16, and apply various investment strategies to accomplish their respective investment objectives.

The change in fair value of each Underlying Fund is included in the Statement of Comprehensive Income in the line item Net gains/(losses) on financial assets and financial liabilities held at fair value through profit or loss. The Sub-Funds recognise any gains and losses arising from changes in the fair values of the underlying funds in the Statement of Comprehensive Income in the period in which it arises. The Sub-fund's exposure to loss from its interests in unconsolidated structured entities is the credit risk in relation to investments in investment funds as disclosed in Note 3.

The carrying amounts of the Sub-Funds' interests in unconsolidated structured entities are the fair values of the investments in Underlying Funds as shown in the schedules of investments and are included in the Statement of Financial Position in the line item 'Financial assets at fair value through profit or loss'.

Investments by Sub-Funds within the umbrella investment in the units of other Sub-Funds within the umbrella are identified from the Schedules of Investments. Further details on cross investments are disclosed in Note 22 of these Financial Statements.

**l) Transaction Costs**

Transaction costs are costs incurred to acquire or dispose of financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs are expensed in the Statement of Comprehensive Income.

**3. Financial Risk Management****Strategy in using Financial Instruments**

The Fund consists of a series of Sub-Funds, four of which are trading as at 30 September 2020. The investment objectives of these Sub-Funds are summarised in the "Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures" on pages 80 to 101.

In pursuing its investment objectives, the Fund is exposed to a variety of financial risks: market risk (including market price risk, interest rate risk and currency risk), credit risk and liquidity risk that could result in a reduction in the Fund's net assets. The Fund's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

Risk is managed by the Investment Manager under policies approved by management.

**Notes to the Financial Statements (Continued)****For the year ended 30 September 2020****3. Financial Risk Management (Continued)****Strategy in using Financial Instruments (Continued)**

The nature and extent of the financial instruments outstanding at the Statement of Financial Position date and the risk management policies employed by the Fund are discussed below.

**Procedures for risk assessment, mitigation and management**

Day-to-day risk management is undertaken by the Investment Manager, as detailed in the sections below. Risk management issues are reported separately to the AIFM by the Administrator and Depositary quarterly.

The Sub-Funds are subject to a number of investment restrictions imposed by external regulators or self-imposed by the prospectus and Trust Deed. These restrictions are intended to reduce the risks associated with the Sub-Funds' financial instruments. The Depositary periodically carries out investment restriction reviews and reports any breaches identified by the Depositary or notified to the Depositary within each reporting period. The Investment Manager also reports monthly to the AIFM on whether the Sub-Funds have been operated in accordance with the investment guidelines as defined in the prospectus as well as any self-imposed limitations.

**Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and market price risk.

The Investment Manager moderates market risk through a careful selection of securities and other financial instruments within specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Sub-Funds' overall market positions are monitored on a daily basis by the Investment Manager and are reviewed on a regular basis by the Directors of the AIFM. As detailed in the Prospectus there are investment restrictions on holdings of securities that the Sub-Funds can have.

**(a) Market Price Risk**

Market price risk is the risk that the fair value of investments or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Sub-Funds' investments in equities, investment funds, bonds and managed funds are susceptible to market price risk arising from uncertainties about future prices of the instruments.

The Directors of the Manager have delegated the management of the market price risks inherent in the investment portfolio to the Investment Manager. The Directors of the Manager reviews investment performance and overall market positions quarterly. The Directors of the Manager monitor the Investment Manager's compliance with the Sub-Funds' objectives. There were no material changes to the Fund's policies and processes for managing market price risk and the methods and assumptions used to measure risk during the year.

Details of the nature of the Sub-Funds' investment portfolios at the statement of financial position date are disclosed in the Schedule of Investments on pages 71 to 74.

**Market price risk - Sensitivity analysis**

It is the Investment Manager's expectation that the prices of securities could fluctuate as follows in the coming year: Equity and Investment Fund Funds by 30% (30 September 2019: 30%), and the Cash Fund and cash equivalents by 4% (30 September 2019: 4%).

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

## 3. Financial Risk Management (Continued)

## (a) Market Price Risk (Continued)

## Market price risk - Sensitivity analysis (Continued)

If the prices increased in line with the Investment Manager's expectations, this would increase net assets attributable to holders of redeemable participating units in the Sub-Funds as follows:

As at 30 September 2020

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	EUR	EUR	EUR	EUR
<b>Investment assets</b>				
Investment in equities	–	–	–	4,926,259
Investment funds	12,851,938	22,514,542	13,233,739	–
<b>Total Investment assets</b>	<u>12,851,938</u>	<u>22,514,542</u>	<u>13,233,739</u>	<u>4,926,259</u>

KBI Cash Fund ceased trading on 23 January 2020.

Conversely, if prices fell in line with Investment Manager expectations, with all other variables held constant, this would decrease Net Assets Attributable to Holders of Redeemable Participating Units of the Sub-Funds by an equal and opposite amount. In practice, actual results may differ from the above sensitivity analysis and these differences may be material.

As at 30 September 2019

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	EUR	EUR	EUR	EUR	EUR
<b>Investment assets</b>					
Investment in equities	–	–	–	–	10,012,036
Investment funds	16,798,105	24,248,441	–	13,918,166	–
Investments in Time Deposits	–	–	798,632	–	–
<b>Total Investment assets</b>	<u>16,798,105</u>	<u>24,248,441</u>	<u>798,632</u>	<u>13,918,166</u>	<u>10,012,036</u>

Conversely, if prices fell in line with Investment Manager expectations, with all other variables held constant, this would decrease Net Assets Attributable to Holders of Redeemable Participating Units of the Sub-Funds by an equal and opposite amount. In practice, actual results may differ from the above sensitivity analysis and these differences may be material.

## (b) Interest Rate Risk

The Sub-Funds' interest bearing financial assets and liabilities expose them to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial position and cash flows. Any excess cash and cash equivalents are invested at short term market interest rates. Interest rate risk is managed, in part, by the security selection process of the Investment Manager which includes predictions of future events and their impact on interest rates, diversification and duration. All investments must be investment grade or above. In accordance with Fund policy, the Investment Manager monitors the Sub-Funds' overall interest sensitivity on a daily basis, and incidents are reported to the Board of Directors on an exception basis. There were no material changes to the Fund's policies and processes for managing interest rate risk and the methods used to measure risk since the prior year end.

As at the Statement of Financial Position date, no Sub-Funds have significant exposure to interest rate risk.

KBI Cash Fund ceased trading on 23 January 2020, so interest rate risk is minimal as at 30 September 2020.

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

## 3. Financial Risk Management (Continued)

## (b) Interest Rate Risk (Continued)

The tables below summarise the Funds' exposure to interest rate risks. It includes the Funds' assets and liabilities at fair values, categorised by the earlier of contractual re-pricing or maturity dates.

**KBI Cash Fund**  
**As at 30 September 2019**

	Less than 1 month EUR	1-3 months EUR	3 months - 1 year EUR	1 -5 years EUR	>5 years EUR	Non-interest bearing EUR	Total EUR
<b>Assets</b>							
Designated at fair value through Profit and Loss:							
Time Deposits	11,327,462	-	8,638,338	-	-	-	19,965,800
Debtors	-	-	-	-	-	369	369
Cash Deposits	1,386,786	-	-	-	-	-	1,386,786
<b>Total assets</b>	<u>12,714,248</u>	<u>-</u>	<u>8,638,338</u>	<u>-</u>	<u>-</u>	<u>369</u>	<u>21,352,955</u>
<b>Liabilities</b>							
Accrued expenses	-	-	-	-	-	37,696	37,696
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,696</u>	<u>37,696</u>
<b>Total interest sensitivity gap</b>	<u>12,714,248</u>	<u>-</u>	<u>8,638,338</u>	<u>-</u>	<u>-</u>		

As at 30 September 2019, should Euro interest rates have decreased by 100 basis points with all other variables remaining constant, the increase in net assets attributable to holders of redeemable participating units for the year would amount to approximately €199,658, arising substantially from the increase in market values of debt securities. If Euro interest rates had risen by 100 basis points, the increase in net assets would amount to approximately €199,658. In practice, actual trading results may differ from the above sensitivity analysis and these differences may be material.

## (c) Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Certain of the Sub-Funds' assets, liabilities and income are denominated in currencies other than their functional currency, Euro. They are, therefore, exposed to currency risk as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. Income denominated in foreign currencies is converted to the functional currency on receipt.

In accordance with the Fund's policy, the Investment Manager monitors the Sub-Funds' currency position on a daily basis and incidents are reported to the Board of Directors on an exception basis. There were no material changes to the Fund's policies and processes for managing currency risk and the methods used to measure risk during the year.

The Sub-Funds may enter into currency exchange transactions in an attempt to protect against changes in currency exchange rates between the trade and settlement dates of specific securities transactions or anticipated securities transactions. The Sub-Funds may also enter into forward foreign currency contracts to hedge against a change in such currency exchange rates that would cause a decline in the value of existing investments denominated or principally traded in a currency other than the base currency of the Sub-Funds. To do this the Sub-Funds would enter into a forward contract to sell the currency in which the investment is denominated or principally traded in exchange for the base currency of the Sub-Funds. No such transactions were entered into during the year.

All investments in the Sub-Funds have underlying inherent foreign currency exposure which is not disclosed in this note.

The information below detail the remaining Sub-Funds' exposure to currency risks as at 30 September 2020. All figures are stated in Euro.

KBI Managed Fund has GBP exposure of less than €500, hence the figure is zero when rounded to the nearest €'000.

KBI Managed Fund has USD exposure of less than €500, hence the figure is zero when rounded to the nearest €'000.

KBI Ethical Managed Fund has GBP exposure of less than €500, hence the figure is zero when rounded to the nearest €'000.

KBI Cash Fund ceased trading on 23 January 2020.

KBI Innovator Fund has GBP exposure of less than €500, hence the figure is zero when rounded to the nearest €'000.

**Notes to the Financial Statements (Continued)****For the year ended 30 September 2020****3. Financial Risk Management (Continued)****(c) Currency Risk (Continued)**

KBI Integris Eurozone Equity Fund has GBP exposure of less than €500, hence the figure is zero when rounded to the nearest €'000.

The information below details the remaining Sub-Funds' exposure to currency risks as at 30 September 2019. All figures are stated in Euro.

KBI Managed Fund has GBP exposure of less than €500, hence the figure is zero when rounded to the nearest €'000.

KBI Managed Fund has USD exposure of less than €500, hence the figure is zero when rounded to the nearest €'000.

KBI Ethical Managed Fund has GBP exposure of less than €500, hence the figure is zero when rounded to the nearest €'000.

KBI Cash Fund has GBP exposure of less than €500, hence the figure is zero when rounded to the nearest €'000.

KBI Innovator Fund has GBP exposure of less than €500, hence the figure is zero when rounded to the nearest €'000.

**KBI Integris Eurozone Equity Fund\***

	<b>Total</b>	<b>GBP</b>	<b>USD</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Non Monetary Assets	34	–	34
Net Currency Exposure	34	–	34

\*Fund has GBP exposure of less than €500, hence the figure is zero when rounded to the nearest €'000.

*Currency risk - Sensitivity analysis*

At the Statement of Financial Position date, had the Euro decreased by 15% (30 September 2019: 15%) in relation to all currencies, with all other variables held constant, net assets attributable holders of redeemable participating units and the change in net assets attributable to holders of redeemable participating units, would have increased by the amounts shown below:

KBI Managed Fund has GBP & USD exposure of less than €500, hence the figure is zero for the sensitivity analysis when rounded to the nearest €'000 as at 30 September 2020 and 30 September 2019.

KBI Ethical Managed Fund has GBP exposure of less than €500, hence the figure is zero for the sensitivity analysis when rounded to the nearest €'000 as at 30 September 2020 and 30 September 2019.

KBI Cash Fund ceased trading on 23 January 2020.

KBI Innovator Fund has GBP exposure of less than €500, hence the figure is zero for the sensitivity analysis when rounded to the nearest €'000 as at 30 September 2020 and 30 September 2019.

KBI Integris Eurozone Equity Fund has GBP & USD exposure of less than €500, hence the figure is zero for sensitivity analysis when rounded to the nearest €'000 as at 30 September 2020.

**KBI Integris Eurozone Equity Fund\***

	<b>Total</b>	<b>GBP</b>	<b>USD</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
As at 30 September 2019	5	–	5

\*Fund has GBP exposure of less than €500, hence the figure is zero for sensitivity analysis when rounded to the nearest €'000 as at 30 September 2019.

**(d) Credit Risk**

The Fund takes on exposure to credit risk, which is the risk that a counterparty or an issuer will be unable to pay amounts in full when due. Impairment provisions are provided for losses that have been incurred by the statement of financial position date, if any.

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

## 3. Financial Risk Management (Continued)

## (d) Credit Risk (Continued)

Sub-Funds which invest in Eurozone bonds and equities are exposed to additional risks to which they were not exposed prior to the Eurozone debt crisis. With each passing year the impact of the European debt crisis wanes but it remains a material factor in assessing credit risk associated with these investment holdings. Allocation to European Sovereign debt is actively monitored and managed by the Investment Manager.

The carrying amounts of financial assets best represent the maximum credit risk exposure at the Statement of Financial Position date. This relates also to financial assets carried at amortised cost, as they have a short-term to maturity. In accordance with Fund policy, the Investment Manager monitors the Sub-Funds' overall credit risk on a daily basis, and the Board of the AIFM review it on a regular basis. There were no material changes to the Fund's policies and processes for managing credit risk and the methods used to measure risk since the prior year end.

As at 30 September 2020, the Sub-Funds' financial assets exposed to credit risk amounted to the following:

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund*	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	As at 30 September 2020	As at 30 September 2020	As at 30 September 2020	As at 30 September 2020	As at 30 September 2020
	EUR	EUR	EUR	EUR	EUR
Investment in Investment Funds	42,839,794	75,048,472	–	44,112,462	–
Cash and cash equivalents	275,702	–	88,499	35	87,272
Receivables	3,160	1,212	2,295	1,212	3,264
	<u>43,118,656</u>	<u>75,049,684</u>	<u>90,794</u>	<u>44,113,709</u>	<u>90,536</u>

\*Fund ceased trading on 23 January 2020.

The Fund has an uncommitted borrowing facility of €10m repayable on demand and subject to periodic review (30 September 2019: €10m).

As at 30 September 2019, the Sub-Funds' financial assets exposed to credit risk amounted to the following:

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	As at 30 September 2019	As at 30 September 2019	As at 30 September 2019	As at 30 September 2019	As at 30 September 2019
	EUR	EUR	EUR	EUR	EUR
Investment in Investment Funds	55,993,684	80,828,138	–	46,393,886	–
Investments in Time Deposits	–	–	19,965,800	–	–
Cash and cash equivalents	20,519	40,799	1,386,786	849,996	157,948
Receivables	6,850	370	369	369	1,905
	<u>56,021,053</u>	<u>80,869,307</u>	<u>21,352,955</u>	<u>47,244,251</u>	<u>159,853</u>

The amounts in the above tables are based on the carrying value of all accounts which are presented as the gross principal amount.

Northern Trust Fiduciary Services (Ireland) Limited (“NTFSIL”) is the appointed Depositary of the Fund, responsible for the safe-keeping of assets. NTFSIL has appointed The Northern Trust Company (“TNTC”) as its global sub-custodian. Both NTFSIL and TNTC are wholly owned subsidiaries of Northern Trust Corporation (“NTC”). As at year-end date 30 September 2020, NTC had a long term credit rating from Standard & Poor's of A+ (30 September 2019: A+).

TNTC (as global sub-custodian of NTFSIL) does not appoint external sub-custodians within the U.S., the U.K., Ireland and Canada. However, in all other markets, TNTC appoints local external sub-custodians.

NTFSIL, in the discharge of its depositary duties, verifies the Fund's ownership of Other Assets, (as defined under Other Assets, Art 21 (8) (b) of Directive 2011/61/EU), by assessing whether the Fund holds the ownership based on information or documents provided by the Fund or where available, on external evidence.



**Notes to the Financial Statements (Continued)****For the year ended 30 September 2020****3. Financial Risk Management (Continued)****(d) Credit Risk (Continued)**

TNTC, in the discharge of its delegated depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of TNTC and (ii) all financial instruments that can be physically delivered to TNTC. TNTC ensures all financial instruments (held in a financial instruments account on the books of TNTC) are held in segregated accounts in the name of the Fund, clearly identifiable as belonging to the Fund, and distinct and separately from the proprietary assets of TNTC, NTFSIL and NTC.

In addition TNTC, as banker, holds cash of the Fund on deposit. Such cash is held on the Statement of Financial Position of TNTC. In the event of insolvency of TNTC, in accordance with standard banking practice, the Fund will rank as an unsecured creditor of TNTC in respect of any cash deposits.

Insolvency of NTFSIL and or one of its agents or affiliates may cause the Fund's rights with respect to its assets to be delayed

The Responsible Party manages risk by monitoring the credit quality and financial position of the Depositary and such risk is further managed by the Depositary monitoring the credit quality and financial positions of sub-custodian appointments.

**Capital Risk Management**

The capital of the Fund is represented by the net assets attributable to holders of redeemable participating units. The amount of net assets attributable to holders of redeemable participating units can change significantly on a monthly basis as the Fund is subject to monthly subscriptions and redemptions at the discretion of the Directors of the AIFM.

In order to maintain or adjust the capital structure, the Fund's policy is to perform the following:

- Monitor the level of monthly subscriptions and redemptions relative to the liquid assets; and
- Redeem and issue new units in accordance with the Fund deed, which include the ability to restrict redemptions and require certain minimum holdings and subscriptions.

The Directors of the AIFM and Investment Manager monitor capital on the basis of the value of net assets attributable to holders of redeemable participating units. There are no externally implemented requirements regarding capital.

**(e) Liquidity Risk**

The main liabilities of the Sub-Funds are the redemptions of any units that investors wish to sell. The Sub-Funds' constitution provides for the daily creation and cancellation of units and they are, therefore, exposed to the liquidity risk of meeting unitholder redemptions at any time. The Sub-Funds' financial instruments include equities, debt instruments and holdings in investment funds which may not be easily liquidated at an amount close to fair value in order to meet liquidity requirements, or to respond to specific events such as a deterioration in the credit worthiness of any particular issuer. The Sub-Funds' listed securities are considered to be readily realisable as they are all listed on major worldwide stock exchanges.

The Sub-Funds may, from time to time, invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Sub-Funds may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as a deterioration in the creditworthiness of any particular issuer.

In accordance with Fund policy, the Investment Manager monitors the Sub-Funds' liquidity position on a daily basis, and the Board of Directors of the AIFM review it on a regular basis. There were no material changes to the Fund's policies and processes for managing liquidity risk and the methods used to measure risk since the prior year end.

The tables overleaf analyse the Sub-Funds' financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant. All amounts are stated in Euro, the base currency of the Sub-Funds.

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

## 3. Financial Risk Management (Continued)

## (e) Liquidity Risk (Continued)

As at 30 September 2020

## KBI Managed Fund

	Less than one month EUR	More than one month EUR	Total EUR
Accrued expenses	-	46,379	46,379
Net assets attributable to holders of redeemable participating units	42,799,140	-	42,799,140
Redemption of units awaiting settlement	273,137	-	273,137
Total financial liabilities	<u>43,072,277</u>	<u>46,379</u>	<u>43,118,656</u>

As at 30 September 2020

## KBI Ethical Managed Fund

	Less than one month EUR	More than one month EUR	Total EUR
Accrued expenses	-	65,245	65,245
Bank overdraft	1,740	-	1,740
Net assets attributable to holders of redeemable participating units	74,982,699	-	74,982,699
Total financial liabilities	<u>74,984,439</u>	<u>65,245</u>	<u>75,049,684</u>

As at 30 September 2020

## KBI Cah Fund\*

	Less than one month EUR	More than one month EUR	Total EUR
Accrued expenses	-	13,800	13,800
Net assets attributable to holders of redeemable participating units	-	-	-
Redemption of units awaiting settlement	76,994	-	76,994
Total financial liabilities	<u>76,994</u>	<u>13,800</u>	<u>90,794</u>

\*Fund ceased trading on 23 January 2020.

