



## **KBI Funds ICAV**

**(An Irish Collective Asset-management Vehicle established as an umbrella fund with segregated liability between Funds)**

### **ANNUAL REPORT & AUDITED FINANCIAL STATEMENTS**

**For the financial year ended 31 August 2021**

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**Organisation****Directors of the ICAV**

Patrick Cassells  
Frank Joseph Close (Independent) (Retires 31 October 2021)  
Fiona Mulcahy (Independent)  
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**Secretary**

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Chartered Accountants & Statutory Audit Firm  
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**Background to the ICAV****Description**

KBI Funds ICAV is an open-ended umbrella type Irish Collective Asset-management Vehicle (“ICAV”) with limited liability and segregated liability between Funds. The ICAV was established on 24 August 2016 having converted from company status by way of continuation in accordance with applicable law and the Central Bank requirements.

The ICAV was previously incorporated in Ireland on 9 June 2004 as a public limited company before the conversion into an Irish Collective Asset-management Vehicle and complied with the provisions in the Companies Act 2014 up until its conversion date. The ICAV is authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, (S.I. 352 of 2011) (as amended) (the “UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”) and the Irish Collective Asset-Management Act 2015 (the “ICAV Act”).

The ICAV is structured as an umbrella Fund consisting of different Funds comprising one or more Classes. The Shares of each Class of a Fund will rank pari passu with each other in all respects provided that they may differ as to certain matters including currency of denomination, hedging strategies, if any, applied to the currency of a particular Class or against interest rate risk applying to a particular Class, dividend policy, the level of fees and expenses to be charged, subscription or redemption procedures or the Minimum Subscription and Minimum Holding applicable.

The assets of each Fund will be separate from one another and will be invested separately in accordance with the investment objective and policies of each Fund. A separate portfolio of assets is not maintained for each Class.

Overdrawn positions that exist in the Funds of the ICAV are as a result of transaction related activity and are not a result of a leverage strategy. While leverage is allowed as per the Prospectus, the longstanding policy of the Investment Manager is not to employ a leverage strategy on any of the Funds.

At the year end, there are fifteen Funds in existence:

	<b>Launch Date</b>	<b>Base Currency</b>
KBI Water Fund	10 April 2008	USD
KBI Developed Equity Fund	8 December 2010	EUR

**Background to the ICAV (Continued)****Investment Objective and Policy*****KBI Water Fund***

The aim of the Fund is to generate the highest possible return for its shareholders by investing primarily in shares of international companies involved in the water sector.

The Fund will invest primarily in the shares of companies that are listed on recognised stock exchanges worldwide and who operate on a sustainable basis in the water industry. The Fund will not invest more than 30% of net assets in emerging markets.

The Fund is considered to be actively managed in reference to the MSCI ACWI Index by virtue of the fact that it uses the Index for performance comparison purposes. However the Index is not used to define the portfolio composition of the Fund or as a performance target and the Fund may be wholly invested in securities which are not constituents of the Index.

***KBI Developed Equity Fund***

The aim of the Fund is to achieve long-term capital growth by investing in the shares of companies with an above average dividend pay-out. The Fund is measured against the MSCI World Index.

The Fund will invest primarily in shares of companies listed or trading on the major worldwide stock exchanges and that pay out above average dividends.

The Fund is considered to be actively managed in reference to the MSCI World Index by virtue of the fact that it seeks to outperform the Index and it uses the Index as a universe from which to select securities. The majority of the Fund's securities may be components of and may have similar weightings to the Index, however the Investment Manager will use its discretion to invest in securities or sectors not included in the Index in order to take advantage of investment opportunities. The investment strategy will restrict the extent to which the Fund's holdings may deviate from the Index which may be limited. This is likely to influence the extent to which the Fund can outperform the Index.

**Net Asset Value**

The Net Asset Value of each Fund or, if there are different Classes within a Fund, each Class will be calculated by the Administrator as at the Valuation Point on or with respect to each Dealing Day in accordance with the instrument. The Net Asset Value of a Fund shall be determined as at the Valuation Point for the relevant Dealing Day by valuing the assets of the relevant Fund (including income accrued but not collected) and deducting the liabilities of the relevant Fund (including a provision for duties and charges, accrued expenses and fees and other liabilities). The Net Asset Value of a Fund will be expressed in the Base Currency of the Fund, or in such other currency as the Directors may determine either generally or in relation to a particular Class or in a specific case.

Dealing Day means every Business Day or such other day or days as may be determined by the Directors and notified in advance to Shareholders provided that there shall be at least two Dealing Days in each month.

For KBI Water Fund and KBI Developed Equity Fund, Business Day means every day, other than a Saturday or Sunday, which are bank business days in Ireland and in such other market or markets to which the Fund has, in the reasonable opinion of the Investment Manager, a substantial exposure or such other day or days as the Directors may determine and notify in advance to Shareholders.

**KBI Global Investors Ltd**

31 August 2021

**Investment Manager's Report (Continued)****KBI Water Fund**

The KBI Water Fund increased by 46.7% for the 12 months to end August 2021, outperforming the MSCI ACWI Index, which increased by 28.6% (in USD terms). The Fund increased by 12.1% for the 12 months to end August 2020, underperforming the MSCI ACWI Index, which increased by 16.5% (in USD terms). The Fund was in compliance with the strategy and objectives as set out in the prospectus.

The twelve-month period under review was a strong one as global equities were buoyed by the gradual reopening of economies and supportive policy measures by governments and central banks around the world. Positive news on Covid19 vaccine developments also proved a catalyst for markets reaching new highs in many regions along with the US presidential election result. As we entered 2021, positive momentum in leading economic indicators further supported markets, particularly China, where the recovery was strong. Earnings over the period were also strong and fundamentals robust and even surprised to the upside in some key water related end markets such as construction, industrial and agriculture. Strong beats on revenues and profit margins have been a theme as strong demand and productivity savings have offset commodity price inflation, with the lagged impact of price increases expected in the back half of 2021. The debate around inflation has been strong over recent months and manifested itself stylistically in a tug of war between value and growth, with growth winning out more recently. News of progress on a Federal infrastructure bill in the US, with significant capital being directed to Water, is anticipated to provide a nice tailwind for our companies going forward.

