

FIRST ADDENDUM

KBI FUNDS ICAV ("THE ICAV")

This First Addendum should be read in conjunction with, and forms part of, the prospectus for the ICAV dated 1 October 2021 (the "Prospectus"). All capitalised terms herein contained shall have the same meaning in this First Addendum as in the Prospectus, unless otherwise indicated.

The Directors of the ICAV whose names appear under the heading "Management and Administration" in the Prospectus accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

The Directors wish to advise all Shareholders of the following changes to the Prospectus:

1. ADDITION OF DEFINITION

The Section headed "Definitions" shall be amended by the insertion of the following new Definition after the definition of "Taxes Act":

"Taxonomy Regulation" means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088."

2. AMENDMENTS TO FUND SUPPLEMENTS

2.1 AMENDMENTS TO THE SUPPLEMENT IN RESPECT OF THE FOLLOWING FUND:

- KBI Diversified Growth Fund

The Section headed "Investment Policy" in the Fund Supplement shall be amended by the insertion of the following new paragraph as the final paragraph prior to Section 6:

"EU Taxonomy Framework

The Fund does not have as its objective sustainable investment, nor does it promote environmental or social characteristics. As a result, the Fund does not fall within the scope of the Taxonomy Regulation. The investments underlying this Fund do not take into account the EU criteria for environmentally sustainable economic activities."

2.2 AMENDMENTS TO THE SUPPLEMENTS IN RESPECT OF THE FOLLOWING FUNDS:

- KBI Water Fund
- KBI Energy Solutions Fund
- KBI Global Resource Solutions Fund
- KBI Global Sustainable Infrastructure Fund

- KBI Eco Water Fund (ICAV)
- KBI Developed Equity Fund
- KBI Global Equity Fund
- KBI North American Equity Fund
- KBI Emerging Markets Equity Fund
- KBI Eurozone Equity Fund
- KBI ACWI Equity Fund
- KBI Integris Global Equity Fund
- KBI Global Small Cap Equity Fund

The Section headed “Investment Policy” in the Supplement for each Fund referred to above shall be amended by the insertion of the following new sub-section after the sub-section headed “Sustainable Finance”:

“EU Taxonomy Framework

The Technical Screening Criteria (“TSC”) are either not yet in final form (i.e. in respect of the first two Taxonomy environmental objectives of climate change mitigation and climate change adaptation) or have not yet been developed (i.e. for the other four Taxonomy environmental objectives) and these detailed criteria will require the availability of multiple, specific data points regarding each investment. As at the date hereof, there is insufficient reliable, timely and verifiable data available for the Manager to be able to assess investments using the TSC. While there are investments in the Fund that are in economic activities that contribute to an environmental objective and may be eligible to be assessed against the TSC, the Manager is not currently in a position to describe:

- (a) the extent to which the investments of the Fund are in economic activities that qualify as environmentally sustainable and are aligned with the Taxonomy Regulation;
- (b) the proportion, as a percentage of the Fund’s portfolio, of investments in environmentally sustainable economic activities which are aligned with the Taxonomy Regulation; or
- (c) the proportion, as a percentage of the Fund’s portfolio, of enabling and transitional activities (as described in the Taxonomy Regulation).

The Manager is keeping this situation under active review and where sufficient reliable, timely and verifiable data on the Fund’s investments become available, the Manager will provide the descriptions referred to above, in which case this Supplement will be updated.”

Dated: 13th December, 2021