As at 30 September 2020

## KBI Innovator Fund

	Less than one month EUR	More than one month EUR	Total EUR
Accrued expenses	-	40,215	40,215
Bank overdraft	10,332	-	10,332
Net assets attributable to holders of redeemable participating units	44,063,162	-	44,063,162
Total financial liabilities	<u>44,073,494</u>	<u>40,215</u>	<u>44,113,709</u>

As at 30 September 2020

## KBI Integris Eurozone Equity Fund

	Less than one month EUR	More than one month EUR	Total EUR
Accrued expenses	-	22,301	22,301
Net assets attributable to holders of redeemable participating units	16,489,098	-	16,489,098
Total financial liabilities	<u>16,489,098</u>	<u>22,301</u>	<u>16,511,399</u>



## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

## 3. Financial Risk Management (Continued)

## (e) Liquidity Risk (Continued)

As at 30 September 2019

## KBI Managed Fund

	Less than one month EUR	More than one month EUR	Total EUR
Accrued expenses	-	90,988	90,988
Net assets attributable to holders of redeemable participating units	55,930,065	-	55,930,065
Total financial liabilities	<u>55,930,065</u>	<u>90,988</u>	<u>56,021,053</u>

As at 30 September 2019

## KBI Ethical Managed Fund

	Less than one month EUR	More than one month EUR	Total EUR
Accrued expenses	-	108,216	108,216
Net assets attributable to holders of redeemable participating units	80,761,091	-	80,761,091
Total financial liabilities	<u>80,761,091</u>	<u>108,216</u>	<u>80,869,307</u>

As at 30 September 2019

## KBI Cash Fund

	Less than one month EUR	More than one month EUR	Total EUR
Accrued expenses	-	37,696	37,696
Net assets attributable to holders of redeemable participating units	21,315,259	-	21,315,259
Total financial liabilities	<u>21,315,259</u>	<u>37,696</u>	<u>21,352,955</u>

As at 30 September 2019

## KBI Innovator Fund

	Less than one month EUR	More than one month EUR	Total EUR
Accrued expenses	-	58,821	58,821
Net assets attributable to holders of redeemable participating units	47,185,245	-	47,185,245
Redemption of units awaiting settlement	185	-	185
Total financial liabilities	<u>47,185,430</u>	<u>58,821</u>	<u>47,244,251</u>

As at 30 September 2019

## KBI Integris Eurozone Equity Fund

	Less than one month EUR	More than one month EUR	Total EUR
Accrued expenses	-	43,566	43,566
Net assets attributable to holders of redeemable participating units	33,489,741	-	33,489,741
Total financial liabilities	<u>33,489,741</u>	<u>43,566</u>	<u>33,533,307</u>

## Fair Value of Financial Assets and Liabilities

Most of the Sub-Funds' financial instruments are carried at fair value on the Statement of Financial Position. Usually the fair value of the financial instruments can be reliably determined within a reasonable range of estimates. For certain other financial instruments, including amounts due from/ to brokers, accounts payable and accrued expenses, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments. The carrying value of all the Sub-Funds' financial assets and liabilities at the statement of financial position date approximated their fair values.

**Notes to the Financial Statements (Continued)****For the year ended 30 September 2020****3. Financial Risk Management (Continued)****Fair Value Disclosure**

IFRS 13 'Fair Value Measurement' requires disclosure relating to the fair value hierarchy in which fair value measurements are categorised for assets and liabilities in the Statement of Financial Position.

The disclosures are based on a three-level fair value hierarchy for the inputs used in valuation techniques to measure fair value. The fair value of financial assets and financial liabilities traded in an active market (such as trading securities) are based on quoted market prices at the close of trading on the year end date. The quoted market price used for financial assets held by the Sub-Funds is the last traded price; the appropriate quoted market price for financial liabilities is the current asking price. The fair value of the currency forward contracts held by the Sub-Funds is arrived at using a pricing model.

The fair value of financial assets and financial liabilities that are not traded in an active market are determined by using valuation techniques. The Sub-Funds use a variety of methods and makes assumptions that are based on market conditions existing at the year end date. This requires the Sub-Funds to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The Investment Manager has established a Pricing Committee, an independent acting body within KBI Global Investors Limited ("KBIGI") that reviews KBIGI's valuation principles and procedures and oversees the application of those principles and procedures on a regular basis. The Sub-Funds classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (that is, as prices) or indirectly (that is, derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data; or
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

A financial instrument is regarded as quoted in an active market if the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 3. Financial Risk Management (Continued)

## Fair Value Disclosure (Continued)

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of the valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The ability to redeem the Sub-Fund's investment, determined by investment lot, within 90 days of the Statement of Financial Position date is considered indicative of a Level 2 observable input and such investments are classified as Level 2 within the fair value hierarchy.

The investment funds classified in Level 2 were fair valued using the net asset value of the fund, as reported by the respective fund's administrator. For these funds, the Directors of the AIFM believe the Sub-Funds could have redeemed its investment at the net asset value per Share in line with the required redemption notice periods at the Statement of Financial Position date.

All of the investment funds representing Level 3 investments were valued at the unaudited NAV determined by the administrators of the underlying investments, without adjustment.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's Level within the fair value hierarchy is based on the lowest Level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgement by Directors of the AIFM. Directors of the AIFM consider observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to Directors' of the AIFM perceived risk of that instrument.

KBI Managed Fund

The following tables analyse within the fair value hierarchy the Sub-Fund's financial assets and liabilities (by class) measured at fair value at statement of financial position date.

As at 30 September 2020

<b>Assets</b>	<b>Level 1 €'000</b>	<b>Level 2 €'000</b>	<b>Level 3 €'000</b>
Financial assets designated at fair value through profit or loss:			
- Investment Funds	11,403	31,262	175
<b>Total Assets</b>	<b>11,403</b>	<b>31,262</b>	<b>175</b>

As at 30 September 2019

<b>Assets</b>	<b>Level 1 €'000</b>	<b>Level 2 €'000</b>	<b>Level 3 €'000</b>
Financial assets designated at fair value through profit or loss:			
- Investment Funds	4,901	50,822	271
<b>Total Assets</b>	<b>4,901</b>	<b>50,822</b>	<b>271</b>

There were no significant transfers between level 1, 2 and 3 during the year.

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 3. Financial Risk Management (Continued)

KBI Ethical Managed Fund

The following tables analyse within the fair value hierarchy the Sub-Fund's financial assets and liabilities (by class) measured at fair value at statement of financial position date.

As at 30 September 2020

Assets	Level 1 €'000	Level 2 €'000	Level 3 €'000
Financial assets designated at fair value through profit or loss:			
- Investment Funds	17,866	57,182	—
<b>Total Assets</b>	<b>17,866</b>	<b>57,182</b>	<b>—</b>

As at 30 September 2019

Assets	Level 1 €'000	Level 2 €'000	Level 3 €'000
Financial assets designated at fair value through profit or loss:			
- Investment Funds	19,742	61,086	—
<b>Total Assets</b>	<b>19,742</b>	<b>61,086</b>	<b>—</b>

There were no significant transfers between level 1, 2 and 3 during the year.

KBI Cash Fund\*

\*Fund ceased trading on 23 January 2020.

The following table analyses within the fair value hierarchy the Sub-Fund's financial assets and liabilities (by class) measured at fair value at statement of financial position date.

As at 30 September 2019

Assets	Level 1 €'000	Level 2 €'000	Level 3 €'000
Financial assets designated at fair value through profit or loss:			
- Time Deposits	—	19,966	—
<b>Total Assets</b>	<b>—</b>	<b>19,966</b>	<b>—</b>

There were no significant transfers between level 1, 2 and 3 during the year.

KBI Innovator Fund

The following tables analyse within the fair value hierarchy the Sub-Fund's financial assets and liabilities (by class) measured at fair value at statement of financial position date.

As at 30 September 2020

Assets	Level 1 €'000	Level 2 €'000	Level 3 €'000
Financial assets designated at fair value through profit or loss:			
- Investment Funds	856	43,256	—
<b>Total Assets</b>	<b>856</b>	<b>43,256</b>	<b>—</b>

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 3. Financial Risk Management (Continued)

KBI Innovator Fund (Continued)As at 30 September 2019

<b>Assets</b>	<b>Level 1 €'000</b>	<b>Level 2 €'000</b>	<b>Level 3 €'000</b>
Financial assets designated at fair value through profit or loss:			
- Investment Funds	1,368	45,026	—
<b>Total Assets</b>	<b>1,368</b>	<b>45,026</b>	<b>—</b>

There were no significant transfers between level 1, 2 and 3 during the year.

KBI Integris Eurozone Equity Fund

The following tables analyse within the fair value hierarchy the Sub-Fund's financial assets and liabilities (by class) measured at fair value at statement of financial position date.

As at 30 September 2020

<b>Assets</b>	<b>Level 1 €'000</b>	<b>Level 2 €'000</b>	<b>Level 3 €'000</b>
Financial assets designated at fair value through profit or loss:			
- Equity securities	16,421	—	—
<b>Total Assets</b>	<b>16,421</b>	<b>—</b>	<b>—</b>

As at 30 September 2019

<b>Assets</b>	<b>Level 1 €'000</b>	<b>Level 2 €'000</b>	<b>Level 3 €'000</b>
Financial assets designated at fair value through profit or loss:			
- Equity securities	33,373	—	—
<b>Total Assets</b>	<b>33,373</b>	<b>—</b>	<b>—</b>

There were no significant transfers between level 1, 2 and 3 during the year.

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

## 3. Financial Risk Management (Continued)

## Level 3 Reconciliation

The following tables represents the movement in Level 3 instruments:

**KBI Managed Fund**

	Collective Investment Schemes €'000	Equity Securities €'000	Debt Securities €'000	Total €'000
<b><u>30 September 2020</u></b>				
Opening Balance	271	—	—	271
Transfers to Level 3	—	—	—	—
Sales	(251)	—	—	(661)
Purchases	—	—	—	—
Gains recognised in statement of comprehensive income	155	—	—	565
<b>Closing Balance</b>	<b>175</b>	<b>—</b>	<b>—</b>	<b>175</b>

Total gains for the year included in the profit and loss for assets held at the end of the year

155 — — 565

**KBI Managed Fund**

	Investment Schemes €'000	Equity Securities €'000	Debt Securities €'000	Total €'000
<b><u>30 September 2019</u></b>				
Opening Balance	605	—	—	605
Transfers to Level 3	—	—	—	—
Sales	(184)	—	—	(184)
Purchases	—	—	—	—
Losses recognised in profit and loss	(150)	—	—	(150)
<b>Closing Balance</b>	<b>271</b>	<b>—</b>	<b>—</b>	<b>271</b>

Total losses for the year included in the statement of comprehensive income in relation to the assets held at the end of the year

(150) — — (150)

The table below/overleaf presents significant unobservable inputs used to value the Fund's Level 3 assets and liabilities. As Level 3 investments are valued at the unaudited NAV determined by the administrators of the underlying funds, there are no significant unobservable inputs developed by management. As an entity is not required to create quantitative information to comply with the sensitivity analysis disclosure requirement of IFRS 13 no sensitivity analysis is included.

Description	Fair value at 30 September 2020	Valuation Technique	Unobservable Inputs	Range
<b><u>KBI Managed Fund</u></b>				
Investment Funds	€174,796	Valuation based on the closing Net Asset Value of each underlying Fund	See note 2 (b) (iii)	Undetermined
<b><u>KBI Managed Fund</u></b>				
<b><u>KBI Managed Fund</u></b>				
Description	Fair value at 30 September 2019	Valuation Technique	Unobservable Inputs	Range
<b><u>KBI Managed Fund</u></b>				
Investment Funds	€271,428	Valuation based on the closing Net Asset Value of each underlying Fund	See note 2 (b) (iii)	Undetermined

**Notes to the Financial Statements (Continued)****For the year ended 30 September 2020****3. Financial Risk Management (Continued)****Level 3 Reconciliation (Continued)**

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. The stocks included in the Level 3 category in the above Sub-Funds are venture capital funds and an equity stock.

Due to the nature of the investments and restrictions on redeeming units from the venture capital funds, these have been classified as Level 3 investments. Irish Bioscience Venture Capital Fund is classified as Level 3 as there are relative redemptions restrictions in place. In addition a discount of 25% has been applied by the Investment Manager to the market value of the holding as at 30 September 2020 (30 September 2019: 25%). The financial assets and liabilities not measured at fair value through the profit or loss are short-term financial assets and financial liabilities whose carrying amounts approximate fair value. They are all categorised as Level 2 in the fair value hierarchy.

KBI Global Investment Fund is contractually required to provide further investment in the form of investment commitments to certain investments as part of the conditions for entering into those investments. During the year ended 30 September 2020, the Sub Fund funded capital calls of €230,662 (2019: €360,084). At 30 September 2020, there were unfunded investment commitments in the amount of €12,081 (2019: €12,081). The Sub Fund has no other unfunded investment commitments as of 30 September 2020 (2019: Nil).

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 4. Interests in Other Entities

## Investments in subsidiaries

Subsidiaries are those enterprises in which the Fund has significant influence and control over the financial and operating policies. Control exists when the Fund has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The Fund did not hold any investments in such subsidiaries as at 30 September 2020 and 30 September 2019.

## Structured entities

The objective of these investment funds is to invest in a wide range of investment types in a variety of countries and markets subject to the terms and conditions of the respective investment fund's offering documentation. These investments expose the Fund to market price risk arising from uncertainties about future values of those investment funds as described in Note 3 to the Financial Statements. These investment funds finance their operations by issuing redeemable participating units which are puttable at the holder's option subject to meeting the required notices for redemption and entitle the holder to a proportional stake in the respective investment fund's net assets.

The KBI Global Investment Fund's interest in investment funds is limited to holding redeemable participating units in each investment fund respectively. The KBI Global Investment Fund's exposure to loss from its interests in investment funds is equal to the total fair value of its investment and the value of the open commitment. Once the Fund has disposed of its units in an investment fund and has met commitments, the Fund has no exposure to any risk from that investment fund. There were no open capital commitment obligations held as at 30 September 2020 (30 September 2019: Nil).

All of the investment funds in the portfolio are managed by portfolio managers who are compensated by the respective investment funds for their services. Such compensation generally consists of an asset-based fee and a performance-based incentive fee. Such compensation is reflected in the valuation of the Fund's investment in each of the investment funds.

An analysis of the Fund's interests in investment funds as at 30 September 2020 and 30 September 2019 by investment strategy employed is provided in the following table below.

## As at 30 September 2020

## KBI Managed Fund

Investment Strategy	Dealing Frequency (range)	No of Underlying Funds	Notice Period Days	Net Asset value of Underlying Funds		Investment at Fair Value	% of Net Assets Attributable to Holders of Redeemable Shares
				NAV Range EUR (millions)	Weighted Average NAV EUR (millions)		
Equity	Daily	5	1	22-471	229	31,261,719	73.04%
ETF	Daily	2	1	100-1,156	32	3,375,568	7.89%
Money Market	Daily	1	1	7,718	191	1,059,589	2.48%
Multi Strategy	Daily	1	1	631	103	6,968,122	16.28%
Venture Capital	Daily	3	1	-	-	174,796	0.41%



## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

## 4. Interests in Other Entities (Continued)

As at 30 September 2020 (Continued)

## KBI Ethical Managed Fund

Investment Strategy	Dealing Frequency (range)	No of Underlying Funds	Notice Period Days	Net Asset value of Underlying Funds		Investment at Fair Value	% of Net Assets Attributable to Holders of Redeemable Shares
				NAV Range EUR (millions)	Weighted Average NAV EUR (millions)		
Equity	Daily	4	1	16-10,530	362	49,222,865	65.6%
ETF	Daily	3	1	100-1,156	98	17,866,733	23.83%
Money Market	Daily	1	1	7,718	819	7,958,873	10.61%

## KBI Innovator Fund

Investment Strategy	Dealing Frequency (range)	No of Underlying Funds	Notice Period Days	Net Asset value of Underlying Funds		Investment at Fair Value	% of Net Assets Attributable to Holders of Redeemable Shares
				NAV Range EUR (millions)	Weighted Average NAV EUR (millions)		
Equity	Daily	6	1	22-7,718	109	43,256,369	98.17%
ETF	Daily	1	1	987	19	856,093	1.94%
Money Market	Daily	1	1	7,718	2	10,423	0.02%

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

## 4. Interests in Other Entities (Continued)

As at 30 September 2019

## KBI Managed Fund

Investment Strategy	Dealing Frequency (range)	No of Underlying Funds	Notice Period Days	Net Asset value of Underlying Funds		Investment at Fair Value	% of Net Assets Attributable to Holders of Redeemable Shares
				NAV Range EUR (millions)	Weighted Average NAV EUR (millions)		
Equity	Daily	5	1	20-448	233	43,413,574	77.63%
Cash	Daily	1	1	21	-	252,003	0.45%
ETF	Daily	2	1	103-1,465	64	4,901,367	8.76%
Property	Quarterly	1	1-90	17	-	1,577,788	2.82%
Multi Strategy	Daily	1	1	737	74	5,577,524	9.97%
Venture Capital	Restricted	3	1	1	-	271,428	0.48%

## KBI Ethical Managed Fund

Investment Strategy	Dealing Frequency (range)	No of Underlying Funds	Notice Period Days	Net Asset value of Underlying Funds		Investment at Fair Value	% of Net Assets Attributable to Holders of Redeemable Shares
				NAV Range EUR (millions)	Weighted Average NAV EUR (millions)		
Equity	Daily	4	1	20-10,983	341	54,254,896	67.17%
Cash	Daily	1	1	21	2	6,831,156	8.46%
ETF	Daily	3	1	103-1,465	118	19,742,086	24.45%

## KBI Innovator Fund

Investment Strategy	Dealing Frequency (range)	No of Underlying Funds	Notice Period Days	Net Asset value of Underlying Funds		Investment at Fair Value	% of Net Assets Attributable to Holders of Redeemable Shares
				NAV Range EUR (millions)	Weighted Average NAV EUR (millions)		
Equity	Daily	5	1	20-460	80	45,026,195	95.42%
ETF	Daily	1	1	994	29	1,367,691	2.90%

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 5. Operating Income

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund*	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR
<i>Investment income from financial assets at fair value through profit or loss</i>					
Dividend income	69,793	202,186	–	–	577,736
<i>Income from financial assets that are not at fair value through profit or loss</i>					
Sundry income	56	91	–	54	22
	<u>69,849</u>	<u>202,277</u>	<u>–</u>	<u>54</u>	<u>577,758</u>

\*Fund ceased trading on 20 January 2020.