The Water Infrastructure segment of the portfolio was the best performer over the period, returning just over twice the market return in the period. All three segments outperformed the market over the year. The top three contributors to the fund in the period were Valmont Industries, Pentair and Veolia Environment. Valmont is a global leader in centre pivot irrigation equipment and other structural infrastructure products. The stock was a top contributor in the period as leading indicators of the agri (agricultural) economy were strong and the company would also be a beneficiary of Infrastructure stimulus in the US. Pentair is a leading global supplier of water treatment solutions and services for residential, commercial and industrial customers. The company has increased its focus on the residential and commercial end markets, which both offer strong organic growth opportunities. The strong recovery in the US residential end market more recently has helped, as had the rebound in its commercial business, which serves a diverse range of end markets like brewery and food and beverage outlets. Veolia Environment is a global concessionaire in the water and waste services space. After months of acrimonious back-and-forths with Suez, this concluded in an agreed merger with at a higher bid price. The stock rallied amid the expectation of significant earnings accretion for Veolia on the integration. The top three detractors in the period were Homeserve, Weir and Sabesp. That said, given their sizing in the portfolio, the impact of their underperformance was minimal (<0.5% combined). Homeserve is the UK's leading provider of home emergency services. The stock was weak in the period as its UK business is undergoing a strategic transition and the market is on the sidelines regarding its growth strategy outside the UK. We like the optionality of their growth strategy given the current undemanding valuation. Weir is a UK engineering company and world leader in slurry pumps, valves, higher pressure grinding rollers and water-resistant lining and dewatering equipment, all used in the mining process. While the company has executed solidly to date, consensus expectations were high going into the year and this has proved a headwind. Weir are a high quality company with solid long term structural tailwinds in the mining space supporting their earnings growth looking out over the next number of years. Finally, Sabesp is a water utility based in Sao Paulo in Brazil. The stock has struggled this year as the debate around privatisation and its implications have weighed on the share price along with, more recently, drought potentially straining its supply situation.

Over the period as a whole the high-level positioning in the portfolio saw a small increase in the Water Infrastructure weight, at the expense of the Water Technology, and to a lesser extent, the Water Utility segment. Within Water Infrastructure we added to Homeserve on underperformance, as explained above. We also added a new name in the engineering and consulting space, Aecom. We think the stock will be a beneficiary of the improving position of state and local financing in the US, supplemented by federal funding directed at water and areas such as resiliency and environmental remediation. Within Utilities, we added to Veolia as it underperformed during negotiations with Suez that ended up in a higher bid for the company. The accretion benefits of the deal will be significant for Veolia in the medium term. More recently, we have continued to trim or sell completely out of positions where we feel the stocks have performed so strongly that the relative risk reward is less attractive. We have also taken advantage of market dynamics to add some new names to the portfolio, broadening the breadth of our exposures, upgrading the quality and improving on the upside-asymmetry.

**Investment Manager's Report (Continued)****KBI Water Fund (continued)****Investment Outlook**

The KBI Water strategy remains balanced and well diversified both from an end market and geographic perspective. The leading economic indicators are positive for most of the core Water end markets. Short-cycle industrial markets are expected to continue the robust recovery from the lows of 2020, while low housing inventory, higher savings and increased propensity to invest in the home continue to be a tailwind for residential plumbing and construction, a market that was very resilient in 2020. Recent economic policy developments at a global level are favorable for infrastructure spending and municipal end markets, especially in the key US market, while agriculture is also having a strong year in 2021 with higher crop prices, improved farmer sentiment, and dry conditions resulting in positive irrigation spending in numerous important global markets. We expect these positive trends to continue in the coming months. From a geographic perspective we remain balanced across developed markets, while maintaining our weight in emerging markets where we are seeing strong growth and the most compelling valuations.

Following on from a strong year of relative earnings in 2020, we expect the long-term superior earnings growth experienced by the Water strategy to continue, with earnings growth in 2021 driven by the positive end market expectations mentioned above, further supported by the cost actions taken by our companies in 2020 which continue to benefit profitability in 2021. Inflation and supply chain tightness have been key market issues this year and our companies have managed this extremely well. Top line growth has been very strong and we are expecting stronger margins at our companies in second half of the year as they implement pricing increases to recover this raw material inflation. At this point relative valuation remains compelling with the recent market trends and strong earnings delivery of our companies meaning the strategy trades at a valuation discount to the broader market despite the superior earnings growth.

**KBI Global Investors Ltd**

31 August 2021

**Investment Manager's Report (Continued)****KBI Developed Equity Fund**

The KBI Developed Equity Fund registered a rise of 33.9% during the 12 months to end August 2021, outperforming the MSCI World Index, which increased by 31.5% (in EUR terms). The Fund registered a decline of 1.3% during the 12 months to end August 2020 against a rise of 7.5% in the MSCI World Index (in EUR terms). The Fund was in compliance with the strategy and objectives as set out in the prospectus.

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

- 1) In the period from August 2020 to June 2021, growing investor belief in a reflationary rebound dominated financial markets. Generally positive macro and pandemic-related data combined with the passing of significant US fiscal stimulus to fuel a growing conviction that a reflationary rebound was underway. Commodity prices rallied, bond yields and inflationary expectations spiked, and stock-investors rotated sharply away from secular growth names to more cyclically sensitive alternatives.
- 2) After the very sharp rotation from growth into value there has been a sharp reversal since June 2021. Investors have reacted as the Federal Reserve appeared to bring interest rate hikes forward with many questioning the commitment of the central bank to Average Inflation Targeting. This combined with the growing spread of the delta variant to dampen confidence in a reflationary rebound, flatten yield curves, and spark a strong rotation back into secular growth stocks.

Value outperformed growth by 3.3% led by strong relative performance in North America and Japan. High yield continued to struggle, underperforming by 7.0% as investors showed little interest in equity income even as interest rates remained extremely low. Economically sensitive small cap stocks bounced back as investors looked forward to the resumption of normal economic activity following the gradual lifting of pandemic related restrictions.

Relative stock selection contributed positively to performance in technology hardware, media and entertainment and in commercial and professional services. In technology hardware, NetApp was up sharply as the company reported strong quarterly results and raised its full year guidance on the back of an acceleration in all-flash revenue as well as continued momentum in cloud data services. Public Cloud margins came in ahead of expectations with the potential to increase further if mix continues to improve. The new revenue and gross margin disclosures on the cloud business suggest the company is well positioned to take advantage of a favourable enterprise spending environment. In media and entertainment, Interpublic rallied as the advertising market has recovered faster than many investors expected. The pullback in international markets was seen as a temporary outlier rather than a trend. The company identified greater permanent cost savings which should deliver \$160m annually going forward, improving the margin profile of an already robust free cash flow business. In commercial and professional services, Robert Half was up strongly as it reported a big quarterly beat with all segments ahead on revenue and margins. Protiviti remains a key driver with a continued surge of public sector engagements. Staffing demand is benefiting from lean client headcount (after pandemic cuts), higher employee attrition and willingness/desire for remote workers (due to shortages and/or for labour arbitrage reasons). While margins achieved all time high levels in Q2, Robert Half believes that continued mix shift up the value chain and pandemic efficiencies will drive further gains.

Stock selection was disappointing in materials, telecoms, and in capital goods. In materials, Newmont struggled after it announced that it expects 2021 production to be from the low end to the middle of its prior guidance range while costs are expected to be at the middle to the high end of its guidance range and it expects to see inflationary pressures of about 5% through the end of 2022. The Ahafo North and Yanacocha Sulfides projects are relatively lower risk projects and should contribute nicely to the long-term production and cost profile. Even with the funding of these projects, Newmont will generate strong free cash flow allowing it to increase the dividend and to fund additional future organic growth. In telecoms, Verizon declined as while the outcome of the C-Band (the portion of the electromagnetic spectrum allotted for satellite transmissions) auctions was seen as a positive for its 5G (fifth generation of mobile networking) strategy, the announcement that the company will look to materially boost its capital expenditure was negatively received. Verizon expects to increase capex by an incremental \$10bn over the next 3 years as it deploys its C-Band spectrum, marginally lowering consensus EPS (Earning Per Share) and FCF (Free Cashflow) estimates. In capital goods, Cummins underperformed as the company had expected premium freight rates to come down in Q2 (from a \$105m headwind to a \$60m headwind) however the disruptions (both logistical and supply based in nature) have not abated at this point. Management remains optimistic that the challenges will clear up as the year progresses, but Cummins continues to prioritise meeting customer demand over controlling cost, and it may look at other areas to recover some of the increased costs but does not plan to change the pricing of existing orders.

**Investment Manager's Report (Continued)****KBI Developed Equity Fund (continued)****Investment Outlook**

US inflation surged to a 13-year high in July 2021 with consumer prices 5.4% higher than a year ago. In the Eurozone meanwhile, annual inflation is running well ahead of the ECB target of 2% for the first time since late 2018. But for now, investor confidence that low inflation is securely anchored remains strong.

While this confidence may continue to prove well founded, its current strength suggests the risk of disappointment is increasingly asymmetric for investors. Although many stocks remain attractively priced relative to competing investment choices such as government bonds or bank deposits, any jolt to the consensus of securely anchored inflation would likely have a significant impact on style preferences within the stock-market.

More particularly, the highly valued, growth-oriented names which have been increasing beneficiaries of low rates would likely suffer relative to their less expensive, largely out-of-favour counterparts.

While investing in a portfolio of sensibly diversified and conservatively valued companies continues to look attractive, it seems timely to note the possibility that the current consensus about the inflation outlook may prove complacent. For stock investors, the risk of a significant change in style preferences within the stock-market is mispriced.

**KBI Global Investors Ltd**

31 August 2021

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

KBI Global Investors 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 Principles for Responsible Investment 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 also 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 (United Nations 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, or tobacco manufacturing.
- We released the end-2020 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 published a whitepaper on 'Transitioning to a Clean Energy Future'.
- We consider carbon intensity in the investment process for our Global Equity Strategies, and we published a whitepaper on 'Decarbonisation, ESG and the important role of value investors'.
- Given the impact that climate change could have on investment portfolios in the long-term, and our desire to align our portfolios with the goals of the Paris Agreement, we have committed to reduce the carbon intensity of our Global Equity Strategies by 7.6% p.a. on average by 2024, relative to the benchmark level in 2019.
- We became a signatory of the Net Zero Asset Managers initiative, committing to net zero portfolio emissions for 100% of our AUM (assets under management) by 2050, and setting interim goals.

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

- We signed the 2021 Global Investor Statement to governments on Climate Change. The statement was developed by the Asia Investor Group on Climate Change, CDP, Ceres, Investor Group on Climate Change, Institutional Investors Group on Climate Change, Principles for Responsible Investment and UNEP (United Nations Environment Programme) Finance Initiative, and released in advance of the G7 (the Group of Seven is an inter-governmental political forum) summit to encourage further investor advocacy for ambitious climate policy action ahead of the 26th United Nations Climate Conference of the Parties (COP26) in November.