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR
<i>Investment income from financial assets at fair value through profit or loss</i>					
Dividend income	121,908	–	–	–	1,438,089
<i>Income from financial assets that are not at fair value through profit or loss</i>					
Interest on cash instruments	–	293,053	–	–	–
Rebate from Manager	11,051	–	–	–	–
Sundry income	6	8	2	5	3
	<u>132,965</u>	<u>293,061</u>	<u>2</u>	<u>5</u>	<u>1,438,092</u>

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 6. Net Gains/(Losses) on Financial Assets and Liabilities at Fair Value Through Profit or Loss

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund*	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR
Realised gains on sale of investments	2,453,049	272,038	–	1,120,827	1,746,145
Realised losses on sale of investments	(753,299)	(407,895)	–	(133,410)	(2,938,139)
Net change in unrealised appreciation on investments	694,254	180,525	–	1,126,531	1,736,113
Net change in unrealised depreciation on investments	(4,761,220)	(4,647,472)	–	(879,601)	(3,822,665)
	<u>(2,367,216)</u>	<u>(4,602,804)</u>	<u>–</u>	<u>1,234,347</u>	<u>(3,278,546)</u>

\*Fund ceased trading on 20 January 2020.

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR
Realised gains on sale of investments	601,050	1,151,034	–	5,835,547	2,004,065
Realised losses on sale of investments	(276,941)	(114,831)	–	(13,263)	(3,519,590)
Net change in unrealised appreciation on investments	1,508,354	4,043,009	–	1,775,464	2,413,412
Net change in unrealised depreciation on investments	(291,550)	(731,074)	–	(3,336,468)	(2,306,267)
	<u>1,540,913</u>	<u>4,348,138</u>	<u>–</u>	<u>4,261,280</u>	<u>(1,408,380)</u>

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 7. Operating Expenses

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund*	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR	Year ended 30 September 2020 EUR
Administration fees	16,089	26,738	1,081	15,494	6,185
AIFMD Reporting fees	4,920	4,920	1,730	4,920	4,920
Auditor's fees	8,192	8,192	8,192	8,192	8,192
Bank payment charges	2,053	2,198	570	2,380	334
Depository fees	18,035	37,007	1,757	10,962	15,463
Deposit Breaking Costs	—	—	5,813	—	—
Directors fees	7,098	7,098	665	7,098	7,098
Financial Regulator levy	489	489	733	489	489
Legal fees	125	125	656	125	125
Line of credit fees	150	150	106	150	150
Management fees	232,718	381,966	8,943	166,494	1,355
Miscellaneous fees**	6,412	2,080	335	5,059	7,157
MLRO fees	1,675	1,675	308	1,675	1,675
Secretarial fees	3,704	3,704	369	3,704	3,704
Transaction costs (non-trading)	175	182	52	220	20
VAT professional fees	1,730	1,730	503	1,730	1,731
	<u>303,565</u>	<u>478,254</u>	<u>31,813</u>	<u>228,692</u>	<u>58,598</u>

\*Fund ceased trading on 20 January 2020.

\*\*Miscellaneous fees include Clearstream fees, ISS Europe fees, Broadbridge fees &amp; MSCI fees.

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 7. Operating Expenses (Continued)

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR	Year ended 30 September 2019 EUR
Administration fees	19,519	27,200	4,647	16,603	11,476
AIFMD Reporting fees	4,942	4,942	4,942	4,942	4,941
Auditor's fees	8,556	8,556	8,556	8,553	8,555
Bank payment charges	2,001	2,162	3,151	2,356	342
Depository fees	21,391	36,815	7,245	11,335	28,218
Directors fees	2,628	2,628	2,628	2,628	2,628
Financial Regulator levy	218	219	207	207	207
Legal fees	1,136	1,120	1,466	1,151	2,140
Line of credit fees	603	603	602	602	603
Management fees	276,755	385,874	30,494	178,267	70,290
Miscellaneous fees*	10,065	2,468	2,193	(3,394)	9,858
MLRO fees	970	970	971	970	970
Professional fees	—	—	—	—	6,000
Secretarial fees	1,144	1,144	1,144	1,145	1,144
Transaction costs (non-trading)	2,563	138	79	17	11
VAT professional fees	1,807	1,825	1,315	1,571	1,355
	<u>354,298</u>	<u>476,664</u>	<u>69,640</u>	<u>226,953</u>	<u>148,738</u>

\*Miscellaneous fees include ISS Europe fees, Statpro fees, Solution Providers fees, ISE – LEI renewals, MSCI fees and MiFID fees.

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

## 8. Transaction Cost

	<b>KBI Managed Fund Year ended 30 September 2020 EUR</b>	<b>KBI Ethical Managed Fund Year ended 30 September 2020 EUR</b>	<b>KBI Cash Fund* Year ended 30 September 2020 EUR</b>	<b>KBI Innovator Fund Year ended 30 September 2020 EUR</b>	<b>KBI Integris Eurozone Equity Fund Year ended 30 September 2020 EUR</b>
Commission	457	500	–	117	11,274
Trade Expenses	2,156	2	–	2,823	13,309
	<u>2,613</u>	<u>502</u>	<u>–</u>	<u>2,940</u>	<u>24,583</u>

\*Fund ceased trading on 20 January 2020.

	<b>KBI Managed Fund Year ended 30 September 2019 EUR</b>	<b>KBI Ethical Managed Fund Year ended 30 September 2019 EUR</b>	<b>KBI Cash Fund Year ended 30 September 2019 EUR</b>	<b>KBI Innovator Fund Year ended 30 September 2019 EUR</b>	<b>KBI Integris Eurozone Equity Fund Year ended 30 September 2019 EUR</b>
Commission	451	1,753	–	469	13,533
Trade Expenses	4,886	1,185	–	14,589	27,598
	<u>5,337</u>	<u>2,938</u>	<u>–</u>	<u>15,058</u>	<u>41,131</u>

## 9. Cash and Cash Equivalents

All cash is held with The Northern Trust Company (“TNTC”) as at 30 September 2020 and 30 September 2019.

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

## 10. Receivables

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund*	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	As at 30 September 2020 EUR	As at 30 September 2020 EUR	As at 30 September 2020 EUR	As at 30 September 2020 EUR	As at 30 September 2020 EUR
Sundry income receivable	3,160	1,212	2,295	1,212	3,264
	<u>3,160</u>	<u>1,212</u>	<u>2,295</u>	<u>1,212</u>	<u>3,264</u>

\*Fund ceased trading on 20 January 2020.

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	As at 30 September 2019 EUR	As at 30 September 2019 EUR	As at 30 September 2019 EUR	As at 30 September 2019 EUR	As at 30 September 2019 EUR
Dividend income receivable	—	—	—	—	98
Sundry income receivable	6,850	370	369	369	1,807
	<u>6,850</u>	<u>370</u>	<u>369</u>	<u>369</u>	<u>1,905</u>

## 11. Bank Overdraft

As at 30 September 2020 the Fund held bank overdrafts in the amounts of EUR1,740 KBI Ethical Managed Fund (30 September 2019: EURNil ) and EUR10,332 KBI Innovator Fund (30 September 2019: EURNil ) with The Northern Trust Company (“TNTC”).



## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 12. Payables (amounts falling due within one year)

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund*	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	As at 30 September 2020 EUR	As at 30 September 2020 EUR	As at 30 September 2020 EUR	As at 30 September 2020 EUR	As at 30 September 2020 EUR
Administration fees payable	3,611	6,331	–	3,610	1,268
AIFMD Reporting fees payable	6,150	6,150	2,960	6,150	6,150
Auditor's fees payable	8,192	8,192	8,192	8,192	8,192
Bank charges payable	1,496	1,964	–	3,007	185
Bank Interest payable	14	12	–	52	66
Depository fees payable	4,327	8,748	–	2,597	3,561
Financial Regulator levy payable	855	855	1,100	855	855
Legal fees payable	311	311	842	311	311
Management fees payable	19,740	30,855	–	13,497	–
MLRO fees	599	599	–	599	599
Other expenses payables	750	894	706	1,011	750
Redemptions of units awaiting settlement	273,137	–	76,994	–	–
VAT professional fees	334	334	–	334	364
	<u>319,516</u>	<u>65,245</u>	<u>90,794</u>	<u>40,215</u>	<u>22,301</u>

\*Fund ceased trading on 20 January 2020.

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

## 12. Payables (amounts falling due within one year) (Continued)

	KBI Managed Fund	KBI Ethical Managed Fund	KBI Cash Fund	KBI Innovator Fund	KBI Integris Eurozone Equity Fund
	As at 30 September 2019 EUR	As at 30 September 2019 EUR	As at 30 September 2019 EUR	As at 30 September 2019 EUR	As at 30 September 2019 EUR
Administration fees payable	8,073	11,610	1,992	6,761	4,794
AIFMD Reporting fees payable	3,690	3,690	3,690	3,690	3,690
Auditor's fees payable	8,192	8,192	8,192	8,192	8,192
Bank charges payable	846	1,317	1,404	1,666	100
Bank Interest payable	57	9	7,258	537	84
Dealing yet to be processed	6,473	–	2,685	–	–
Depository fees payable	8,161	13,333	3,238	4,868	11,985
Directors' fees payable	833	833	833	833	833
Financial Regulator levy payable	367	367	367	367	367
Legal fees payable	500	500	500	500	500
Management fees payable	47,735	65,710	4,881	28,816	11,635
MLRO fees	307	307	308	307	307
Other expenses payables	5,275	1,869	1,869	1,805	600
Redemptions of units awaiting settlement	–	–	–	185	–
VAT professional fees	479	479	479	479	479
	<u>90,988</u>	<u>108,216</u>	<u>37,696</u>	<u>59,006</u>	<u>43,566</u>

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 13. Units in Issue

Class A units shall not be entitled to a dividend while Class B units shall in the event that a distribution is declared.

	<b>KBI Managed Fund</b>	
	<b>Year ended</b>	<b>Year ended</b>
	<b>30 September 2020</b>	<b>30 September 2019</b>
<b>Number of Series 1A - EUR Units Issued and Fully paid</b>		
Balance at the beginning of year	6,181,012	6,625,977
Issued during year	49,712	24,744
Redeemed during year	(1,218,528)	(469,709)
Total number of Series 1A - EUR Units in issue at end of year	<u>5,012,196</u>	<u>6,181,012</u>
<b>Number of Series 5A - EUR Units Issued and Fully paid</b>		
Balance at the beginning of year	28,899	28,899
Issued during year	—	—
Redeemed during year	—	—
Total number of Series 5A - EUR Units in issue at end of year	<u>28,899</u>	<u>28,899</u>
	<b>KBI Ethical Managed Fund</b>	
	<b>Year ended</b>	<b>Year ended</b>
	<b>30 September 2020</b>	<b>30 September 2019</b>
<b>Number of Series 1A - EUR Units Issued and Fully paid</b>		
Balance at the beginning of year	8,572,593	8,505,428
Issued during year	318,441	375,434
Redeemed during year	(356,146)	(308,269)
Total number of Series 1A - EUR Units in issue at end of year	<u>8,534,888</u>	<u>8,572,593</u>
<b>Number of Series 1A - GBP Units Issued and Fully paid</b>		
Balance at the beginning of year	4,690,149	4,634,786
Issued during year	—	55,363
Redeemed during year	—	—
Total number of Series 1A - GBP Units in issue at end of year	<u>4,690,149</u>	<u>4,690,149</u>
	<b>KBI Cash Fund*</b>	
	<b>Year ended</b>	<b>Year ended</b>
	<b>30 September 2020</b>	<b>30 September 2019</b>
<b>Number of Series 1A - EUR Units Issued and Fully paid</b>		
Balance at the beginning of year	3,601,689	4,032,623
Issued during year	96,601	886,654
Redeemed during year	(3,698,290)	(1,317,588)
Total number of Series 1A - EUR Units in issue at end of year	<u>—</u>	<u>3,601,689</u>
<b>Number of Series 10A - EUR Units Issued and Fully paid</b>		
Balance at the beginning of year	3,263,023	3,142,831
Issued during year	790,171	3,029,113
Redeemed during year	(4,053,194)	(2,908,921)
Total number of Series 10A - EUR Units in issue at end of year	<u>—</u>	<u>3,263,023</u>

\*Fund ceased trading on 23 January 2020.

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 13. Units in Issue (Continued)

	<b>KBI Innovator Fund</b>	
	<b>Year ended</b>	<b>Year ended</b>
	<b>30 September 2020</b>	<b>30 September 2019</b>
<b>Number of Series 1A - EUR Units</b>		
<b>Issued and Fully paid</b>		
Balance at the beginning of year	327,873	4,312,070
Issued during year	2,181	32,339
Redeemed during year	(190,218)	(4,016,536)
Total number of Series 1A - EUR Units in issue at end of year	<u>139,836</u>	<u>327,873</u>
<b>Number of Series 8A - EUR Units</b>		
<b>Issued and Fully paid</b>		
Balance at the beginning of year	33,584,405	37,215,133
Issued during year	—	—
Redeemed during year	(2,887,742)	(3,630,728)
Total number of Series 8A - EUR Units in issue at end of year	<u>30,696,663</u>	<u>33,584,405</u>
<b>KBI Integris Eurozone Equity Fund</b>		
	<b>Year ended</b>	<b>Year ended</b>
	<b>30 September 2020</b>	<b>30 September 2019</b>
<b>Number of Series 5A - EUR Units</b>		
<b>Issued and Fully paid*</b>		
Balance at the beginning of year	14,865,701	14,865,701
Issued during year	—	—
Redeemed during year	(14,865,701)	—
Total number of Series 5A - EUR Units in issue at end of year	<u>—</u>	<u>14,865,701</u>
<b>Number of Series 10A - EUR Units</b>		
<b>Issued and Fully paid</b>		
Balance at the beginning of year	8,423,201	7,729,057
Issued during year	—	1,073,990
Redeemed during year	—	(379,846)
Total number of Series 10A - EUR Units in issue at end of year	<u>8,423,201</u>	<u>8,423,201</u>

\*Terminated on 8 October 2019.

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 14. Net Asset Value

The Dealing Net Asset Value per Unit in issue is determined by dividing the value of the Net Assets Attributable to the unit holders by the total number of units in issue at that time.

KBI Managed Fund	As at 30 September 2020		As at 30 September 2019		As at 30 September 2018	
		EUR		EUR		EUR
<b>Fund Net Asset Value</b>		42,799,140		55,930,065		58,429,767
	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>
Series 1A - EUR	5,012,196	8.49	6,181,012	9.01	6,625,977	8.78
Series 5A - EUR	28,899	8.13	28,899	8.65	28,899	8.45
KBI Ethical Managed Fund	As at 30 September 2020		As at 30 September 2019		As at 30 September 2018	
		EUR		EUR		EUR
<b>Fund Net Asset Value</b>		74,982,699		80,761,091		76,184,346
	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>
Series 1A - EUR	8,534,888	7.69	8,572,593	8.25	8,505,428	7.85
Series 1A - GBP	4,690,149	1.81	4,690,149	1.89	4,634,786	1.81
KBI Cash Fund*	As at 30 September 2020*		As at 30 September 2019		As at 30 September 2018	
		EUR		EUR		EUR
<b>Fund Net Asset Value</b>		–		21,315,259		22,412,850
	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>
Series 1A - EUR	–	–	3,601,689	3.06	4,032,623	3.09
Series 10A - EUR	–	–	3,263,023	3.15	3,142,831	3.17

\*Fund ceased trading on 23 January 2020.

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 14. Net Asset Value (Continued)

KBI Innovator Fund	As at 30 September 2020		As at 30 September 2019		As at 30 September 2018	
		EUR		EUR		EUR
<b>Fund Net Asset Value</b>		44,063,162		47,185,245		52,631,460
	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>
Series 1A - EUR	139,836	1.38	327,873	1.35	4,312,070	1.23
Series 8A - EUR	30,696,663	1.43	33,584,405	1.39	37,215,133	1.27
KBI Integris Eurozone Equity Fund	As at 30 September 2020		As at 30 September 2019		As at 30 September 2018	
		EUR		EUR		EUR
<b>Fund Net Asset Value</b>		16,489,098		33,489,741		32,398,373
	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>	<b>Units In Issue</b>	<b>Net Asset Value Per Unit</b>
Series 5A – EUR*	—	—	14,865,701	0.98	14,865,701	1.00
Series 10A - EUR	8,423,201	1.96	8,423,201	2.25	7,729,057	2.28

\*Terminated on 8 October 2019.

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 15. Fees

The fees of the AIFM, Administrator and Depository are payable out of the Sub-Funds assets and may differ from Sub-Fund to Sub-Fund and from class to class. The annual fee is accrued daily and payable monthly in arrears. No performance fee applied to the Sub-Funds in the current year. The Sub-Funds receive a rebate of the management fee incurred on any of the KBI collective investment funds in which they are invested. These underlying Funds are managed by KBI Global Investors Limited. The fee rates incurred by these Funds differ from Sub-Fund to Sub-Fund.

The AIFM will discharge the fees of the Investment Manager and the Distributor.

	<b>KBI Management Fee(%)</b>	<b>NT Custody (%)</b>	<b>Depository Fee (%)</b>	<b>Administrator Fee (%)</b>
<b>KBI Managed Fund</b>				
Series 1A - EUR	0.500%	0.065%	0.0225%	0.035%
Series 5A - EUR	0.750%	0.065%	0.0225%	0.035%
<b>KBI Ethical Managed Fund</b>				
Series 1A - EUR	0.500%	0.065%	0.0225%	0.035%
Series 2A - GBP	0.500%	0.065%	0.0225%	0.035%
<b>KBI Cash Fund*</b>				
Series 1A - EUR	0.260%	0.010%	0.0225%	0.020%
Series 10A - EUR	-	0.010%	0.0225%	0.020%
<b>KBI Innovator Fund</b>				
Series 1A - EUR	0.590%	0.065%	0.0225%	0.035%
Series 8A - EUR	0.375%	0.065%	0.0225%	0.035%
<b>KBI Integris Eurozone Equity Fund</b>				
Series 5A - EUR**	0.500%	0.065%	0.0225%	0.035%
Series 10A - EUR	-	0.065%	0.0225%	0.035%

\*Fund ceased trading on 23 January 2020.

\*\*Terminated on 8 October 2019.

## 16. Related Party Transactions

Related Party Transactions ("IAS 24") requires the disclosure of information relating to material transactions with parties who are deemed to be related to the reporting entity.

KBI Fund Managers Limited as AIFM of the Sub-Funds earned €791,476 (30 September 2019: €1,013,933) of which €64,092 (30 September 2019: €177,549) was payable at year end. The AIFM is responsible for discharging the investment manager and distribution fee.

During the year management fee rebates of €nil (30 September 2019: €11,051) were refunded by the AIFM, of which €nil (30 September 2019: €nil) was receivable at year end.

Any transaction carried out with the Fund by a promoter, manager, depository, investment adviser and/or associate of these ("connected parties") are carried out as if negotiated at arm's length and are in the best interests of the unitholders.

**Remuneration of the Directors of the AIFM**

John Craddock earned a fee of €14,948 and Fiona Mulcahy earned a fee of €12,948 during the financial year.

Effective from 1 January 2020, Directors' fees of the AIFM changed. Fiona Mulcahy fee decreased to €16,000 per annum and John Craddock fee decreased to €21,000 per annum. The remaining directors of the AIFM were not entitled to fees for the financial year.

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 16. Related Party Transactions (Continued)

## Directors' and Secretary's interest in Units

The table below shows the interests of the Directors and Secretary of the AIFM in the Sub-Funds of the Fund for the year ended 30 September 2020:

## KBI Managed Fund\*

	<b>Derval Murray</b>	<b>Gerard Solan</b>
Opening at 1 October 2019	78,245	7,460
Purchases	4,007	–
Sales	–	(7,460)
Closing at 30 September 2020	<u>82,252</u>	<u>–</u>

## KBI Cash Fund\*\*

	<b>Gerard Solan</b>	<b>Patrick Cassells</b>	<b>Niall Murphy</b>
Opening at 1 October 2019	208,686	68,379	26,251
Purchases	–	417	923
Sales	(208,686)	(68,796)	(27,174)
Closing at 30 September 2020	<u>–</u>	<u>–</u>	<u>–</u>

KBI Cash Fund terminated on 23 January 2020.

The table below shows the interests of the Directors and Secretary of the AIFM in the Sub-Funds of the Fund for the year ended 30 September 2019:

## KBI Managed Fund\*

	<b>Derval Murray</b>	<b>Gerard Solan</b>
Opening at 1 October 2018	73,916	7,460
Purchases	4,329	–
Sales	–	–
Closing at 30 September 2019	<u>78,245</u>	<u>7,460</u>

## KBI Cash Fund\*\*

	<b>Gerard Solan</b>	<b>Patrick Cassells</b>	<b>Niall Murphy</b>
Opening at 1 October 2018	132,168	45,009	76,906
Purchases	76,518	23,370	1,675
Sales	–	–	(52,330)
Closing at 30 September 2019	<u>208,686</u>	<u>68,379</u>	<u>26,251</u>

\*Series 1A – EUR.

\*\*Series 10A – EUR.

Net Asset Value per unit are shown in Note 14 on pages 58-59.



## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 16. Related Party Transactions (Continued)

As at 30 September 2020 the following KBI Investors funds held units in the KBI Global Investment Fund range as follows:

	KBI Cash Fund*		KBI Integris Eurozone Equity Fund	
	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19
KBI Managed Fund	–	79,937	–	–
KBI Ethical Managed Fund	–	2,166,888	8,423,201	8,423,201

\*Fund ceased trading on 23 January 2020.

The Net Asset value Per Unit are shown in Note 14 on pages 59-60.

Other funds under the management of KBI Fund Managers Limited have also invested in various Sub-Funds of KBI Global Investment Fund during the year. These were less than 10% of the assets of the Sub-Funds at 30 September 2020 (30 September 2019: less than 10%).

The individual Sub-Funds schedules of investments list the cross holdings between various KBI Global Investment Funds. These commence on page 71 of these Financial Statements. In addition to holding positions in various other KBI Global Investment Funds, the following KBI Global Investment Fund funds hold positions in other KBI products as at 30 September 2020 and 30 September 2019 as follows:

	KBI Water Fund		KBI Energy Solutions Fund		KBI Global Resource Solutions Fund		KBI Property Fund		KBI Emerging Markets Equity Fund	
	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19
KBI Managed Fund	–	–	–	–	6,349	9,880	–	1,249	244,934	376,569
KBI Innovator Fund	185,370	185,370	570,395	570,395	82,223	96,534	–	–	548,443	599,394

	KBI Eurozone Equity Fund		KBI Developed Equity Fund		KBI Integris Global Equity Fund		KBI Global Sustainable Infrastructure Fund	
	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19
KBI Managed Fund	325,318	380,842	894,210	1,127,579	–	–	110,129	151,667
KBI Ethical Managed Fund	–	–	–	–	2,277,248	2,362,375	351,703	332,707
KBI Innovator Fund	–	–	–	–	–	–	683,979	683,979

**Notes to the Financial Statements (Continued)****For the year ended 30 September 2020****17. Information in Respect of Underlying Investments**

Details of each Sub-Fund's underlying investments at the year end are included in the Condensed Schedule of Investments. The information in respect of underlying investments starting on page 69 shows the various fee rates of the underlying funds that the various Sub-Funds invested into during the year and at the year end.

**18. Taxation**

The Fund will not be liable for tax in respect of its income and gains, other than on the occurrence of a chargeable event. A chargeable event includes any distribution or any redemption or transfer of Units.

A chargeable event does not include:

- i) Any transactions in relation to Redeemable Participating Units held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or
- ii) An exchange of Redeemable Participating Units representing one Sub-Fund for another Sub-Fund of the Fund; or
- iii) An exchange of Redeemable Participating Units arising on a qualifying amalgamation or reconstruction of the Fund with another fund.

A chargeable event will not occur in respect of Redeemable Participating Unitholders who are neither resident nor ordinarily resident in Ireland and who have provided the Fund with a relevant declaration to that effect.

Similarly a chargeable event will not occur if a unitholder is an Exempt Irish Investor and makes a Relevant Declaration to that effect and the Fund is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct. There were a number of chargeable events during the year and relevant tax was withheld from unitholders on redemption of units.

In the absence of an appropriate declaration, the Fund will be liable for Irish tax on the occurrence of a chargeable event and the Fund reserves its right to withhold such taxes from payments to relevant unitholders.

Capital gains, dividends and interest received may be subject to withholding taxes imposed by the country of origin and such taxes may not be recoverable by the Fund or its Unitholders. A chargeable event includes any distribution payment to unitholders or any encashment, redemption or transfer of units or an ending of a Relevant Period.

**19. Comparative Figures**

The comparative information is supplied for the Statement of Financial Position as at 30 September 2019. The comparative information supplied for the Statement of Comprehensive Income, the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Units and the Statement of Cash Flows is for the year from 1 October 2018 to 30 September 2019.

**20. Distributions**

None of the Sub-Funds made any distributions during the year ended 30 September 2020 (30 September 2019: Nil).

## Notes to the Financial Statements (Continued)

## For the year ended 30 September 2020

## 21. Exchange Rates

The following exchange rates were used to convert investments, assets and liabilities to the functional currency of the Sub-Funds as at 30 September 2020 and 30 September 2019:

	As at 30 September 2020	As at 30 September 2019
<b>Euro Exchange Rates</b>		
Australian Dollar	1.6361	1.6164
Canadian Dollar	1.5664	1.4434
Danish Krone	7.4437	7.4663
Hong Kong Dollar	9.0880	8.5465
Japanese Yen	123.7498	117.8235
New Zealand Dollar	1.7741	1.7386
Norwegian Krone	10.9720	9.9055
Pound Sterling	0.9071	0.8847
Singapore Dollar	1.6008	1.5076
Swedish Krona	10.4952	10.7190
Swiss Franc	1.0774	1.0871
United States Dollar	1.1727	1.0902

## 22. Cross Investments

## Basis of preparation

As at or during the year ended 30 September 2020, KBI Managed Fund and KBI Ethical Managed Fund held the following number of units in KBI Global Investment Fund:

Holding	KBI Managed Fund	KBI Ethical Managed Fund
KBI Integris Eurozone Equity Fund	—	8,423,201

## KBI Managed Fund

## KBI Cash Fund\*

	EUR
Opening Cost	253,094
Issue of units	1,720,000
Redemption of units	(1,971,322)
Realised loss on sale of investments	(1,772)
Closing Cost	—
Fair Value	—
Unrealised loss	—

## Cross Investment

	EUR
KBI Cash Fund	—
<u>Total Fair Value</u>	—
Realised loss	(1,772)
Net change in unrealized loss	—
<u>Total Losses</u>	(1,772)

\*Fund ceased trading on 23 January 2020.

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

## 22. Cross Investments (Continued)

<b>KBI Ethical Managed Fund</b>	<b>KBI Cash Fund*</b>	<b>KBI Integris Eurozone Equity Fund</b>
	<b>EUR</b>	<b>EUR</b>
Opening Cost	6,849,673	14,574,028
Issue of units	–	–
Redemption of units	(6,825,027)	–
Realised loss on sale of investments	(24,646)	–
Closing Cost	–	<u>14,574,028</u>
Fair Value	–	14,574,028
Unrealised (loss)/gain	–	–
<b>Cross Investment</b>		<b>EUR</b>
KBI Cash Fund		–
KBI Integris Eurozone Equity Fund		<u>14,574,028</u>
<u>Total Fair Value</u>		<u>14,574,028</u>
Realised loss		(24,646)
Net change in unrealized loss		–
<u>Total losses</u>		<u>(24,646)</u>
	<b>Weighted Average Holding</b>	<b>Average fair value of shares held</b>
KBI Integris Eurozone Equity Fund	8,423,201	17,153,779

\*Fund ceased trading on 23 January 2020.

## Basis of preparation

As at or during the year ended 30 September 2019, KBI Managed Fund and KBI Ethical Managed Fund held the following number of units in KBI Global Investment Fund as follows:

<b>Holding</b>	<b>KBI Managed Fund</b>	<b>KBI Ethical Managed Fund</b>
KBI Cash Fund	79,937	2,166,888
KBI Integris Eurozone Equity Fund	–	8,423,201

<b>KBI Managed Fund</b>	<b>KBI Cash Fund</b>
	<b>EUR</b>
Opening Cost	528,360
Issue of units	669,951
Redemption of units	(942,337)
Realised loss on sale of investments	(2,880)
Closing Cost	<u>253,094</u>
Fair Value	252,003
Unrealised loss	(1,091)

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

## 22. Cross Investments (Continued)

## Cross Investment

	EUR
KBI Cash Fund	252,003
<u>Total Fair Value</u>	<u>252,003</u>
Realised loss	(2,880)
Net change in unrealized loss	(1,091)
<u>Total Losses</u>	<u>(3,971)</u>

	Weighted Average Holding	Average fair value of shares held
KBI Cash Fund	141,150	446,079

	KBI Cash Fund EUR	KBI Integris Eurozone Equity Fund EUR
Opening Cost	5,888,752	13,008,625
Issue of units	4,221,000	2,220,951
Redemption of units	(3,258,201)	(867,381)
Realised (losses)/gains on sale of investments	(1,878)	211,833
Closing Cost	<u>6,849,673</u>	<u>14,574,028</u>
Fair Value	6,831,156	18,936,198
Unrealised (losses)/gains	(18,517)	4,362,170

## Cross Investment

	EUR
KBI Cash Fund	6,831,156
KBI Integris Eurozone Equity Fund	18,936,198
<u>Total Fair Value</u>	<u>25,767,354</u>
Realised gain	209,955
Net change in unrealized gain	4,343,653
<u>Total Gains</u>	<u>4,553,608</u>

	Weighted Average Holding	Average fair value of shares held
KBI Cash Fund	1,984,831	6,271,808
KBI Integris Eurozone Equity Fund	8,463,866	18,242,878

## 23. Events During the Year

KBI Cash Fund ceased trading on 23 January 2020.

## COVID-19

The COVID-19 virus pandemic continues to impact countries and economies across the globe. The Directors of the AIFM are aware that global financial markets are still monitoring and reacting to the outbreak. All markets have incurred increased volatility and uncertainty since the onset of the virus.

The Directors have also noted the operational risks that are posed to the Trust and its service providers due to global and local movement restrictions that have been enacted by various governments. The COVID-19 pandemic is an unprecedented event and the eventual impact on the global economy and markets will largely depend on the scale and duration of the outbreak.

The Directors will continue to monitor this situation.

There have been no other significant events during the financial year which require disclosure in these Financial Statements.

**Notes to the Financial Statements (Continued)****For the year ended 30 September 2020****24. Post Balance Sheet Events**

The COVID-19 outbreak has caused extensive disruption to businesses and economic activities globally. The uncertainty and instability described in Note 23 continues post financial year-end.

There have been no other events subsequent to the year end, which, in the opinion of the Directors of the AIFM, may have had an impact on the Financial Statements for the year ended 30 September 2020.

**25. Soft Commissions**

There are no soft commission arrangements affecting this Fund for the year ended 30 September 2020 (30 September 2019: Nil).

**26. Auditors Remuneration**

The remuneration for all work carried out by the statutory audit firm in respect of the financial year is as follows:

	<b>Total Fund Year ended 30 September 2020 EUR</b>	<b>Total Fund Year ended 30 September 2019 EUR</b>
Statutory audit of Financial Statements*	—	54,474
	—	54,474

\*Excluding VAT

**27. Approval of Financial Statements**

The Financial Statements were approved by the Directors of the AIFM on 22 January 2021.

## Information in respect of underlying investments (Unaudited)

## For the year ended 30 September 2020

<b>KBI Managed Fund</b>	<b>Jurisdiction</b>	<b>Fund Manager</b>	<b>Regulatory Status</b>	<b>Management Fee %</b>	<b>Performance Fee %</b>	<b>Redemption Fee %</b>
Delta Equity Fund 1 Limited Partnership	Ireland	Delta Partners	Limited Partnership	0.00	n/a	n/a
KBI Emerging Markets Equity Fund	Ireland	KBI Global Investors Limited	UCITS	0.00	n/a	n/a
KBI Developed Equity Fund	Ireland	KBI Global Investors Limited	UCITS	0.00	n/a	n/a
KBI Global Resource Solutions Fund	Ireland	KBI Global Investors Limited	UCITS	0.00	n/a	n/a
PIMCO Short-Term High Yield Corporate Bond Source ETF	Ireland	Pacific Investment Management Company LLC	UCITS	0.00	n/a	n/a
Goldman Sachs Funds SICAV - Absolute Return Tracker Portfolio	Luxembourg	Goldman Sachs Asset Management	SICAV	0.65	n/a	n/a
Irish Bioscience Venture Capital Fund	Ireland	Seroba Life Sciences	Private Equity Fund	0.00	n/a	n/a
KBI Integris Eurozone Equity Fund	Ireland	KBI Global Investors Limited	UCITS	0.00	n/a	n/a
KBI Global Sustainable Infrastructure Fund	Ireland	KBI Global Investors Limited	UCITS	0.00	n/a	n/a
Amundi Investment Solutions	France	Amundi Asset Management	UCITS	0.14	n/a	n/a
Morgan Stanley Liquidity Funds Euro Liquidity Fund Institutional Accumulation	Luxembourg	MSIM Fund Management (Ireland) Limited	SICAV	0.07	n/a	n/a
<b>KBI Ethical Managed Fund</b>	<b>Jurisdiction</b>	<b>Fund Manager</b>	<b>Regulatory Status</b>	<b>Management Fee %</b>	<b>Performance Fee %</b>	<b>Redemption Fee %</b>
BlackRock Emerging Markets Index Fund	US	KBI Global Investors Limited	UCITS	0.00	n/a	n/a
KBI Integris Eurozone Equity Fund	Ireland	KBI Global Investors Limited	RIAF	0.00	n/a	n/a
KBI Integris Global Equity Fund	Ireland	KBI Global Investors Limited	UCITS	0.00	n/a	n/a
KBI Global Sustainable Infrastructure Fund	Ireland	KBI Global Investors Limited	UCITS	0.00	n/a	n/a
PIMCO Short-Term High Yield Corporate Bond Source ETF	Ireland	Pacific Investment Management Company LLC	UCITS	0.00	n/a	n/a
SICAV BNP Paribas Easy	Luxembourg	BNP Paribas Asset Management	UCITS	0.00	n/a	n/a
Amundi Investment Solutions	France	Amundi Asset Management	UCITS	0.14	n/a	n/a
Morgan Stanley Liquidity Funds Euro Liquidity Fund Institutional Accumulation	Luxembourg	MSIM Fund Management (Ireland) Limited	SICAV	0.07	n/a	n/a
<b>KBI Innovator Fund</b>	<b>Jurisdiction</b>	<b>Fund Manager</b>	<b>Regulatory Status</b>	<b>Management Fee %</b>	<b>Performance Fee %</b>	<b>Redemption Fee %</b>
UBS ETFs plc - CMCI Composite SF UCITS ETF	Ireland	Lantern Structured Asset Management Limited	UCITS	0.36	n/a	n/a
KBI Energy Solutions Fund	Ireland	KBI Global Investors Limited	UCITS	0.00	n/a	n/a
KBI Emerging Markets Equity Fund	Ireland	KBI Global Investors Limited	UCITS	0.00	n/a	n/a
KBI Global Resource Solutions Fund	Ireland	KBI Global Investors Limited	UCITS	0.00	n/a	n/a
KBI Global Sustainable Infrastructure Fund	Ireland	KBI Global Investors Limited	UCITS	0.00	n/a	n/a
KBI Water Fund	Ireland	KBI Global Investors Limited	UCITS	0.00	n/a	n/a
Morgan Stanley Liquidity Funds Euro Liquidity Fund Institutional Accumulation	Luxembourg	MSIM Fund Management (Ireland) Limited	SICAV	0.07	n/a	n/a

**Schedule of Total Expense Ratios (Unaudited)**

<b>List of Sub-Funds</b>	<b>List of Unit Series</b>	
<b>KBI Managed Fund</b>	<b>1A (EUR)</b>	<b>5A (EUR)</b>
TER%	0.93%	1.18%
<b>KBI Ethical Managed Fund</b>	<b>1A (EUR)</b>	<b>1A (GBP)</b>
TER%	0.84%	0.84%
<b>KBI Innovator Fund</b>	<b>1A (EUR)</b>	<b>8A (EUR)</b>
TER%	0.98%	0.77%
<b>KBI Integris Eurozone Equity Fund</b>		<b>10A (EUR)</b>
TER%		0.32%

KBI Cash Fund ceased trading on 23 January 2020.

The Total Expense Ratios recorded above express the total operating costs of each Sub-Fund as a percentage of the average net asset value of the each Series and of the Sub-Fund as a whole. The operating costs (which include fee rebates) are taken from these Financial Statements. The calculations are prepared in accordance with the Central Bank's guidance methodology.

Many of the Sub-Funds of KBI Global Investment Fund ("the GIF") invest in other funds and the costs associated with these investments are included in the TER calculation. Where an underlying fund amounts to more than 1% of the Net Asset Value ("NAV") of the GIF Sub-Fund, the TERs of the underlying fund times its percentage value of the GIF NAV is added onto the GIF Sub-Fund and each GIF Series TER. The TERs used for the underlying funds are the latest available TERs in respect of these investments.

This calculation is done at a point in time i.e. 30 September 2020. A review of each Sub-Fund is completed to monitor any changes in its composition during the year to ensure that the note is made of costs associated with holding a fund for part of the reporting year but disposing of it prior to year end. The GIF Sub-Funds remained very stable during the reporting year with no significant changes in their composition that would impact on the TER calculations shown above.



## KBI Managed Fund

## Condensed Schedule of Investments

As at 30 September 2020

The percentages in brackets show the equivalent country and sector holdings at 30 September 2019.

	Fair Value EUR	% of Net Assets
<b>Financial assets at fair value through profit or loss</b>		
<b>Investment Funds: 100.09% (2019: 100.11%)</b>		
France: 5.59% (2019: 4.73%)	2,395,080	5.59
Ireland: 75.34% (2019: 84.93%)	32,243,462	75.34
Luxembourg: 18.76% (2019: 9.97%)	8,027,711	18.76
United Kingdom: 0.40% (2019: 0.48%)	173,541	0.40
<b>Total Investment Funds</b>	<b>42,839,794</b>	<b>100.09</b>
<b>Total Value of Investments</b>	<b>42,839,794</b>	<b>100.09</b>
<b>Cash &amp; Cash Equivalents*</b>	<b>275,702</b>	<b>0.64</b>
<b>Other Net Liabilities</b>	<b>(316,356)</b>	<b>(0.73)</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Units</b>	<b>42,799,140</b>	<b>100.00</b>

\*All cash holdings are held with Northern Trust Fiduciary Services (Ireland) Limited.

## Positions Greater than 5% of Net Assets

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
894,210	KBI Developed Equity Fund	19,723,594	46.08
618,839	Goldman Sachs Funds SICAV - Absolute Return Tracker Portfolio	6,968,122	16.28
325,318	KBI Eurozone Equity Fund	5,476,397	12.80
244,934	KBI Emerging Markets Equity Fund	3,471,702	8.11
7,408	Amundi Investment Solutions	2,395,080	5.59

## KBI Ethical Managed Fund

## Condensed Schedule of Investments

As at 30 September 2020

The percentages in brackets show the equivalent country and sector holdings at 30 September 2019.