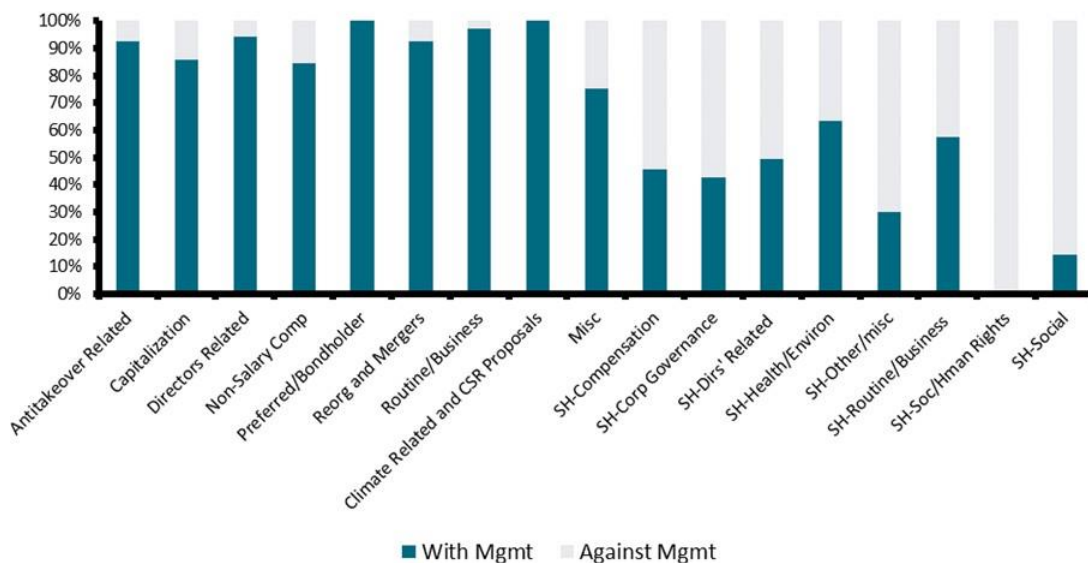
**Proxy Voting**

We 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 August 2021, as a firm, we voted at 1081 meetings worldwide for all our strategies. We voted against management in 7.4% of all proposals, and we voted against management on 47% of shareholder proposals. Shareholder proposals are initiatives put forward by shareholders, usually requesting management to take action on particular issues.

In the year to August 2021, for the KBI Institutional funds specifically, we voted at 654 meetings worldwide. We voted against management in 8% of all proposals, and we voted against management on 50% of shareholder proposals.

### Management and Shareholder Proposals KBI Institutional Funds



**Responsible Investment Activities Report prepared by the Investment Manager (Continued)****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+, we are part of the groups of investors leading engagement with Enel (a large Italian manufacturer and distributor of electricity and gas), CNOOC (a large Chinese oil company), LyondellBasell (a multinational chemical company) and Weyerhaeuser (an American forest and paper company).
- As part of the Climate Action 100+ lead investor engagement group for LyondellBasell, we initiated a climate discussion AGM (annual general meeting) agenda item at its 2021 AGM, and KBI asked a question on Paris-aligned financial accounts. This was the only formal AGM intervention in Europe this year by Climate Action 100+, and our group was able to get two climate agenda items discussed at the AGM, because we had sent the board a formal request signed by shareholders.
- For the 2021 AGM of Total, we signed the 2021 AGM Climate Action 100+ investor statement which included questions on the company's performance against the indicators of the Climate Action 100+ Net Zero Benchmark. We also signed the 2020 AGM Climate Action 100+ statement in support of Total's ambition to achieve net zero emissions by 2050 across its operations and products.
- We signed a letter coordinated by PRI and CERES asking companies to commit to and increase efforts to eliminate deforestation in their operations and supply chains in Brazil and around the globe.
- We endorsed a 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 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 the companies can improve in the 2020 assessment.
- 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. Significant progress has been made 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 supported the Investors Expectations statement for how banks should demonstrate alignment with goals of the Paris Agreement, drawn up by the Institutional Investors Group on Climate Change.
- We signed an investor statement calling on world leaders to finance the Access to Covid Tools (ACT) in full and deeply adequate funding to ensure fair and equitable access to Covid19 tools globally, and recommending that the feasibility of innovative finance mechanisms for national and global Covid19 responses be explored.
- 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.

**Directors' Report**

The Directors present herewith the Annual Report and Audited Financial Statements of KBI Funds ICAV (the "ICAV") for the financial year ended 31 August 2021.

**Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Directors' Report and Financial Statements, in accordance with applicable law and regulations.

The Irish Collective Asset-management Vehicles Act 2015 (the "ICAV Act") requires the directors to prepare Financial Statements for each financial year. Under that law they have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and applicable law.

The Financial Statements are required to give a true and fair view of the assets, liabilities and financial position of the ICAV at the end of the financial year and of the profit or loss of the ICAV for the financial year. In preparing these Financial Statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the ICAV and enable them to ensure that the Financial Statements comply with the ICAV Act, (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, (S.I. 352 of 2011) (as amended) (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations"). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the ICAV. In this regard they have entrusted the assets of the ICAV to a Depositary for safe-keeping. They have general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a Directors' Report that complies with the requirements of the ICAV Act.

**Principal Activities**

A detailed review of the ICAV's activities for the financial year ended 31 August 2021 is included in the Investment Manager Reports.

**Review of Business and Future Developments**

A review of business and future developments is included in the Background to the ICAV on pages 2 to 6 and the Investment Manager's Reports on pages 7 to 31.

**Results and Dividends**

The results and dividends for the financial year are set out in the Statement of Comprehensive Income on pages 44 to 47.

**Risk Management Objectives and Policies**

The main risks arising from the ICAV's financial instruments are market price, foreign currency, interest rate, liquidity and counterparty credit risks as detailed in Note 2 to these Financial Statements.

**Remuneration**

The Directors of the ICAV who are also employees of the investment manager are not entitled to any remuneration in respect of their services as Directors of the ICAV.

Fiona Mulcahy earned a fee of EUR 29,000 per annum and Frank Joseph Close earned a fee of EUR 24,000 per annum (31 August 2020: Frank Joseph Close and Fiona Mulcahy each earned EUR 20,000). All other directors are not entitled to a fee. This is detailed in Note 17.