	Fair Value EUR	% of Net Assets
<b>Financial assets at fair value through profit or loss</b>		
<b>Investment Funds: 100.09% (2019: 100.08%)</b>		
France: 14.74% (2019: 13.57%)	11,049,766	14.74
Ireland: 70.09% (2019: 82.21%)	52,558,077	70.09
Luxembourg: 15.26% (2019: 4.30%)	11,440,629	15.26
<b>Total Investment Funds</b>	<b>75,048,472</b>	<b>100.09</b>
<b>Total Value of Investments</b>	<b>75,048,472</b>	<b>100.09</b>
<b>Bank Overdraft*</b>	<b>(1,740)</b>	<b>–</b>
<b>Other Net Liabilities</b>	<b>(64,033)</b>	<b>(0.09)</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Units</b>	<b>74,982,699</b>	<b>100.00</b>

\*All cash holdings are held with Northern Trust Fiduciary Services (Ireland) Limited.

## Positions Greater than 5% of Net Assets

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
2,277,248	KBI Integris Global Equity Fund	26,117,760	34.83
8,423,201	KBI Integris Eurozone Equity Fund	16,489,090	21.99
34,177	Amundi Investment Solutions	11,049,766	14.74
74,334	Morgan Stanley Liquidity Funds - Euro Liquidity Fund	7,958,873	10.62
351,703	KBI Global Sustainable Infrastructure Fund	4,202,149	5.60

## KBI Innovator Fund

## Condensed Schedule of Investments

As at 30 September 2020

The percentages in brackets show the equivalent country and sector holdings at 30 September 2019.

	Fair Value EUR	% of Net Assets
<b>Financial assets at fair value through profit or loss</b>		
<b>Investment Funds: 100.11% (2019: 98.32%)</b>		
Ireland: 100.09% (2019: 98.32%)	44,102,039	100.09
Luxembourg: 0.02% (2019: 0.00%)	10,423	0.02
<b>Total Investment Funds</b>	<b>44,112,462</b>	<b>100.11</b>
<b>Total Value of Investments</b>	<b>44,112,462</b>	<b>100.11</b>
<b>Bank Overdraft*</b>	<b>(10,297)</b>	<b>(0.02)</b>
<b>Other Net Liabilities</b>	<b>(39,003)</b>	<b>(0.09)</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Units</b>	<b>44,063,162</b>	<b>100.00</b>

\*All cash holdings are held with Northern Trust Fiduciary Services (Ireland) Limited.

## Positions Greater than 5% of Net Assets

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
82,223	KBI Global Resource Solutions Fund	16,502,738	37.45
683,979	KBI Global Sustainable Infrastructure Fund	8,172,187	18.55
548,443	KBI Emerging Markets Equity Fund	7,773,627	17.64
570,395	KBI Energy Solutions Fund	5,934,393	13.47
185,370	KBI Water Fund	4,863,002	11.04

## KBI Integris Eurozone Equity Fund

## Condensed Schedule of Investments

As at 30 September 2020

The percentages in brackets show the equivalent country and sector holdings at 30 September 2019.

Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
<b>Equities: 99.59% (2019: 99.65%)</b>		
Austria: 2.04% (2019: 3.12%)	335,940	2.04
Belgium: 2.84% (2019: 2.16%)	468,663	2.84
Finland: 5.19% (2019: 9.79%)	855,520	5.19
France: 28.25% (2019: 28.71%)	4,658,285	28.25
Germany: 22.57% (2019: 15.40%)	3,720,920	22.57
Italy: 10.43% (2019: 10.61%)	1,719,470	10.43
Netherlands: 10.87% (2019: 9.14%)	1,791,998	10.87
Spain: 14.65% (2019: 17.78%)	2,415,907	14.65
United Kingdom: 2.75% (2019: 2.94%)	454,160	2.75
<b>Total Equities</b>	<b>16,420,863</b>	<b>99.59</b>
<b>Total Value of Investments</b>	<b>16,420,863</b>	<b>99.59</b>
<b>Cash &amp; Cash Equivalents*</b>	<b>87,272</b>	<b>0.53</b>
<b>Other Net Liabilities</b>	<b>(19,037)</b>	<b>(0.12)</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Units</b>	<b>16,489,098</b>	<b>100.00</b>

\*All cash holdings are held with Northern Trust Fiduciary Services (Ireland) Limited.

There were no positions greater than 5% of Net Assets.

**KBI Managed Fund****Schedule of Material Portfolio Changes (Unaudited)****For the year ended 30 September 2020**

	<b>Largest Purchase</b>	<b>Cost EUR</b>
Morgan Stanley Liquidity Funds - Euro Liquidity Fund	28,113	3,019,614
Goldman Sachs Funds SICAV - Absolute Return Tracker Portfolio	183,589	2,082,720
KBI Cash Fund	545,936	1,720,000
KBI Global Sustainable Infrastructure Fund	26,859	299,322
	<b>Largest Sale</b>	<b>Proceeds EUR</b>
KBI Developed Equity Fund	233,369	5,548,902
KBI Cash Fund	625,874	1,971,322
Morgan Stanley Liquidity Funds - Euro Liquidity Fund	18,216	1,955,000
KBI Emerging Markets Equity Fund	131,635	1,947,282
KBI QIF Property Fund	1,249	1,606,072
KBI Eurozone Equity Fund	55,524	1,077,771
KBI Global Sustainable Infrastructure Fund	68,397	827,077
KBI Global Resource Solutions Fund	3,531	610,020
Goldman Sachs Funds SICAV - Absolute Return Tracker Portfolio	50,175	578,015
Irish Bioscience Venture Capital Fund: Loan Element	462,435	462,435
Amundi Investment Solutions	837	264,358

## KBI Ethical Managed Fund

## Schedule of Material Portfolio Changes (Unaudited)

For the year ended 30 September 2020

	<b>Largest Purchase</b>	<b>Cost EUR</b>
Morgan Stanley Liquidity Funds - Euro Liquidity Fund	97,848	10,517,000
KBI Global Sustainable Infrastructure Fund	18,996	211,690
	<b>Largest Sale</b>	<b>Proceeds EUR</b>
KBI Cash Fund	2,166,888	6,825,027
Morgan Stanley Liquidity Funds - Euro Liquidity Fund	23,513	2,525,000
PIMCO Short-Term High Yield Corporate Bond Source ETF	19,402	1,427,681
KBI Global ESG Equity Fund	85,127	1,127,843

## KBI Cash Fund\*

## Schedule of Material Portfolio Changes (Unaudited)

For the year ended 30 September 2020

	<b>Largest Purchase</b>	<b>Cost EUR</b>
027day -0.61000 % 25/11/19 DB	4,612,842	4,612,842
028day -0.60000 % 23/12/19 DB	2,610,731	2,610,731
031day -0.60000 % 23/01/20 DB	2,609,513	2,609,513
031day -1.00000 % 14/11/19 AIB	1,891,623	1,891,623
028day -1.00000 % 23/12/19 AIB	1,835,726	1,835,726
031day -1.00000 % 23/01/20 AIB	1,834,298	1,834,298
034day -0.50000 % 25/11/19 BNP	1,480,711	1,480,711
033day -1.00000 % 25/11/19 AIB	1,000,051	1,000,051
001day -1.10000 % 16/01/20 AIB	1,000,000	1,000,000
001day -1.10000 % 15/01/20 AIB	1,000,000	1,000,000
003day -1.00000 % 13/01/20 AIB	1,000,000	1,000,000
001day -1.10000 % 17/01/20 AIB	999,969	999,969
001day -1.10000 % 14/01/20 AIB	999,917	999,917
031day -0.60000 % 14/11/19 DB	996,373	996,373
026day -1.00000 % 25/11/19 AIB	837,197	837,197
	<b>Largest Sale</b>	<b>Proceeds EUR</b>
033day -0.61000 % 29/10/19 DB	4,615,423	4,615,423
027day -0.61000 % 25/11/19 DB	4,612,842	4,612,842
184day -0.44000 % 26/02/20 BNP	3,990,011	3,990,011
277day 0.03000 % 08/06/20 TSB	2,729,219	2,729,219
028day -0.60000 % 23/12/19 DB	2,610,731	2,610,731
031day -0.60000 % 23/01/20 DB	2,609,513	2,609,513
032day -1.00000 % 14/10/19 AIB	1,893,306	1,893,306
031day -1.00000 % 14/11/19 AIB	1,891,623	1,891,623
028day -1.00000 % 23/12/19 AIB	1,835,726	1,835,726
031day -1.00000 % 23/01/20 AIB	1,834,298	1,834,298
365day -0.21000 % 22/10/19 BNP	1,483,871	1,483,871
034day -0.50000 % 25/11/19 BNP	1,480,711	1,480,711
276day 0.03000 % 08/06/20 TSB	1,419,108	1,419,108
033day -1.00000 % 25/11/19 AIB	1,000,051	1,000,051
092day 0.00000 % 23/10/19 TSB	1,000,051	1,000,051
001day -1.10000 % 16/01/20 AIB	1,000,000	1,000,000
001day -1.10000 % 15/01/20 AIB	1,000,000	1,000,000
003day -1.00000 % 13/01/20 AIB	1,000,000	1,000,000
001day -1.10000 % 17/01/20 AIB	999,969	999,969
001day -1.10000 % 14/01/20 AIB	999,917	999,917

\*Fund ceased trading on 23 January 2020.

**KBI Innovator Fund****Schedule of Material Portfolio Changes (Unaudited)****For the year ended 30 September 2020**

	<b>Largest Purchase</b>	<b>Cost EUR</b>
Morgan Stanley Liquidity Funds - Euro Liquidity Fund	20,476	2,200,358
	<b>Largest Sale</b>	<b>Proceeds EUR</b>
KBI Global Resource Solutions Fund	14,311	2,579,864
Morgan Stanley Liquidity Funds - Euro Liquidity Fund	20,379	2,187,878
KBI Emerging Markets Equity Fund	50,951	613,141
UBS ETFs PLC CMCI Composite SF UCITS	8,509	335,246



## KBI Integris Eurozone Equity Fund

## Schedule of Material Portfolio Changes (Unaudited)

For the year ended 30 September 2020

	<b>Largest Purchase</b>	<b>Cost EUR</b>
Peugeot	30,220	633,235
Capgemini	6,240	620,764
Unibail-Rodamco-Westfield	8,072	594,066
Hochtief	5,171	584,332
Stora Enso	36,995	451,348
Inditex	17,313	407,181
ING Groep	36,548	393,803
Edenred	8,790	380,348
Atos	4,981	354,829
Intesa Sanpaolo	150,317	348,022
Henkel	4,729	346,572
SAP	3,033	345,569
Telecom Italia	818,257	313,262
Koninklijke DSM	2,728	309,397
Continental	2,583	292,124
Infineon Technologies	16,583	291,006
LVMH Moët Hennessy Louis Vuitton	739	290,574
Siemens Healthineers	7,306	289,629
Elisa	5,505	263,617
Coca-Cola European Partners	6,692	251,580
	<b>Largest Sale</b>	<b>Proceeds EUR</b>
Klepierre	34,340	1,033,874
Inditex	38,051	989,847
Nokian Renkaat	37,220	948,414
Unilever	17,583	943,412
Societe BIC	14,698	924,370
Siemens	9,222	905,974
Mediobanca	89,179	892,376
Enagas	40,613	855,416
ASML	3,255	790,196
AXA	34,253	772,274
Andritz	22,192	762,674
BNP Paribas	16,260	699,815
Banco Bilbao Vizcaya Argentaria	173,060	693,316
Deutsche Post	21,482	644,736
UPM-Kymmene	23,141	625,103
Publicis Groupe	15,402	594,564
Coca-Cola European Partners	12,296	586,630
Telecom Italia	1,152,041	581,867
Kering	1,212	573,388
ACS Actividades de Construcción y Servicios	18,045	543,927

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited)**

The following information is required to be made available to investors in the Sub-Funds of KBI Global Investment Fund before they invest, pursuant to Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers Directive (the "AIFMD").

This information contains solely that information that the Alternative Investment Fund Managers (the "AIFM") is required to make available to investors pursuant to the AIFMD and should not be relied upon as the basis for any investment decision.

References to the AIFM are to KBI Fund Managers Limited; references to the Board are to the Directors of the AIFM; references to the Investment Manager are to KBI Global Investors Limited; and references to Unitholders are to unitholders in the Sub-Funds of KBI Global Investment Fund.

The AIFMD imposes conditions on the marketing of funds. The AIFMD requires that an AIFM be identified to meet such conditions where such marketing is sought. For these purposes, the AIFM, as the legal entity is responsible for performing the portfolio and risk management of the Funds.

The AIFMD imposes detailed and prescriptive obligations on fund managers established in the European Economic Area (EEA) (the "Operative Provisions").

The Central Bank of Ireland has granted its permission for the Sub-Funds of the KBI Global Investment Fund to be marketed in any EEA jurisdiction to which the AIFMD applies provided that the AIFM of the Fund complies with the applicable sections of the AIF Codes. The AIF Codes transpose the parts of the AIFMD and implementing legislation as far as such parts can be said to apply to any person in Ireland and apply to the AIFM and the Fund.

**Jurisdiction & Applicable Law**

KBI Global Investment Fund is an open-ended umbrella unit trust authorised by the Central Bank of Ireland pursuant to the provisions of the Unit Trusts Act, 1990 and any regulations made thereunder.

The Prospectus, the Sub-Fund Information Card and each Class' Information Card are governed by and construed in accordance with the laws of the Republic of Ireland and the main (but not the sole) legal implication of the contractual relationship entered into for the purpose of investment in the Fund is that an investor purchases Units in the Fund where a Unit issued in the Fund represents the beneficial ownership of one undivided share in the assets of the Fund or Class (where applicable). Each Unitholder is bound by the terms of the Prospectus, the Trust Deed and the application form executed by or on behalf of each Unitholder. The application form is governed by Irish law and the parties thereto submit to the jurisdiction of the Irish courts. Irish law provides for the enforcements of judgements obtained in other countries subject to certain conditions having been met.

**Service Providers and Fund Expenses Disclosure****Alternative Investment Fund Manager (AIFM)**

The AIFM of the Fund is KBI Fund Managers Limited. It is responsible for the performance of portfolio and risk management, although it has delegated day to day responsibilities to KBI Global Investors Limited. KBI Global Investors Limited is regulated by the Central Bank of Ireland.

**Investment Manager**

Pursuant to the Investment Management Agreements, certain investment management functions have been delegated to KBI Global Investors Limited (the "Investment Manager") in accordance with the investment policy and risk profile applicable to the relevant Funds, which has been communicated to the Investment Manager.

The Investment Management Agreement obliges the Investment Manager to carry out due diligence in the selection and ongoing monitoring of investments of the Sub-Funds in accordance with the AIFM's Investment Due Diligence Policy for investments. The Investment Manager is obliged pursuant to the provisions of the Investment Management Agreement to have effective arrangements for ensuring that investment decisions are carried out in compliance with the investment objectives, investment strategy and risk limits of each Sub-Fund.

**Investment Management Fees**

Investment management fees are outlined in note 15 of the Financial Statements of the Fund.

**Secretary of the AIFM**

The AIFM has appointed Carne Global Financial Services Limited as Secretary.

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****Service Providers and Fund Expenses Disclosure (Continued)****Depositary**

The AIFM has ensured that a single Depositary has been appointed to each of the Funds it manages. The Depositary is authorised by the Central Bank to provide depositary services to Irish collective investment schemes. The AIFM undertook a due diligence process prior to the engagement of the Depositary and is satisfied that it meets with the requirements of Regulation 22 of the Regulations.

The AIFM has appointed Northern Trust Fiduciary Services (Ireland) Limited to act as Depositary to the assets of the Funds. The Depositary is responsible, subject to the provisions of the Regulations for monitoring of the Sub-Funds' cash flows and safekeeping of assets and for providing settlement services in relation to the Fund's investment transactions.

The Depositary provides reports to the Designated Directors and the Board in the manner outlined in the AIFM's Programme of Activity. In addition, the Depositary is obliged to enquire into the conduct of each Sub-Fund in each financial year and to report thereon to the unitholders of each Sub-Fund. This report is provided to the Board for inclusion in the annual report of the Fund.

Fees paid to the Depositary are disclosed in the Financial Statements of the Fund.

The AIFM will inform investors before investment in the Sub-Funds of any arrangement made by the Depositary to contractually discharge itself of liability. Any changes to Depositary liability must be notified to investors without delay. There is currently no arrangement with the Depositary to discharge itself of or transfer liability. The Depositary does not delegate any safe-keeping functions.

The Board, the Investment Manager, the Administrator and the Depositary and their respective affiliates, officers, directors and unitholders, employees and agents (collectively the "Parties") are or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the AIFM and/or their respective roles with respect to the Fund.

These activities may include managing or advising other funds (including other collective investment schemes), purchases and sales of securities, banking and investment management services, brokerage services, valuation of unlisted securities (in circumstances in which fees payable to the entity valuing such securities may increase as the value of assets increases) and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the Fund may invest. In particular, the AIFM and other companies within the KBI Group may be involved in advising or managing other investment funds (including other collective investment schemes) or other real estate portfolios which have similar or overlapping investment objectives to or with the Fund. Each of the Parties will use its reasonable endeavours to ensure that the performance of their respective duties will not be impaired by any such involvement they may have and that any conflicts which may arise will be resolved fairly and in the best interests of Unitholders.

**Auditor**

The AIFM has appointed KPMG as Auditor of the Fund.

**Remuneration**

Taking into account the nature, scale and complexity of the AIFM's activities, the Board has put in place a remuneration policy which is designed to ensure that any relevant conflicts of interest can be managed appropriately at all times. The purpose of the AIFM's remuneration policy is to seek to ensure that the remuneration arrangements of "identified staff":

- (i) is consistent with and promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile, rules or instruments of incorporation of the AIFM; and
- (ii) is consistent with the AIFM's business strategy, objectives, values and interests and includes measures to avoid conflicts of interest.

The AIFM does not have direct employees but delegates portfolio management and risk management to KBI Global Investors Limited. The AIFM requires when delegating portfolio management (or any part thereof) and/or risk management activities, that:

- (i) the entities to which such activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Guidelines/Annex II of the Directive; or
- (ii) appropriate contractual arrangements are put in place with entities to which such activities have been delegated in order to ensure that there is no circumvention of the remuneration rules set out in the ESMA Guidelines/Annex II of the Directive.

The remuneration of those engaged in the performance of the risk management function reflects the achievement of the objectives linked to the risk management function, independently of the performance of the business areas in which they are engaged. The method of determining the remuneration of the Compliance Officer and other persons in the compliance function does not affect their objectivity and is not likely to do so as their remuneration is not linked in any way to the AIFM's performance.

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****Remuneration (Continued)**

The fees of Fiona Mulcahy and John Craddock, Independent Non-Executive Directors of the AIFM, are paid by the two Trusts managed by the AIFM. John Craddock earned a fee of €14,948 and Fiona Mulcahy earned a fee of €12,948 during the financial year.

Effective from 1 January 2020, Directors' fees of the AIFM changed. Fiona Mulcahy fee decreased to €16,000 per annum and John Craddock fee decreased to €21,000 per annum. The remaining directors of the AIFM were not entitled to fees for the financial year.