**Directors' Report (Continued)****Remuneration (Continued)**

None of the Directors are currently in receipt of variable remuneration in respect of their services as Directors of the ICAV and none of the Directors are currently in receipt of a pension from the ICAV. An annual review has been undertaken and no material changes have been made to the remuneration policy.

The Remuneration Policy of the ICAV can be viewed on the website of the Investment Manager at [www.kbiglobalinvestors.com](http://www.kbiglobalinvestors.com).

**Events during the Financial Year**

A new prospectus was issued dated 3 March 2021. A supplement to the prospectus was issued on 1 July 2021.

A liquidation provision was put in place for the KBI 50/50 Global/ Eurozone Equity Fund upon receipt of a notice of a material redemption from an investor. The redemption took place in March 2021. The ICAV was further informed in Q3 2021 of the proposed redemption of the final investor in Q4 2021.

In March 2021, in light of the CBI's 'Dear CEO' letter on 20 October 2020 regarding its thematic review of governance, management and effectiveness of fund management companies, the Directors of KBI Funds ICAV agreed to appoint an external fund management company. Since its creation in 2004 KBI Funds ICAV has been run as a self-managed investment company. The process to select a fund management company progressed during April and in early May 2021 Amundi Ireland Ltd was chosen as Management Company, subject to contractual agreements. KBI Funds ICAV communicated directly with investors in August 2021, to provide more details on the proposed appointment of Amundi Ireland Ltd, to outline the rationale for the proposed change and to explain the impact on investors.

In May 2021, the Directors of KBI Funds ICAV agreed to terminate the securities lending program with Northern Trust on a permanent basis. Securities lending activity had been suspended since April 2020.

The following share classes launched during the financial year:

	<b>Launch Date</b>
KBI Water Fund US Dollar Class F Shares	12 April 2021

**COVID-19**

The COVID-19 virus pandemic continues to impact countries and economies across the globe. The Directors 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 ICAV 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 end, which, in the opinion of the Directors of the ICAV, may have had an impact on the Financial Statements for the financial year ended 31 August 2021.

**Directors' Report (Continued)****Post Balance Sheet Events**

A new prospectus was issued on 1 October 2021.

The COVID-19 outbreak has caused extensive disruption to businesses and economic activities globally. The uncertainty and instability described in Note 22 continues post financial year-end.

The appointment of Amundi Ireland Ltd as Management Company was effective 1 October 2021. Shareholder agreement for the proposed changes to the Instrument of Incorporation of the ICAV as well as to the introduction of a new Management Fee was approved at an EGM convened on 7 September 2021.

Mr Frank Close, Independent Director, retires as director of KBI Funds ICAV effective 31 October 2021.

There have been no other events subsequent to the financial year end, which, in the opinion of the Directors of the ICAV, may have had an impact on the Financial Statements for the financial year ended 31 August 2021.

**Directors**

The Directors who held office during the financial year as at 31 August 2021 were:

Patrick Cassells

Frank Joseph Close (Independent)

Fiona Mulcahy (Independent)

Derval Murray

Padraig Sheehy

Gerard Solan (Chairman)

The table below shows the Directors' interests in the Funds of the ICAV at 31 August 2021:

	<b>KBI Water Fund</b>	<b>KBI Developed Equity Fund</b>
Patrick Cassells	13	988
Derval Murray	387	3,562
Padraig Sheehy	5,774	-
Gerard Solan	2,752	-

**Directors' Report (Continued)****Directors (Continued)**

The table below shows the Directors' interests in the Funds of the ICAV at 31 August 2020:

	<b>KBI Water Fund</b>	<b>KBI Developed Equity Fund</b>
Patrick Cassells	13	988
Derval Murray	387	3,562
Padraig Sheehy	12	265
Gerard Solan	-	810

Each of Mr Padraig Sheehy, Mr Gerard Solan, Ms Derval Murray and Mr Patrick Cassells are employees of KBI Global Investors Limited, the Investment Manager to the ICAV.

**Shares Schemes**

Mr Solan, Mr Cassells, Ms Murray and Mr Sheehy are all employees of the Investment Manager and have been allocated shares in the funds of the ICAV as part of their variable employee remuneration package. These shares were allotted through the Investment Manager's Irish Revenue approved profit sharing scheme 'APSS'.

Below is a statement of their holdings at 31 August 2021:

	<b>KBI Developed Equity Fund</b>
Patrick Cassells	-
Derval Murray	334
Padraig Sheehy	-
Gerard Solan	-

The shares are included within Directors' interests in the Funds of the ICAV as disclosed on page 26.

**Transactions Involving Directors**

Derval Murray and Gerard Solan are also Directors of the Investment Manager. There are no other contracts or arrangements of any significance in relation to the business of the ICAV in which the Directors or Secretary had any interest as defined in the Act, at any time during the financial year.

**Directors' Report (Continued)****Accounting Records**

The Directors believe that they have complied with the requirements of Sections 109 to 115 of the ICAV Act 2015, with regard to keeping adequate accounting records. The Directors have appointed Northern Trust International Fund Administration Services (Ireland) Limited to maintain adequate accounting records. The address at which this business is located is as follows:

Georges Court  
54-62 Townsend Street  
Dublin 2  
Ireland

**Transactions with Connected Persons**

Any transaction carried out with a UCITS by a manager, depositary, investment adviser and/or associated or group companies of these ("connected persons") must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the shareholders.

The Directors are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations are applied to all transactions with connected persons, and are satisfied that transactions with connected persons entered into during the financial period complied with the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations.

**Independent Auditors**

In accordance with Section 125 of the ICAV Act 2015, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit firm, have expressed their willingness to continue in office as the ICAV's auditors.

**Going Concern**

The Directors have a reasonable expectation that the ICAV has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements.

**Corporate Governance Code**

Irish Funds, the association for the funds industry in Ireland, has published a corporate governance code that may be adopted on a voluntary basis by Irish authorised investment funds. The Board of Directors has adopted the Code, and the ICAV was in compliance with all elements of the Code during the financial period.