For the fiscal year of 2019, the Investment Manager KBI Global Investors Ltd, acting as a delegate of the AIFM, paid the following aggregate remuneration to its employees who (i) were engaged in portfolio or risk management activities or (ii) were in a position to impact the risk profile of the Sub-Funds of the KBI Global Investment Fund (all amounts in Euro, EUR):

Number of persons	12
Fixed benefits:	€99,802.82
Variable benefits:	€36,087.77
Total:	€135,890.59

**Risks Identified by the Board**

The following risks have been identified by the AIFM:

- (a) **Market Risk:** the risk arises from uncertainty about future prices of investments held by the Fund, whether those changes are caused by factors specific to individual investments, or other factors affecting a number of similar investments. It represents the potential loss a Sub-Fund might suffer through holding investments in the face of adverse price movements. Market risk can change substantially without a change in the Fund portfolio, due to a change in market conditions;
- (b) **Credit Risk:** the risk that a deterioration in the creditworthiness may lead to a loss of investments;
- (c) **Liquidity risk:** the risk that a Sub-Fund will encounter difficulty in meeting financial obligations as they fall due. A Sub-Fund faces the possibility of an unpredictable short term liability to provide cash to meet investor withdrawals. Given the typical terms for investors in collective investment schemes, 100% cash could be required at very short notice. However, this is in fact unlikely, and not a practical basis for running a Sub-Fund. Nonetheless, the Investment Manager does take into account the diversity of the investor base and the notice required for redemptions when assessing a Sub-Fund's potential liabilities from this source. The estimated ease with which the Sub-Fund's assets can be turned into cash, against the assessment of the possible timing of financial liabilities defines the liquidity risk;
- (d) **Counterparty risk:** the risk of a loss of investor value resulting from a default or failure of a counterparty associated with the Fund's investments, including the risk of failure of the depositary;
- (e) **Market Capitalisation Risk:** The securities of small-to-medium-sized (by market capitalisation) companies, or financial instruments related to such securities, may have a more limited market than the securities of larger companies. Accordingly, it may be more difficult to effect sales of such securities at an advantageous time or without a substantial drop in price than securities of a company with a large market capitalisation and broad trading market. In addition, securities of small-to-medium-sized companies may have greater price volatility as they are generally more vulnerable to adverse market factors such as unfavourable economic reports;
- (f) **Currency Risk:** Assets of a Sub-Fund may be denominated in a currency other than the Base Currency of the Sub-Fund. Changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation of the value of the Sub-Fund's assets as expressed in the Base Currency. The Investment Manager may or may not try to mitigate this risk by using financial instruments. Sub-Funds may enter from time to time into currency exchange transactions either on a spot (i.e. cash) basis or by buying currency exchange derivative contracts. Neither spot transactions nor currency exchange derivative contracts eliminate fluctuations in the prices of a Sub-Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. Currency derivative transactions shall only be entered into in the currencies in which the Sub-Fund normally transacts business. Currently none of the Sub-Funds has engaged in currency derivative transactions;
- (g) **Investing in Other Collective Investment Schemes:** A Sub-Fund may purchase shares of other collective investment schemes to the extent that such investment is consistent with its investment objective, policies and restrictions. In such cases, the relevant Sub-Fund may invest in underlying schemes which use substantial leverage for their investments. During periods when underlying schemes are leveraged, any event which may adversely affect the value of any scheme could significantly affect the net assets of the relevant Sub-Fund. The amount of leverage employed in the underlying schemes (which may be unlimited) is monitored through the due diligence processes used by the AIFM.

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****Risks Identified by the Board (Continued)****(g) Investing in Other Collective Investment Schemes:** (continued)

The cost of investing in a Sub-Fund which purchases shares of other collective investment schemes will generally be higher than the cost of investing in an investment fund that invests directly in individual stocks and bonds. By investing in the relevant Sub-Fund, an investor will indirectly bear fees and expenses charged by the underlying funds in addition to the Fund's direct fees and expenses. Where a Sub-Fund invests substantially in other collective investment schemes, the risks associated with investing in that Sub-Fund may be closely related to the risks associated with the securities and other investments held by the other collective investment schemes;

**(h) Operational risks:** the risk of a loss of investor value resulting from inadequate or failed internal processes, people and systems or from external events; and**(i) Valuation Risk:** the risk that investor assets are incorrectly valued.**Risk Limits Established**

The AIFM has established and has implemented quantitative and qualitative risk limits for the Sub-Funds of the Fund, taking into account all relevant risks.

Currently none of the Sub-Funds engage in leverage or use derivative strategies. The assets held consist primarily of:

- Equity securities of companies listed on recognised exchanges
- EU government issued fixed interest securities
- Cash deposits with major financial institutions
- Regulated collective investment schemes of large, established fund promoters and investment managers

The AIFM has in place a set of agreed investment restrictions per sub-fund which are designed to ensure each sub-fund is managed in accordance with its investment objectives.

These investment restrictions are also designed to manage Market, Credit, Liquidity and Counterparty risks. All Sub-Funds are subject to the AIF Rulebook restrictions for Collective Investment Schemes. Other restrictions particular to a sub-fund of the Fund's agreed investment strategy and profile can also be added.

Investment restrictions are agreed by the Board in advance of a Sub-Fund launch and are notified to the delegate Investment Manager by the Designated Person. These restrictions are monitored daily by the Investment Manager and any issues are notified to the Designated Person on an adhoc basis as required. The investment restrictions per sub-fund are listed in a Sub-Fund profile document which is reviewed quarterly by the Board. Any issues or agreed changes are reported to the Investment Manager by the Designated Person.

The following is a non-exhaustive list of quantitative limits and techniques that have been put in place by the AIFM to manage, measure and monitor the various risks to which the Sub-Funds are exposed:

**Market Risk****Quantitative Limits**

- (a) A Sub-Fund may not invest more than 20% of its net assets in securities issued by the same body; in the case of a Sub-Fund whose investment policy is to replicate an Index, this limit is increased to 35% in the case of a single issuer, where this is justified by exceptional market condition;
- (b) No more than 10% of the Sub-Fund's net assets may be kept on deposit with any one institution. This may be increased to 30% where deposits are placed with institutions that meet certain criteria;
- (c) The Sub-Fund may not hold more than 20% of any class of security issued by any single issuer;
- (d) The Sub-Fund may not invest more than 30% of its net assets in the units of any other sub-fund of the Sub-Fund or the units of any other collective investment scheme;
- (e) A Sub-Fund may not invest more than 20% in unregulated collective investment schemes;

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****Quantitative Limits (Continued)**

- (f) Fixed Income securities must have a rating of investment grade or above; and
- (g) A Sub-Fund may invest no more than 20% of its net assets in securities which are not dealt in on a Recognised Exchange.

**Liquidity Risk Management and Redemption Policy**

In accordance with its obligations under the European Union (Alternative Investment Fund Managers) Regulations 2013 (the “Regulations”) and EU Commission Delegated Regulation (EU) No. 231/2013 (the “Level 2 Regulation”) The AIFM is required to employ an appropriate liquidity management system and adopt procedures which enable it to monitor the liquidity risk of the Sub-Funds and to ensure that the liquidity profile of the investments of the Funds comply with their underlying obligations.

**Liquidity Management Framework**

The AIFM’s liquidity management framework, in summary, requires each Sub-Fund to maintain a level of liquidity appropriate to its underlying obligations (principally redemption obligations), to monitor each Sub-Fund’s liquidity profile; to implement and maintain appropriate liquidity measurement arrangement and procedures and to consider and put into effect, when considered necessary, tools and arrangements to manage liquidity risk.

The table below outlines the nature of all of the Sub-Funds of the Fund:

<b>KBI Global Investment Fund</b>	<b>Open-ended</b>	<b>Limited Liquidity</b>	<b>Dealing Frequency</b>
KBI Managed Fund	Yes	Yes	Daily
KBI Ethical Managed Fund	Yes	No	Daily
KBI Integris Eurozone Equity Fund	Yes	No	Daily
KBI Innovator Fund	Yes	No	Daily

KBI Cash Fund ceased trading on 23 January 2020.

**Limited liquidity**

KBI Managed Fund had relatively small weightings in the illiquid Sub-Funds detailed above. In order to prevent the allocations to these illiquid assets within the Managed Funds increasing disproportionately due to investor redemptions, where appropriate the AIFM reserves the right to offer units in the illiquid underlying assets in-specie, with the remainder paid in cash, subject to the CBI rules with regard to the offer of units in-specie.

Details of any illiquidity issues are detailed in the AIFM’s AIFMD Reporting requirements to the CBI and are monitored by the Board at quarterly meetings.

The AIFM considers the investment strategy, liquidity profile and redemption policy of each Sub-Fund to be consistent and aligned as investors have the ability to redeem their investments in a manner consistent with the fair treatment of all investors.

**Redemption Policies**

The policies and procedures, which are adopted by the Fund, in relation to the redemption of units in the Sub-Funds are those set out in the Prospectus for each Sub-Fund and disclosed to investors under the heading ‘Redemptions’, for the purposes of complying with its obligations under the Regulation. In the event of a material change in these policies and procedures, the AIFM will ensure that such material change will be disclosed to investors via a written communication.

**Portfolio Liquidity**

The AIFM will require that any delegate to whom it delegates portfolio management or any part thereof (each a “Delegate”) will confirm to the AIFM that they assess the liquidity profile of each instrument acquired on behalf of the Funds in order to ensure that the Sub-Funds are in a position to satisfy redemption requests or other obligations, such as fees and settlement obligations. In the case of financial instruments which are listed or traded on a recognised market, any such delegate shall presume that these instruments shall not compromise the ability of the Sub-Fund to satisfy redemption requests on a daily basis, unless information is available to it that would lead to a different determination.

As part of its quarterly Board report, the delegate, which in this context shall also include any delegate to whom administration services have been delegated, will provide information to the Board on the liquidity management process adopted on behalf of each Sub-Fund to ensure that the assets are being managed in a manner that ensures that the ability to satisfy redemption requests in accordance with the terms of the Prospectus is not compromised. Where appropriate, such reports include information on periodic stress testing carried out by the delegate to manage the liquidity risk of the Funds in exceptional circumstances.



**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****Monitoring and Managing Liquidity Risk**

The liquidity management system employed by the AIFM is set out below:

1. The AIFM instructs and monitors its delegate Investment Manager to maintain a level of liquidity in respect of each Sub-Fund appropriate to each Sub-Fund's underlying obligations, based on an assessment of the relative liquidity of the assets in the market, taking account of the time required for liquidation and the price or value at which those assets can be liquidated, and their sensitivity to other market risks or factors;
2. In acquiring financial instruments (and in particular those transferable securities which are not listed or traded on a regulated market), the AIFM's delegated Investment Manager takes the following considerations into account in order to properly assess the liquidity:
  - (a) the volume and turnover in the transferable security;
  - (b) if price is determined by supply and demand in the market, the issue size, and the portion of the issue that the relevant Investment Manager plans to buy on behalf of the relevant Fund, also evaluation of the opportunity and timeframe to buy or sell;
  - (c) where necessary, an independent analysis of bid and offer prices over a period of time may be carried out by the delegate to indicate the relative liquidity and marketability of a particular instrument, as may the comparability of available prices; and
  - (d) in assessing the quality of the secondary market activity in a transferable security, analysis of the quality and number of intermediaries and market makers dealing in the transferable security concerned should be considered.
3. The AIFM monitors the liquidity profile of each Sub-Fund's portfolio of assets, having regard to the marginal contribution of individual assets which may have a material impact on liquidity, and the material liabilities and commitments, contingent or otherwise, which the AIFM may have in relation to each Sub-Fund's underlying obligations. For these purposes, the AIFM takes into account the profile of the investor base of the Sub-Funds, including the type of investors, the relative size of investments and the redemption terms to which these investments are subject;
4. The AIFM receives quarterly Board reports from the Fund Administrator and the Investment Manager outlining the subscription and redemption flows per Sub-Fund over the period and any liquidity issues experienced. The Designated Person also receives monthly reports from each of these delegates, outlining flows and any liquidity issues;
5. Where the Sub-Funds invest in other collective investment undertakings, the AIFM must monitor the approach adopted by the managers of those other collective investment undertakings to the management of liquidity, including through conducting periodic reviews to monitor changes to the redemption provisions of the underlying collective investment undertakings in which the Sub-Funds invest. Note further: Subject to Article 16(1) of the Directive, this obligation shall not apply where the other collective investment undertakings in which a Sub-Fund invests are actively traded on a regulated market (as defined);
6. As delegate, the Investment Manager undertakes regular monitoring of all collective investment undertakings held by the Sub-Funds, including regular discussions with the investment personnel of the relevant fund providers. Any issues of concern, including liquidity, will be raised with the Designated Director either on an adhoc basis, if urgent, or via the monthly reporting process as outlined in appendix 1 of the AIFM's Programme of Activity document. Similarly, the Fund Administrator will also immediately report to the Designated Director any issues concerning the pricing or trading on any collective investment undertaking investment that are contrary to the relevant underlying fund documentation liquidity provisions;
7. For collective investment undertakings not managed by the delegate Investment Manager (i.e. 3rd party funds), the delegate Investment Manager will arrange for regular updates from the relevant Fund Administrator outlining the % of the overall 3rd party fund held by the relevant Sub-Funds of the Fund. Any weighting in a 3rd party fund of greater than 10% will be noted by the Investment Manager delegate to the Designated Director via the agreed reporting process and will be monitored closely to ensure it does not pose a risk to the stated liquidity terms of the relevant Sub-Funds;

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****Monitoring and Managing Liquidity Risk (Continued)**

8. The AIFM implements and maintains appropriate liquidity measurement arrangements and procedures to assess the quantitative and qualitative risks of existing and intended positions having a material impact on the liquidity profile of each Sub-Fund's assets. The procedures employed ensure that the AIFM has the appropriate knowledge and understanding of the liquidity of the assets in which the Sub-Funds have invested or intends to invest including, where applicable, the trading volume and sensitivity of prices and, as the case may be, spreads of individual assets in normal and exceptional liquidity conditions; and
9. The AIFM considers and puts into effect the tools and arrangements necessary to manage the liquidity risk of the Sub-Funds as outlined in the following section of this policy.

**Liquidity Management Limits and Stress Tests**

The AIFM will where appropriate, considering the nature, scale and complexity of the Sub-Funds, implement and maintain adequate limits for the liquidity or illiquidity of the Sub-Funds consistent with its underlying obligations and redemption policy and in accordance with the requirements laid down in the AIFM's Risk Management Policy relating to quantitative and qualitative risk limits.

The delegate Investment Manager's policy for Sub-Funds that are priced daily is to be able to liquidate 90% of the holdings within 7 days. Prior to each investment, the Investment Manager must assess the marketability of the investments to ensure the investment will not compromise the Sub-Funds stated liquidity profile. The Investment Manager only invests in listed, regularly traded securities on recognised exchanges and only invests in collective investment schemes that are administered by recognised Fund Administrators, priced regularly and that have no known liquidity issues.

For limited liquidity Sub-Funds of the Fund that issue NAV's less frequently, the Investment Manager is tasked with assessing and identifying the illiquid investments that can be sold when conditions permit, so as to improve overall portfolio liquidity.

The delegate Investment Manager shall regularly monitor the liquidity of positions held and shall (i) report any issues immediately to the Designated Person and (ii) confirm on a monthly basis, that both the existing and any intended positions do not affect the stated liquidity profile of the Sub-Funds.

Liquidity calculations are run on a monthly basis by the Performance Measurement & the Risk Analysis Unit of the Investment Manager. Breaches of the Investment Manager's Liquidity policy are followed up by Compliance and Risk Unit and reported to the Investment Manager's Risk Committee. Where there is a material issue the Designated Director will notify the Board accordingly.

For Sub-Funds primarily holding collective investment funds (fund-of-funds) the Investment Manager will use its qualitative judgement based on its market knowledge and analysis of each underlying collective investment fund, including the reported % held by the relevant Sub-Funds of the Fund in each collective investment undertaking, provided by the relevant Fund Administrators as noted earlier above, to ascertain if any liquidity issues are likely to arise. Knowledge of the investor base is also important in terms of assessing the probability of redemption requests. Any potential issues are reported to the Designated Director.

The Designated Director will monitor the information received from the Delegates, both the Investment Manager and the Fund Administrator, including any pricing issues as detailed in the Valuation Policy. Where the liquidity of a Sub-Fund is likely to be adversely affected the AIFM shall determine the required (or necessary) course of action. In determining appropriate action, the AIFM will consider the adequacy of the liquidity management policies and procedures, the appropriateness of the liquidity profile of each Sub-Fund's assets and the effect of atypical levels of redemption requests.

**Liquidity Tools and Arrangements**

The arrangements which the AIFM has put in place to manage the liquidity risk of the Fund include the following;

*(i) Deferred Redemptions / Gate*

If the number of Units in a Sub-Fund falling to be redeemed as on any Dealing Day is equal to one tenth or, in the case of Sub-Funds which have a quarterly Dealing Day, one quarter or more of the total number of Units in issue or deemed to be in issue in that Sub-Fund on such Dealing Day, the AIFM may in its discretion refuse to redeem any Units in that Sub-Fund in excess of one tenth or, in the case of Sub-Funds which have a quarterly Dealing Day, one quarter of the total number of Units in issue or deemed to be in issue in that Sub-Fund as aforesaid and, if the AIFM so refuses, upon notification to the relevant Unitholders, the requests for redemption of Units in that Sub-Fund on such Dealing Day shall be reduced proportionately and the Units in the Sub-Fund to which each request relates which are not redeemed by reason of such refusal shall be treated as if a request for redemption had been made in respect of each subsequent Dealing Day until all the Units in the Sub-Fund to which the original request related have been redeemed. Requests for redemption which have been carried forward from an earlier Dealing Day shall (subject always to the foregoing limits) be complied with in priority to later requests;



**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****Liquidity Tools and Arrangements (Continued)***(ii) Full Suspension of Redemptions*

The AIFM may elect to fully suspend the redemptions of a Sub-Fund if it deems it necessary and in the best interest of all unit holders, due to material liquidity issues with the Sub-Fund's underlying holdings. Any such suspension will be notified to unit holders of the Sub-Fund in such manner as may be directed by the AIFM in accordance with the Prospectus;

*(iii) In Specie Redemptions in part or in whole*

Where a redemption request in excess of 5% of a Sub-Fund's NAV is received, the AIFM may satisfy the request in whole or in part and with the consent of the unitholder, by the transfer in specie of assets of the relevant Sub-Fund, having a value equal to the redemption price for the units redeemed as if the redemption proceeds were paid in cash, less any redemption charge and other expenses of the transfer, provided that any unitholder requesting redemption shall be entitled to request the sale of any asset or assets proposed to be distributed in specie and the distribution to such unitholder of the cash proceeds of such sale, the costs of which shall be borne by the relevant unitholder. The AIFM must be satisfied that any such distribution shall not cause any material prejudice to the interests of the remaining unitholders;

*(iv) Side Pockets*

The Board may create and issue a new class or classes of unit formed expressly for the purpose of being attributed to interests in investments or any particular investment which after their acquisition become, in the opinion of the Board, either illiquid or difficult to value (the "Side Pocket Units"). Such Side Pocket Units will be redeemable by the Fund only when so determined by the Board. The Manager must comply with the rules regarding the creation of Side Pocket Shares contained in the AIF Central Bank Rulebook;

*(v) Temporary Borrowing*

The fund may borrow to fund redemptions. There is an agreed Credit Facility with the Depositary whereby temporary overdrawn positions resulting from outflows are allowed. Typically the overdrawn position is never greater than 2% of the NAV of a Fund and is generally cleared within a few days; and

*(vi) Suspension of Net Asset Value Calculation*

The Board may at any time declare a temporary suspension of the calculation of the Net Asset Value and/or the issue or redemption of units of the Sub-Funds during certain times, including any period during which the AIFM is unable to repatriate funds required for the purpose of making payments on the redemption of units of the Sub-Funds from unitholders or during which the transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of units cannot, in the opinion of the Board, be effected at normal prices or normal rates of exchange.