The text of the Code is available from the Irish Funds website, [www.irishfunds.ie](http://www.irishfunds.ie).

**On Behalf of the Board of Directors**

**Gerard Solan**  
Director

**Patrick Cassells**  
Director

**8 December 2021**

**Depository Report to the Shareholders**

We, Northern Trust Fiduciary Services (Ireland) Limited (“NTFSIL”), appointed Depositary to KBI Funds ICAV (the “ICAV”) provide this report solely in favour of the shareholders of the ICAV for the period from 1 September 2020 to 31 August 2021 (the “Annual Accounting Period”). This report is provided in accordance with the UCITS Regulations – European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (SI No 352 of 2011), as amended, Directive 2009/65/EU which implemented into Irish Law (the “Regulations”). 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 as provided for under the Regulations, we have enquired into the conduct of the ICAV for the Annual Accounting Period and we hereby report thereon to the shareholders of the ICAV as follows;

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

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the ICAV by the constitutional documents and by the Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional document and the Regulations.

**For and on behalf of**

**Northern Trust Fiduciary Services (Ireland) Limited**  
**8 December 2021**

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KBI FUNDS ICAV

### Report on the audit of the annual accounts

#### Opinion on the annual accounts of KBI Funds ICAV (the 'ICAV')

In our opinion the annual accounts:

- give a true and fair view of the assets, liabilities and financial position of the ICAV as at 31 August 2021 and of the result for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and the applicable Regulations.

The annual accounts we have audited comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Net Assets attributable to holders of Redeemable Shares;
- the Statement of Cash Flows; and
- the related notes 1 to 25, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in their preparation is the Irish Collective Asset-Management Vehicles Act 2015 ("the ICAV Act") and International Financial Reporting Standards as adopted by the European Union ("IFRS") ("the relevant financial reporting framework").

The applicable regulations that have been applied in their preparation is the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2019 ("the applicable Regulations").

#### 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 described below in the "*Auditor's responsibilities for the audit of the annual accounts*" section of our report.

We are independent of the ICAV in accordance with the ethical requirements that are relevant to our audit of the annual accounts in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, 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.

#### Conclusions relating to going concern

In auditing the annual accounts, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the annual accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the ICAV's ability to continue as a going concern for a period of at least twelve months from when the annual accounts are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the annual accounts and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements. Our opinion on the annual accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KBI FUNDS ICAV

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the annual accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of annual accounts that give a true and fair view and have been properly prepared in accordance with the ICAV Act, and for such internal control as the directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the directors are responsible for assessing the ICAV's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the ICAV or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the annual accounts**

Our objectives are to obtain reasonable assurance about whether the annual accounts 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 annual accounts.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the ICAV's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ICAV's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KBI FUNDS ICAV

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

### Report on other legal and regulatory requirements

#### Matters on which we are required to report by the ICAV Act and the applicable Regulations

In our opinion, the information given in the directors' report is consistent with the annual accounts and the directors' report has been prepared in accordance with the ICAV Act.

#### Matters on which we are required to report by exception

Based on the knowledge and understanding of the ICAV and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the ICAV Act which require us to report to you if, in our opinion, the disclosures of directors' remuneration specified by the ICAV Act are not made.

#### Opinion on other matters prescribed by the applicable Regulations

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the ICAV were sufficient to permit the annual accounts to be readily and properly audited.
- The annual accounts are in agreement with the accounting records.

#### Use of our report

This report is made solely to the ICAV's shareholders, as a body, in accordance with Section 120(1) (b) of the ICAV Act. Our audit work has been undertaken so that we might state to the ICAV's shareholders 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 ICAV and the ICAV's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

«Image:signature»

«PartnerName»

For and on behalf of Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

«Date»

## Statement of Comprehensive Income

For the financial year ended 31 August 2021

		KBI Water Fund	KBI Developed Equity Fund
	Notes	Year ended 31 August 2021 USD	Year ended 31 August 2021 EUR
<b>Income</b>			
Operating income	3	19,257,848	18,037,591
Net gains on financial assets and liabilities at fair value through profit or loss	4	307,751,369	139,653,710
<b>Total investment income</b>		327,009,217	157,691,301
Operating expenses	5	(8,488,417)	(2,405,724)
<b>Net income</b>		318,520,800	155,285,577
<b>Finance costs</b>			
Distributions to holders of redeemable participating shares		(324,811)	(1,362,710)
<b>Profit for the year before tax</b>		318,195,989	153,922,867
Capital Gains Tax		(81,692)	–
Withholding Tax		(1,584,612)	(3,940,107)
<b>Profit for the year after tax</b>		316,529,685	149,982,760
<b>Increase in net assets attributable to holders of redeemable participating shares</b>		316,529,685	149,982,760

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

The accompanying note pages 58-138 form an integral part of the Financial Statements.

## Statement of Comprehensive Income (Continued)

For the financial year ended 31 August 2020

		KBI Water Fund	KBI Developed Equity Fund
	Notes	Year ended 31 August 2020 USD	Year ended 31 August 2020 EUR
<b>Income</b>			
Operating income	3	9,929,015	17,095,361
Net gains/(losses) on financial assets and liabilities at fair value through profit or loss	4	47,858,535	(13,320,576)
<b>Total investment income/(loss)</b>		57,787,550	3,774,785
Operating expenses	5	(5,280,825)	(2,312,531)
<b>Net income/(expense)</b>		52,506,725	1,462,254
<b>Finance costs</b>			
Distributions to holders of redeemable participating shares		(175,648)	(2,036,942)
<b>Profit/(loss) for the year before tax</b>		52,331,077	(574,688)
Capital Gains Tax		304,779	–
Withholding Tax		(1,147,371)	(3,112,901)
<b>Profit/(loss) for the year after tax</b>		51,488,485	(3,687,589)
<b>Increase/(decrease) in net assets attributable to holders of redeemable participating shares</b>		51,488,485	(3,687,589)

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 Shares of the ICAV. In arriving at the results of the financial year, all amounts above relate to continuing operations.