Unitholders who have requested the issue or redemption of units of the Sub-Funds will be notified of any such suspension in such manner as may be directed by the AIFM in accordance with the Prospectus and, unless withdrawn but subject to the limitation referred to above, their requests will be dealt with on the first Dealing Day after the suspension is lifted. Any such suspension shall be notified to the Central Bank immediately without delay and in any event within the same Business Day on which such a suspension occurs. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

**Notification to Delegates**

The AIFM has notified its Delegates of this Liquidity and Redemption Policy and the provisions hereof. In addition, the AIFM will notify its Delegates in the event of any material change to the policy. The AIFM procures that each Delegate shall provide it with such reports, on request, as will enable it to monitor the performance of the Delegate and to monitor the Delegate's compliance with this policy on an ongoing basis.

**Liquidity Management: Role of the Investment Manager**

The Investment Manager is responsible for the investment of the assets of the Sub-Funds in accordance with the investment objective, policies and restrictions of each Sub-Fund, including quantitative and/or qualitative risk limits set for each Sub-Fund including market risks, credit risks, liquidity risks, counterparty risks and operational risks.

Taking into account the investment strategy, liquidity profile, type of investor and redemption policy, the Investment Manager is responsible for regularly monitoring the liquidity of all actual and intended positions, including collective investment undertakings, to ensure they are aligned with the stated liquidity requirements of the Sub-Funds. The Investment Manager is also responsible for reporting any liquidity issues immediately to the Designated Director of the AIFM, who will decide the most appropriate course of action. The Investment Manager will conduct stress tests, under normal and exceptional liquidity conditions, on the basis of reliable and up-to-date information, in quantitative and/or qualitative terms. Where appropriate, the Investment Manager will simulate a shortage of liquidity of the assets in the Sub-Funds and a typical redemption requests, and cover market risks and any resulting impact (including credit lines and valuation sensitivities under stressed conditions) in order to enable the Board to assess and monitor the liquidity risk of the Sub-Funds.

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****Quantitative Limits**

- (a) Application of portfolio diversification rules limiting concentration on individual investments;
- (b) At least 80% of the Fund's net assets must be invested in securities that are dealt in on a Recognised Exchange;
- (c) The Fund may not invest in physical commodities or real estate directly; and
- (d) At least 90% of the assets of each direct Sub-Fund that holds listed securities can be liquidated by the Investment Manager within a 7 day timeframe.

**Credit and Counterparty Risk****Quantitative Limits**

- (a) A Sub-Fund may not invest more than 20% of net assets in deposits with the same credit institution. This may be increased to 30% where deposits are placed with institutions that meet certain criteria;
- (b) The Fund's depositary will have a minimum Moody's Long Term rating of "A"; and
- (c) The Fund may not exceed commission target levels set by the Investment Manager.

**Market Capitalisation Risk****Quantitative Limits**

- (a) The Fund may not hold more than 10% of any class of security issued by any single issuer.

**Currency Risk (Spot FX only)****Quantitative Limits**

- (a) Counterparties must have a minimum credit rating; and
- (b) Target trading limits e.g. top ranking counterparties in terms of price, trade allocation between 35% - 45%, lower ranked counterparties between 15% - 30%.

**Qualitative Management Techniques**

- (a) In terms of counterparties the Investment Manager will also consider financial soundness, regulatory status, group structure of the counterparties.

**Investing in Other Collective Investment Schemes****Quantitative Limits**

- (a) Diversification rules limiting concentration on individual investments;
- (b) A Sub-Fund which is a fund of funds may not invest in a feeder fund or another fund of funds; and
- (c) A Sub-Fund which is a feeder fund may not invest in another feeder fund.

**Operational Risk****Quantitative Limits**

- (a) NAV error materiality: greater than 10bps will be assessed for materiality. Compensation for errors > 50bps is automatic while compensation for errors between 10-50bps will be examined on a case by case basis; and
- (b) All advertent breaches per quarter/annum. An advertent breach is a breach caused by an action taken by the Investment Manager.

**Valuation Risk**

Set of defined NAV tolerance checks which may highlight any underlying errors with regard to pricing or valuation. The Fund Administrator delegate completes the following checks as part of the NAV release process:

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****Valuation Risk (Continued)**

- (a) NAV on T vs NAV T-1 movement: each part of the NAV movement e.g. capital, income, realised gain/loss etc is checked and verified against the total NAV movement;
- (b) Relative NAV movement vs chosen benchmark movement of > 0.50%; and
- (c) Relative NAV movement between share classes of the same Sub-Fund of > 0.02%.

**Policy regarding the Use of Leverage**

The AIFM does not currently, and has no plans in the future, to employ leverage techniques as an investment management technique for any of its Sub-Funds.

**Valuation Procedure and Methods**

The AIFM has delegated the calculation of the net asset value of the Sub-Funds in accordance with the Valuation Policy of the AIFM to the Administrator, Northern Trust International Fund Administration Services (Ireland) Limited. The valuation services provided by the Administrator are performed impartially and with all due care, skill and diligence.

The AIFM does not intend to appoint an external valuer. The Board considers that the valuation function is appropriately functionally independent from the portfolio management function carried out by the AIFM.

The valuation rules set out in the Prospectus of KBI Global Investment Fund are as follows:

- (a) any asset listed and regularly traded on a Recognised Exchange and for which market quotations are readily available shall be valued at the closing price on the relevant Valuation Day provided that the value of any investment listed on a Recognised Exchange but acquired or traded at a premium or at a discount outside or off the relevant Recognised Exchange or on an over-the-counter market, shall be valued taking into account the level of premium or discount as of the date of valuation of the investment and subject to approval of the Depositary;
- (b) if an asset is listed on several Recognised Exchanges, the closing price on the stock exchange or market which, in the opinion of the AIFM or its delegate with the approval of the Depositary, constitutes the main market for such assets will be used;
- (c) the value of any security which is not quoted, listed or dealt in on a Recognised Exchange or which is so quoted, listed or dealt but for which no such quotation or value is available or the available quotation or value is not representative of the fair market value shall be the probable realisation value as estimated with care and good faith by (i) the AIFM or (ii) a competent person, firm or corporation (including the Investment Manager) selected by the AIFM and approved for the purpose by the Depositary. Where reliable market quotations are not available for fixed income securities the value of such securities may be determined using matrix methodology compiled by the AIFM whereby such securities are valued by reference to the valuation of other securities which are comparable in rating, yield, due date and other characteristics;
- (d) derivative contracts traded on a regulated market including without limitation futures and options contracts and index futures shall be valued at the settlement price as determined by the market. If the settlement price is not available, the value shall be the probable realisation value estimated with care and in good faith by (i) the AIFM (ii) a competent person firm or corporation (including the Investment Manager) selected by the AIFM and approved for the purpose by the Depositary. Over the counter derivative instruments (including without limitation swap contracts and swaptions) will be valued at least weekly either (i) on the basis of a quotation provided by the relevant counterparty and where possible such valuation shall be approved or verified at least monthly by a party who is approved for the purpose by the Depositary and who is independent of the counterparty (the "Counterparty Valuation") or (ii) using an alternative valuation provided by a competent person appointed by the AIFM and approved for the purpose by the Depositary (the "Alternative Valuation"). Where such Alternative Valuation method is used the AIFM will follow international best practise and adhere to the principles on valuation of over the counter derivative instruments established by bodies such as the International Organisation of Securities Commissions and the Alternative Investment Management Association and will be reconciled to the Counterparty Valuation on a monthly basis. Where significant differences arise these will be promptly investigated and explained;
- (e) forward foreign exchange contracts shall be valued in the same manner as derivatives contracts which are not traded in a regulated market or by reference to freely available market quotations;
- (f) notwithstanding (a) above, units in collective investment schemes shall be valued by reference to the latest net asset value of the units of the relevant collective investment scheme available at the time of the production of the Net Asset Value of the relevant Sub-Fund;
- (g) assets denominated in a currency other than in the base currency of the relevant Sub-Fund shall be converted into that base currency at the rate (whether official or otherwise) which the Administrator deems appropriate in the circumstances;
- (h) cash and other liquid assets shall be valued at their nominal value plus accrued interest; and

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****Valuation Procedure and Methods (Continued)**

- (i) any illiquid investment allocated to Side Pocket Units will be valued at its probable realisation value, estimated with care and good faith by the AIFM, or a competent person appointed by the AIFM approved for the purpose by the Depositary.

In the event of it being impossible or impracticable to carry out a valuation of an investment in accordance with the valuation rules set out in the prospectus, the AIFM is entitled to use another generally recognised valuation principle approved by the Depositary in order to reach a proper valuation of such investment.

The AIFM may, with the approval of the Depositary, adjust the value of any investment if having regard to its currency, marketability, applicable interest rates, anticipated rates of dividend, maturity, liquidity or any other relevant considerations, they consider that such adjustment is required to reflect the fair value thereof.

The Fund adopted IFRS 13 'Fair Value Measurement'. Information relating to the fair value is disclosed in the Financial Statements of the Fund.

**Latest Net Asset Value of the Fund**

The latest published net asset value of the Fund can be found on the website of the Investment Manager at [www.kbinvestors.com](http://www.kbinvestors.com).

**Historical Performance of the Fund**

Please refer to the Fund's latest annual Investment Manager Report which contains historical performance information on the Sub-Funds.

**Directors' Fees**

Directors' fees are disclosed in Note 16 of the Financial Statements.

**Other Ongoing Expenses**

Other ongoing operational expenses that are borne by the Fund include but are not limited to, legal fees, audit fees, professional fees and professional VAT fees. Details of expenses are outlined in Note 7 of the Financial Statements.

**Related Parties**

The Board of the AIFM, with the exception of Ms Fiona Mulcahy and Mr John Craddock, are employees of the Investment Manager. In the case of Ms Fiona Mulcahy and Mr John Craddock Section 194 declarations are made at all Board meetings. No prior approval is required of them as they do not have access to the data or systems within the Investment Manager, other than the information provided to them in the Board papers.

In the case of personal transactions carried out by "Relevant Persons" within the Investment Manager, the AIFM relies on the Personal Transactions Policy/Procedure currently invoked by the Investment Manager.

In the case of personal transactions carried out by "Relevant Persons" within the Administrator / the Depositary, the AIFM relies on the Personal Transactions Policy/Procedure currently invoked by Northern Trust Corporation.

The AIFM also requires the Administrator / Depositary to maintain adequate procedures to prevent Relevant Persons in possession of inside information or confidential information, or who are involved in activities which may give rise to a conflict of interest, from engaging in the activities listed above.

In addition, the AIFM requires its Delegates to:

- (i) ensure that all Relevant Persons are made aware of the restrictions and its procedures as set out in this Policy;
- (ii) ensure that it is notified of all Personal Transactions;
- (iii) maintain records of such Personal Transactions notified to it and any authorisations or prohibitions in connection with such notifications for a period of 6 years; and
- (iv) provide the AIFM with a record of all Personal Transactions entered into by all Relevant Persons upon request.

**Prime Broker**

There is no prime broker in place.

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****Delegated Management Functions**

The AIFM has in good faith and in the interests of unitholders of the Fund appointed (i) KBI Global Investors Limited (the “Investment Manager”) as Investment Manager to carry out portfolio and risk management functions on behalf of the Fund and to act as Distributor and (ii) Northern Trust International Fund Administration Services (Ireland) Limited (the “Administrator”) as Fund Administrator to carry out fund accounting, NAV calculation and transfer agency functions on behalf of the Fund.

The nature of the functions delegated to each delegate is disclosed in the Prospectus (if any) relating to each Sub-Fund and summarised below.

The AIFM has appointed the Depositary to provide safekeeping services. The AIFM has also appointed a Secretary and Money Laundering Reporting Officer (“MLRO”).

The services which each delegate has agreed to provide to the AIFM; the duties obligations and service levels which each has accepted; and the liability standards to which each is subject are set out in formal contractual agreements between the AIFM and the respective delegates. The AIFM has retained the right to give instructions to each delegate on matters of policy and procedure, as well as in relation to specific transactions or matters.

The AIFM is aware of the preconditions imposed under the Regulations and the Commission Regulation which must be met before it can delegate functions to third parties, which, amongst other things, require that measures are put in place which enable the Board to monitor effectively at any time the activity of the undertaking to which the mandate is given, noting that the liability of the Fund shall not be affected by the delegation by the AIFM of any functions to third parties.

**a) General Principles / Rationale for Delegation**

Any delegation employed by the AIFM is based on objective reasons, taking into account the following criteria: (a) optimising business functions and processes; (b) cost savings; (c) the expertise of the delegate(s) in administration or in specific markets or investments; (d) the access of the delegate(s) to global trading capabilities; and/or (e) other considerations.

The structure ensures (through effective monitoring and supervision and oversight and responsibilities retained by the Board) that delegation will not result in a circumvention of the AIFM’s responsibilities or liabilities. It does not alter the obligations of the AIFM towards its unitholders and the conditions under which the AIFM must comply to be authorised and carry on business under the Regulations are not undermined.

Each delegate is appointed by the Board, acting independently and exercising due care, following the appropriate due diligence process and having been satisfied that the delegate has sufficient resources, including suitable personnel with the necessary skills, knowledge, expertise, experience and organisational structures, so as to be qualified to and capable of performing the relevant functions. Accordingly, prior to the appointment of each delegate, the AIFM will carry out a detailed due diligence process (to include background checks etc) in respect of each delegate.

**b. Control of Delegation**

The Manager employs the following measures in order to ensure it does not delegate functions to the extent that it becomes a “letterbox entity”:

1. the AIFM retains the necessary expertise and resources to supervise the delegated tasks effectively and manage the risks associated with the delegation, particularly through the ongoing monitoring of the AIFM’s business and its delegates by the Designated Directors and by the Board, notably through receiving, considering and acting on relevant reports;
2. the AIFM retains the power to take decisions in key areas, in particular, in relation to the implementation of the general investment policy and strategies and to make all relevant decisions regarding the AIFM’s affairs;
3. the AIFM retains its contractual rights and ability to inquire, inspect, have access or give instructions to its delegates;
4. the AIFM delegates certain aspects of the performance of the investment management function in a manner which ensures that such delegation does not exceed by a substantial margin the investment management functions retained by the AIFM itself; and
5. the AIFM sets the risk profile for each Sub-Fund and has established a permanent risk management function to ensure the risk profile is adhered to.

The entities to which services are delegated are subject to the ongoing monitoring by the Designated Persons, who will monitor and control the activities of the AIFM using periodic reports as further set out below.

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****b. Control of Delegation (Continued)**

The AIFM has established and maintains a Delegation Policy which sets out the arrangements established by the AIFM for the selection, appointment and supervision of delegates including the reasons for delegation, contractual terms etc. The due diligence process includes the Board satisfying itself that there are effective information flows between the AIFM and each third party delegate and requires a service level description to be in place between the AIFM and the relevant service provider. The Board must also be satisfied that the delegation arrangements will not prevent the AIFM from acting in the best interests of the unitholders of the Sub-Funds. The due diligence process also includes obtaining the following information in relation to each delegate: (i) regulatory status / listing, (ii) ownership structures and financials, (iii) number of clients and client referees, (iv) information on types of clients, (v) systems employed for principal service elements, (vi) details of team to be dedicated to the AIFM, (vii) business continuity procedures and professional indemnity arrangements and (viii) fee proposals.

Where elements of portfolio or risk management functions are delegated, such delegation does not exceed by a substantial margin those performed by the AIFM itself.

This ensures (through effective monitoring and supervision and oversight and responsibilities retained by the Board) that delegation will not result in a circumvention of the AIFM's responsibilities. It does not alter the obligations of the AIFM towards unitholders and the conditions under which the AIFM must comply to be authorised and carry on business under the Regulations are not undermined.

The AIFM is in a position to effectively monitor its delegates through the reporting mechanisms in place as outlined herein and to give further instructions to its delegates. Further, the AIFM retains contractual rights to ensure that it can terminate the relevant contract with the delegate when it is in the best interests of the Sub-Funds' unitholders and to manage the risks associated with the delegation. For example, if the Investment Manager breaches the investment policies of the Sub-Funds on an on-going basis, the AIFM may consider terminating the appointment.

Accordingly, the AIFM has demonstrated in the Programme of Activity and the procedures outlined in the Policies and Procedures Manual that it complies with the provisions of Articles 75 to 82 of the Commission Regulation.

**c. Details of Delegates**

The AIFM has appointed the delegates listed below to carry out certain investment management, administration and distribution functions on behalf of the AIFM.

Each of the delegates is regulated by the Central Bank and each has many years of experience in performing the types of functions for which it has been engaged by the AIFM for regulated collective investment schemes.

**Investment Manager**

The AIFM has entered into an Investment Management Agreement dated 22 December, 2000, as novated on 31 March 2004 and as amended and restated on 22 July, 2014 in respect of KBI Global Investment Fund (the "Investment Management Agreement").

The extent of the delegation under the Investment Management Agreement is not such that it exceeds, by a substantial margin, the functions performed by the AIFM itself (taking account of the assets managed under the delegation and factors including the type and importance of assets under delegation, risk profile, geographical spread, whether the delegate belongs to same corporate group etc).

The Investment Manager is subject to the overall supervision and control of the AIFM. It shall ensure that when carrying out investment management functions it does so in accordance with the investment objectives and policies of the Fund and, to the extent applicable, the Regulations.

The Investment Manager is one of Ireland's leading investment management companies, providing a range of investment products and services to pension funds, charities, corporates and personal investors in Ireland and international markets.

The Investment Manager was formed in September 2016 when Amundi Asset Management plc completed the acquisition of Klienwort Benson Investors Dublin Limited. Kleinwort Benson Investors Dublin Limited was formed in October 2010 when RHJ International ("RHJI") completed the acquisition of KBC Asset Management Ltd ("KBCAM Ltd"). KBCAM Ltd was the Irish investment management subsidiary of KBC Group, the Belgian banking and insurance company. KBCAM Ltd had in turn been created in July of 2000 when KBC Group bought Ulster Bank Investment Managers Ltd, the investment management arm of Ulster Bank Group. As such, the Investment Manager has been effectively offering investment management services in Ireland for over thirty years. The Investment Manager is regulated by the Central Bank and authorised under MiFID.

As at 30 September 2020, the Investment Manager and its subsidiary companies had funds under management in excess of €9.3 billion and employed 59 people in its offices in Dublin, Ireland.

The Investment Manager is a majority owned subsidiary of Amundi Asset Management SA, the leading European asset manager.



**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****Administrator**

The AIFM has entered into an Administration Agreement dated 22 December, 2000, as novated from time to time and as further amended and restated on 22 July, 2014 in respect of KBI Global Investment Fund; (the “Administration Agreement”).

Pursuant to the Administration Agreements, the AIFM has appointed Northern Trust International Fund Administration Services (Ireland) Limited (the “Administrator”) to act as administrator, registrar and transfer agent of the Fund. Under the terms of each Administration Agreement, the Administrator is responsible, subject to the overall supervision and control of the Board, for providing fund accounting services to the Fund and for calculating the net asset value of each Sub-Fund, and for acting as transfer agent and registrar in relation to each Sub-Fund’s units, including operating anti-money laundering checks and maintaining records of identity in relation to investors in the Sub-Funds.

The Administrator is a private limited liability company incorporated in Ireland on 15 June 1990 and is an indirect wholly-owned subsidiary of Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world’s leading providers of global custody and administration services to institutional and personal investors. The principal business activity of the Administrator is the administration of collective investment schemes. The registered office of Northern Trust International Fund Administration Services (Ireland) Limited is Georges Court, 54-62 Townsend Street, Dublin 2, Ireland.