The accompanying note pages 58-138 form an integral part of the Financial Statements.

## Statement of Financial Position

As at 31 August 2021

		KBI Water Fund	KBI Developed Equity Fund
	Notes	As at 31 August 2021 USD	As at 31 August 2021 EUR
<b>Assets</b>			
<i>Financial assets at fair value through profit or loss</i>			
<i>Transferable securities</i>			
Equity investments	2	1,232,607,776	595,453,006
Investment Funds	2	–	–
Unrealised gain on forward foreign exchange contracts		222,903	–
<i>Loans and receivables</i>			
Cash and cash equivalents	7	53,141,749	562,489
Other receivables	8	3,713,650	1,456,907
<b>Total assets</b>		<b>1,289,686,078</b>	<b>597,472,402</b>
<b>Liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>			
Unrealised loss on forward foreign exchange contracts		(1,910)	–
<i>Financial liabilities measured at amortised cost</i>			
Bank overdraft	9	(255,970)	(1,010,457)
Other payables	10	(3,851,060)	(948,724)
<b>Total liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>		<b>(4,108,940)</b>	<b>(1,959,181)</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>1,285,577,138</b>	<b>595,513,221</b>

The accompanying note pages 58-138 form an integral part of the Financial Statements.

## On Behalf of the Board of Directors

Gerard Solan  
DirectorPatrick Cassells  
Director

8 December 2021

## Statement of Financial Position (Continued)

As at 31 August 2020

		KBI Water Fund	KBI Developed Equity Fund
	Notes	As at 31 August 2020 USD	As at 31 August 2020 EUR
<b>Assets</b>			
<i>Financial assets at fair value through profit or loss</i>			
<i>Transferable securities</i>			
Equity investments	2	580,976,406	522,040,010
Investment Funds	2	–	–
Unrealised gain on forward foreign exchange contracts		185,768	–
<i>Loans and receivables</i>			
Cash and cash equivalents	7	15,466,071	2,302,231
Other receivables	8	3,136,400	1,196,546
<b>Total assets</b>		<b>599,764,645</b>	<b>525,538,787</b>
<b>Liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>			
Unrealised loss on forward foreign exchange contracts		(637)	–
<i>Financial liabilities measured at amortised cost</i>			
Bank overdraft	9	(56,395)	(298,121)
Other payables	10	(6,466,505)	(1,713,574)
<b>Total liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>		<b>(6,523,537)</b>	<b>(2,011,695)</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>593,241,108</b>	<b>523,527,092</b>

The accompanying note pages 58-138 form an integral part of the Financial Statements.

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

For the financial year ended 31 August 2021

	KBI Water Fund	KBI Developed Equity Fund	F
	Year ended 31 August 2021 USD	Year ended 31 August 2021 EUR	
Net assets attributable to holders of redeemable participating shares at beginning of year	593,241,108	523,527,092	
Increase in net assets resulting from operations	316,529,685	149,982,760	
Amounts received on issue of redeemable participating shares	613,192,621	60,402,260	
Amounts paid on redemption of redeemable participating shares	(237,386,276)	(138,398,891)	
Increase/(decrease) in net assets resulting from share transactions	375,806,345	(77,996,631)	
Net increase/(decrease) in shareholders' funds	692,336,030	71,986,129	
Net assets attributable to holders of redeemable participating shares	1,285,577,138	595,513,221	

The accompanying note pages 58-138 form an integral part of the Financial Statements.

## Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares (Continued)

For the financial year ended 31 August 2020

	KBI Water Fund	KBI Developed Equity Fund	F
	Year ended 31 August 2020 USD	Year ended 31 August 2020 EUR	
<b>Net assets attributable to holders of redeemable participating shares at beginning of year</b>	442,279,755	430,294,204	
Increase/(decrease) in net assets resulting from operations	51,488,485	(3,687,589)	
Amounts received on issue of redeemable participating shares	599,236,360	349,129,706	
Amounts paid on redemption of redeemable participating shares	(499,763,492)	(252,209,229)	
Increase/(decrease) in net assets resulting from share transactions	99,472,868	96,920,477	
<b>Net increase/(decrease) in shareholders' funds</b>	150,961,353	93,232,888	
<b>Net assets attributable to holders of redeemable participating shares</b>	593,241,108	523,527,092	

The accompanying note pages 58-138 form an integral part of the Financial Statements.

## Statement of Cash Flows

For the financial year ended 31 August 2021

	KBI Water Fund	KBI Developed Equity Fund
	Year ended 31 August 2021 USD	Year ended 31 August 2021 EUR
<b>Cash flows from operating activities</b>		
Proceeds from sale of investments	335,639,265	492,900,582
Purchase of investments	(683,826,734)	(426,585,569)
Interest received	14	–
Dividends received	17,201,322	13,831,986
Other income	(15,556)	5,016
Operating expenses paid	(6,104,063)	(2,901,155)
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(337,105,752)</b>	<b>77,250,860</b>
<b>Cash flows from financing activities</b>		
Distributions paid	(324,811)	(1,362,710)
Interest paid	(12,005)	(16,102)
<b>Share transactions</b>		
Amounts received on issue of redeemable participating shares	611,801,212	60,402,260
Amounts paid on redemption of redeemable participating shares	(237,388,317)	(138,652,088)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>374,076,079</b>	<b>(79,628,640)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>36,970,327</b>	<b>(2,377,780)</b>
Cash and cash equivalents at beginning of year*	15,409,676	2,004,110
Exchange from cash and cash equivalents	505,776	(74,298)
<b>Cash and cash equivalents at end of year</b>	<b>52,885,779</b>	<b>(447,968)</b>

\*Cash and Cash equivalents includes cash at bank, cash held and bank overdraft.

The accompanying note pages 58-138 form an integral part of the Financial Statements.