**Distributor**

The AIFM has appointed the Investment Manager as Distributor. The Distributor is responsible, subject to the overall supervision and control of the Board, for placing/distributing units of the Sub-Funds in jurisdictions where it is permitted to do so, for effecting and maintaining such registrations or permissions and for correctly categorising clients, etc.

**MLRO**

The AIFM has appointed Mr Sam Stewart, an employee of AML Solutions, to act as money laundering reporting officer (“MLRO”).

**Other Service Providers**

The AIFM has also engaged an auditor to audit the financial position of the Fund on an annual basis and has engaged legal advisers in Ireland to advise the AIFM in relation to Sub-Fund creation and distribution matters, interaction with regulators as part of the day-to-day authorisation and regulatory supervision of the AIFM and its Funds, compliance matters and the negotiation of contractual arrangements with service providers and trading counterparties.

**Performance Fees**

There are currently no performance fees charged on the Sub-Funds of the KBI Global Investment Fund.

**Conflicts of Interest**

In accordance with its obligations under the European Union (Alternative Investment Fund Managers) Regulations 2013 (the “Regulations”) and EU Commission Delegated Regulation (EU) No. 231/2013 (the “Level 2 Regulation”) the AIFM is required to have a conflicts of interest policy.

**Conflicts of Interest Framework**

Every effort will be made by the AIFM to avoid or mitigate actual or potential conflicts of interest in the conduct of its business. This policy, which is appropriate to the size and organisation of the AIFM and the nature, scale and complexity of its business, has been put in place by the AIFM to demonstrate how the Fund will deal with conflicts of interest should they arise from time to time. In particular, this policy:

- (i) identifies the situations which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of the Funds or any of its investors;
- (ii) outlines the procedures which will be followed and the measures which will be adopted in order to manage such conflicts.

**Criteria for Identification of Conflicts of Interest**

For the purpose of this section, a relevant person means any of the following:

- (a) the AIFM;
- (b) a director, partner or equivalent, or manager of the AIFM;
- (c) an employee of the AIFM, as well as any other natural person whose services are placed at the disposal and under the control of the AIFM;
- (d) a natural person who is directly involved in the provision of services to the AIFM under a delegation arrangement to third parties.

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****Criteria for Identification of Conflicts of Interest (Continued)**

For the purposes of identifying the types of conflict of interest that may arise and whose existence may damage the interests of the AIFM, the AIFM will take into account, by way of minimum criteria, the question of whether a relevant person is in any of the following situations:

1. that person is likely to make a financial gain, or avoid a financial loss, at the expense of the Fund or its investors;
2. that person has an interest in the outcome of a service or an activity provided to the Sub-Funds or its investors or another client or of a transaction carried out on behalf of the Sub-Funds or its investors or another client, which is distinct from the Sub-Funds' interest in that outcome;
3. that person has a financial or other incentive to favour the interest of another client or group of clients over the interests of the Sub-Funds;
4. that person carries on the same activities for the Sub-Funds and for another client or clients; or
5. that person receives or will receive from a person other than the Sub-Funds an inducement in relation to collective portfolio management activities provided to the Sub-Funds in the form of monies, goods or services, other than the standard commission or fee for that service.

The AIFM will, when identifying the types of conflict of interests, take into account the interests of the Sub-Funds and the interests of the unitholders.

Where the organisational or administrative arrangements made by the AIFM for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Sub-Funds or of its unitholders will be prevented, the Board will be promptly informed in order for them to take any necessary decision to ensure that in any case the AIFM acts in the best interests of the Sub-Funds and of its unitholders. Such situations will be reported by the AIFM to unitholders by any appropriate durable medium and reasons given for the AIFM's decision.

In the event of an unavoidable conflict of interest, it is necessary to ensure that both the Funds and its unitholders are fairly treated.

The AIFM must act in the best interests of clients at all times and must take all reasonable steps to obtain the best result for them.

The AIFM will contractually require that any delegate to whom it delegates services (each a "Delegate") will identify and manage any conflicts of interest which may arise in relation to the service provided by such Delegate. In addition, the AIFM will contractually require that each Delegate will confirm that it manages conflicts of interest through the identification of potential sources of conflicts, the establishment of protocols such as "Chinese walls" to manage the conflict in order to minimise the risks of any damage to it or to its clients by such conflict and by disclosure of such conflicts or potential conflicts to clients, where appropriate.

Each Delegate is required to identify areas within its business where staff may be placed in positions in which a conflict of interest may arise including (but not limited to) the receipt of price sensitive information in relation to the units of Funds to which they provide services and adopt adequate procedures for the identification and management of such conflicts.

*For example, the Administrator/Investment Manager does not permit any member of staff to hold either units in a Fund or any security or financial instrument without the prior consent of the compliance department.*

The AIFM and its Delegate shall identify, manage and monitor conflicts of interest arising between investors wishing to redeem their investments and investors wishing to maintain their investments in the Sub-Funds, and any conflicts between the AIFM's incentive to invest in illiquid assets and the AIFM's redemption policy in accordance with its obligations under the Directive.

**Corporate Governance**

The Directors of the AIFM approved the adoption of the Irish Funds Corporate Governance Code (the "Code") on 31 December 2012.



**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****KBI Managed Fund****Investment Strategy & Objectives**

The investment objective of the KBI Managed Fund is to achieve long term capital growth.

The Sub-Fund seeks to achieve its objective by investing through underlying collective investment schemes (as further set out below under “Collective Investment Schemes”) in a range of global equity and equity-related securities (such as convertible bonds, convertible preference shares and warrants), fixed income securities (such as bonds and notes), alternative investments and cash.

The investment exposure of the Sub-Fund shall be biased towards equities, with a diversified global portfolio of equity and equity-related securities of companies listed or traded on Recognised Exchanges worldwide.

The fixed income securities will be listed or traded on Recognised Exchanges worldwide and may be fixed and/or floating rate, issued by governments and/or corporate and/or supranational organisations. These securities will primarily be rated as investment grade by one or more of the leading credit rating agencies, provided that up to 10% of the net asset value of the Sub-Fund may be held in non-investment grade securities.

Alternative investments will comprise investments in passive or active open-ended collective investment schemes (including exchange traded funds) that have exposure to property, currencies, commodities and hedge funds.

Cash exposure will be in the form of liquid assets such as money market and short term instruments, including but not limited to, certificates of deposit, commercial paper and cash deposits, which may be held for investment or liquidity management purposes.

**Collective Investment Schemes**

The Sub-Fund intends to achieve its objective by investing substantially all of its assets in units of other collective investment schemes (including exchange traded funds), the investment objective and policies of which are similar to those set out above. The Sub-Fund may, however, also invest from time to time directly in the asset classes referred to above if the Investment Manager considers it appropriate, as further described below under “Investment Process”. No direct investment will be made in property or commodities.

The collective investment schemes in which the Sub-Fund will invest may be leveraged or unleveraged open-ended Regulated Collective Investment Schemes and leveraged or unleveraged open-ended Unregulated Collective Investment Schemes and may be domiciled worldwide. Such schemes may include other Sub-Funds of the Fund and other collective investment schemes which are managed by the Investment Manager. The periodic reports of the Sub-Fund will disclose the nature of such schemes. The Sub-Fund may invest up to 50% of its net assets in each of KBI Developed Equity Fund, of which is a Sub-Fund of the KBI Funds ICAV, which is an Irish Collective Asset-management Vehicle managed by the Investment Manager.

The Sub-Fund will not suffer any additional management or custody fees by virtue of its investment in other collective investment schemes that are managed by the Investment Manager. The periodic reports will disclose the nature of such collective investment scheme holdings.

**Fees**

The annual cumulative administration, investment management and depositary/custody fees at the Sub-Fund and underlying collective investment schemes level shall not exceed 2% of Net Asset Value (exclusive of VAT, if any).

*Investors may be subject to higher fees arising from the layered investment structure than would typically be incurred by an investment in a single fund.*

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****KBI Managed Fund (Continued)****Performance Benchmark**

The Sub-Fund's performance is measured against a custom benchmark return calculated by the Investment Manager by taking the aggregate weighted returns for each asset class of equities, bonds, alternatives and cash. The weightings and measurement criteria used to calculate the various asset class returns are detailed below:

Asset Class	Benchmark Weights*	Measurement Criteria
Equities	72.5%*	MSCI World Index ex Europe MSCI Europe Index MSCI Emerging Markets Index
Bonds	15%	JP Morgan Investment Grade > 5 Year EMU Govt Bond Index
Alternatives	10%	Euribor + 3%
Cash	2.5%	3 month Euribor

\*The breakdown of the benchmark weights among each of the three above-named equity indices was as follows as at 30 September 2020:

MSCI World Index ex Europe 53.5%

MSCI Europe Index 11.0%

MSCI Emerging Markets Index 8.0%

**Portfolio Instruments**

- (i) Transferable Securities – Collective Investment Schemes with underlying investments in equities, bonds and property portfolios; and
- (ii) Cash

**Liquidity Profile**

The KBI Managed Fund is an open-ended Fund with daily dealing.

**Investor Base**

The main investors in the Fund are Irish pension schemes and Irish retail investors.

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****KBI Ethical Managed Fund****Investment Strategy & Objectives**

The investment objective of the Sub-Fund is to achieve long term capital growth and has been established for the purpose of marketing to charities.

The Sub-Fund seeks to achieve its objective through investment directly and/or indirectly (in units of other collective investment schemes) in a broad range of bonds and Irish and international equities listed or traded on Recognised Exchanges worldwide. The asset mix of the Sub-Fund will reflect the Investment Manager's investment outlook at any time, subject to a maximum equity weighting of 80% of the overall portfolio. In addition all actively managed fixed interest and listed equity holdings, including actively managed collective investment schemes consisting of either fixed interest instruments or listed equities, in which the Sub-Fund invests, are passed through the Investment Manager's ethical screening process before being added to the Sub-Fund. If a particular holding does not meet the relevant ethical criteria laid down by the Investment Manager, then the Sub-Fund will not invest in such holding.

The bonds will have a rating of at least BBB from Standard & Poors or equivalent rating. The Sub-Fund aims for medium to long term capital growth. The Sub-Fund intends to achieve its investment objective by investing substantially all of its assets in other Sub-Funds of the Fund.

The Sub-Fund may also invest in units of other Sub-Funds of the Fund and other open-ended collective investment schemes, the investment objectives and policies of which are consistent with those set out above. It is envisaged that the underlying schemes will primarily be other Funds of the Fund but the Fund may invest in other leveraged or unleveraged open-ended Regulated Collective Investment Schemes and leveraged or unleveraged open-ended Unregulated Collective Investment Schemes worldwide (including but not limited to Europe) from time to time. The periodic reports will disclose the nature of such schemes.

**Fees**

The annual cumulative management, administration, investment management and depositary/custody fees at the Fund and underlying collective investment schemes level shall not exceed 2% of Net Asset Value (exclusive of VAT, if any).

**Performance Benchmark**

There is no formal benchmark. The Investment Manager measures performance against an Ethical Blended benchmark.

**Portfolio Instruments**

- (i) Transferable Securities – Collective investment schemes with equities, fixed interest, venture capital and cash portfolios; and
- (ii) Cash

**Liquidity Profile**

The KBI Ethical Managed Fund is an open-ended fund with daily dealing.

**Investor Base**

The main investors in the Fund are Irish charities.

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****KBI Innovator Fund****Investment Strategy & Objectives**

The investment objective of the Sub-Fund is to achieve long term capital growth while maintaining an adequate spread of risk. The Sub-Fund aims to offer significant diversification by gaining exposure to alternative assets and themes/sectors, including but not limited to commodities, alternative energy, water and emerging markets, not normally available in traditional equity or managed funds. It is envisaged that the Sub-Fund will display a relatively high level of volatility against the benchmark set out below and will work well as a diversifier from traditional assets and themes/sectors.

The Sub-Fund seeks to achieve its objective and gain exposure to the alternative assets and themes/sectors referred to above through investment directly and/or indirectly (in units of other collective investment schemes, including exchange traded funds) in global equity and equity-related securities (such as convertible bonds and warrants) of companies listed or traded on Recognised Exchanges worldwide and in fixed income securities (such as bonds and notes), cash, property and commodity indices. The fixed income securities will be listed or traded on Recognised Exchanges worldwide and will have a rating of at least BBB from Standard & Poors or equivalent rating. Bonds may be fixed and/or floating rate, issued by governments and/or corporates. The performance of the Sub-Fund will be measured against the MSCI World Index, a market capitalisation weighted index of the major shares (approximately 1,600 companies) listed on organised exchanges in developed (currently 23) countries. The Sub-Fund will be managed to out-perform the index referred to above (or any other index which replaces it or which is considered to be the market standard in place of that index and any such change in the index will be notified to Unitholders in the semi-annual or annual accounts).

The Sub-Fund will not make any investment directly in property. Any property exposure shall be through investment in units of the KBI Qualifying Investor Fund. The KBI Qualifying Investor Fund is an umbrella unit trust authorised by the Central Bank of Ireland (the "Central Bank") pursuant to the provisions of the Unit Trusts Act, 1990. It is open-ended with quarterly dealing and is not leveraged. It is managed by KBI Global Investors Limited and invests in Irish property through investment in the Irish Property Unit Trust which is the largest Irish exempt property unit trust. KBI Qualifying Investor Fund also has an exposure to European Property on a fund of funds basis through the KBI / Lothbury Qualifying Investor Fund plc which is a fund approved by the Central Bank. The Sub-Fund will not suffer any additional management or custody fees by virtue of its investment in the KBI Qualifying Investor Fund. Investment in the KBI Qualifying Investor Fund will not exceed 10% of the NAV of the Sub-Fund.

The Sub-Fund may invest in units of other Sub-Funds of the Fund and other open-ended collective investment schemes, the investment objectives and policies of which are consistent with those set out above. Any such underlying schemes will be leveraged or unleveraged open-ended Regulated Collective Investment Schemes and leveraged or unleveraged open-ended Unregulated Collective Investment Schemes worldwide from time to time. The periodic reports will disclose the nature of such schemes.

The Sub-Fund may invest up to 75% of its net assets in the KBI Global Resource Solutions Fund, which is a sub-fund of KBI Funds ICAV, an open-ended umbrella investment company, which is authorised by the Central Bank as a UCITS. The investment objective of the KBI Global Resources Solutions Fund is to generate the highest possible return for its Shareholders by investing primarily in equity and equity-related securities of international companies involved in environmental sectors as further described in this paragraph. This is reflected in its pursuit of capital gains and income. In pursuit of its investment objective, the KBI Global Resources Solutions Fund invests primarily, either directly or indirectly (through investment in underlying collective investment schemes), in equity and equity-related securities (including, but not limited to, warrants, convertibles, rights which are issued by a company to allow holders to subscribe for additional securities issued by that company, ADRs and GDRs) of companies listed or traded on recognised exchanges worldwide which, in the opinion of the investment manager of KBI Global Resources Solutions Fund, generate a substantial proportion of their turnover from and operate on a sustainable basis in the environmental sector by providing solutions to environmental challenges. The KBI Global Resources Solutions Fund may invest across all facets of the environmental sector including but not limited to renewable energy, clean energy, water infrastructure and technology, energy efficiency, waste management and recycling and carbon trading. The periodic reports of the KBI Global Resources Solutions Fund will be attached to the periodic reports of the Sub-Fund.

**Fees**

The annual cumulative management, administration, investment management and depositary/custody fees at the SubFund and underlying collective investment scheme level shall not exceed 2% of the Net Asset Value (exclusive of VAT, if any).

*Investors may be subject to higher fees arising from the layered investment structure than would typically be incurred by an investment in a single fund.*

**Risk Factors**

An investment in this sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

**Performance Benchmark**

There is no formal benchmark. The Investment Manager measures performance against the MSCI World (NR) Index.

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****KBI Innovator Fund (Continued)****Portfolio Instruments**

- (i) Transferable Securities – Collective Investment Schemes, equity portfolios, Exchange Traded Shares, iShares; and
- (ii) Cash

**Liquidity Profile**

The KBI Innovator Fund is an open-ended fund with daily dealing.

**Investor Base**

The main investors in the Fund are Irish pension funds and retail investors.

**Calculation of the Net Asset Value**

The Net Asset Value of a Sub-Fund shall be expressed in the base currency of the relevant Sub-Fund and shall be calculated on each Dealing Day by ascertaining the value of the assets of the Sub-Fund on such Dealing Day and deducting from such value the liabilities of the Sub-Fund on such Dealing Day.

**Unit Classes**

Whether on the establishment of a Sub-Fund or from time to time, the AIFM can create more than one class of units in a Sub-Fund, and can create different series within one class of units, to which different levels of subscription fees and expenses (including the management fee), minimum subscription, designated currency, distribution policy and such other features will apply.

The classes available in a Sub-Fund and their respective subscription fees and expenses (including the management fee), designated currency, and other relevant class specific features shall be detailed in separate classes information cards which forms part of the prospectus and are available from the Administrator and relevant Distributor.

**Distribution Policy**

The AIFM intends to automatically reinvest all earnings, dividends and other distributions of whatever kind as well as realised capital gains arising from that proportion of the net asset value of each Sub-Fund attributable to "A" Units pursuant to the investment objective and policies of the relevant Sub-Fund for the benefit of unitholders in the relevant Sub-Fund.

The AIFM may make distributions in respect of "B" Units out of that proportion of the net asset value of the Sub-Fund attributable to "B" Units.

**Corporate Governance**

The Directors of the Manager have approved the adoption of the Irish Funds Corporate Governance Code (the "Code").

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)****KBI Integris Eurozone Equity Fund****Investment Strategy & Objective**

The investment objective of the Sub-Fund is to invest in above average yielding assets while achieving long term capital growth and maintaining an adequate spread of risk by investing in equities of companies incorporated in those member states of the European Union who are also members of the European Monetary Union ("Eurozone") and are listed or traded on Recognised Exchanges in Europe. The Sub-Fund has an overriding ethical screen overlaying the portfolio and which is managed by the Investment Manager, which applies an Ethical Information Research and Information Service ("EIRIS") based ethical screen to the portfolio. If a particular stock does not meet the relevant ethical criteria laid down by the Investment Manager, then the Sub-Fund will not invest in such stock. The ethical criteria encompass a set of restrictions prohibiting investment in companies involved in undesirable activities for investors who wish to invest in a socially responsible investment programme, for example, companies involved in activities which damage the environment, carry out testing on animals, manufacture weapons etc.

The performance of the Sub-Fund is measured against the MSCI EMU Index (comprising a universe of developed market publicly quoted equity securities quoted and domiciled in the EMU) (or any other index which replaces it or is considered to be the market standard in place of that index and any such change in that index will be notified to Unitholders in the semi-annual or annual accounts). The Sub-Fund is managed to out-perform that Index.

**Fees**

The annual cumulative management, administration, investment management and Depositary/custody fees at the SubFund and underlying collective investment schemes level shall not exceed 2% of the Net Asset Value (exclusive of VAT, if any).

*Investors may be subject to higher fees arising from layered investment structure than would typically be incurred by an investment in a single fund.*

**Performance Benchmark**

The performance of the Sub-Fund is measured against the MSCI EMU Index.

**Portfolio Instruments**

- (i) Transferable Securities – Equities; and
- (ii) Cash

**Liquidity Profile**

The KBI Integris Eurozone Equity Fund is an open-ended fund with daily dealing.

**Investor Base**

The main investors in the Fund are Irish charities and retail investors.

**Sub-Fund Profile and Alternative Investment Fund Managers Directive Disclosures (Unaudited) (Continued)**

**KBI Cash Fund**

KBI Cash Fund ceased trading on 23 January 2020.