## Statement of Cash Flows (Continued)

For the financial year ended 31 August 2020

	KBI Water Fund	KBI Developed Equity Fund
	Year ended 31 August 2020 USD	Year ended 31 August 2020 EUR
<b>Cash flows from operating activities</b>		
Proceeds from sale of investments	210,805,410	398,496,687
Purchase of investments	(313,407,262)	(507,167,461)
Interest received	37,203	301
Dividends received	8,755,936	13,761,965
Other income	421,016	72,018
Operating expenses paid	(5,884,421)	(2,257,988)
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(99,272,118)</b>	<b>(97,094,478)</b>
<b>Cash flows from financing activities</b>		
Distributions paid	(69,284)	(1,223,776)
Interest paid	(5,620)	(34,294)
<b>Share transactions</b>		
Amounts received on issue of redeemable participating shares	597,936,452	349,129,706
Amounts paid on redemption of redeemable participating shares	(499,757,202)	(252,397,653)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>98,104,346</b>	<b>95,473,983</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,167,772)</b>	<b>(1,620,495)</b>
Cash and cash equivalents at beginning of year*	15,234,683	3,951,521
Exchange from cash and cash equivalents	1,342,765	(326,916)
<b>Cash and cash equivalents at end of year</b>	<b>15,409,676</b>	<b>2,004,110</b>

\*Cash and Cash equivalents includes cash at bank, cash held and bank overdraft.

The accompanying note pages 58-138 form an integral part of the Financial Statements.

**Notes to the Financial Statements****For the financial year ended 31 August 2021****1. Significant Accounting Policies****a) Basis of Preparation**

The Financial Statements of KBI Funds ICAV (the “ICAV”) are prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS”) and interpretations adopted by the International Accounting Standards Board (“IASB”), and Irish statute comprising the Irish Collective Asset-management Vehicles Act 2015 and pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (the “UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”).

The preparation of Financial Statements in conformity with IFRS requires the ICAV to make use of 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.

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

The Financial Statements have been prepared on a going concern basis. The ICAV is able to meet all of its liabilities from its assets. The performance and risks of the ICAV and its sub-funds are reviewed on a regular basis throughout the financial period. Therefore, the Directors believe that the ICAV will continue in operational existence for the foreseeable future and is financially sound. The Directors are satisfied that, at the time of approving the Financial Statements, it is appropriate to adopt the going concern basis in preparing the Financial Statements of the ICAV.

**International Financial Reporting Standards**

These Financial Statements have been prepared to existing standards and amendments to existing standards effective 1 September 2020.

There are no standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the ICAV.

**Comparative Figures**

The comparative figures for the Financial Statements are for the year ended 31 August 2020. The formats of comparative disclosures have been amended to be consistent with the current year format of presentation.

**b) Investments****i. Classification, Recognition and Derecognition**

IFRS 9 sets out the requirements for recognition and measurement of all financial assets and financial liabilities including derivative instruments. The ICAV has classified all financial instruments as financial assets or financial liabilities at fair value through profit or loss (“FVTPL”).

The ICAV 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 ICAV 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 FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

The category of financial assets and financial liabilities at fair value through profit or loss comprises:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows;
- 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 ICAV are measured at FVTPL.

**Notes to the Financial Statements (Continued)****For the financial year ended 31 August 2021****1. Significant Accounting Policies (Continued)****b) Investments (Continued)****i. Classification, Recognition and Derecognition (Continued)****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, derivatives and fund of funds. 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 under amortised cost include time deposits, due from brokers, deposits and accounts receivable.

Financial liabilities that are attributable to changes in the credit risk of that liability be presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss, but are instead transferred to retained earnings when the financial liability is derecognised.

Financial liabilities arising from Redeemable Shares issued by a Fund are carried at the redemption amount, representing the Investor's right to a residual interest in that Fund's assets.

Financial liabilities carried at amortised cost include bank overdraft, accounts and other payables.

A regular way 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 on an average cost basis.

The ICAV classifies all their investments as financial instruments at fair value through profit and loss.

The ICAV recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument, and 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 ICAV. The ICAV derecognises financial assets and financial liabilities when all such benefits and risks are transferred from the ICAV.

**Notes to the Financial Statements (Continued)****For the financial year ended 31 August 2021****1. Significant Accounting Policies (Continued)****b) Investments (Continued)****ii. Measurement**

Financial instruments are measured initially at fair value (transaction price) plus, in the 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.

Financial assets and financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate method, less impairment loss, if any.

Financial liabilities arising from the redeemable participating shares issued by a Fund are carried at the redemption amount, representing the Investors' right to a residual interest in that Fund's assets.

**iii. Fair Value Measurement Principles**

The fair value of financial instruments is based on their quoted market prices at the Statement of Financial Position date without any deduction for estimated future selling costs. Financial assets and financial liabilities are priced at current mid prices. The ICAV uses the closing mid prices for the Sub-Funds.

If a quoted market price is not available on a recognised stock exchange or from a broker/dealer for non-exchange-traded financial instruments, the fair value of the instrument is estimated using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

**iv. Impairment**

The ICAV 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 Funds consider 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 action such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Fund considers a financial asset and cash held to/from brokers 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.

**Notes to the Financial Statements (Continued)****For the financial year ended 31 August 2021****1. Significant Accounting Policies (Continued)****b) Investments (Continued)****iv. Impairment (Continued)**

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 ICAVs are exposed to credit risk.

**Measurement of ECLs**

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.

**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 Equivalents**

Cash comprises of current deposits with banks. 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) Income and Expenses**

Dividends, gross of foreign withholding taxes, where applicable, are included as income when the security is declared to be ex-dividend. Bank interest income is accounted for on an effective interest rate. Interest income on fixed and floating rate securities is accounted for on an effective yield basis. Income received arising on fixed interest securities is recognised as a component of operating income. Further analysis of this operating income is shown in Note 3.

**e) Fees and Charges**

Investment management fees, administration fees, custody fees, sub-custody fees and other operating expenses are charged to the Statement of Comprehensive Income on an accruals basis.

**f) Valuation Point**

The valuation point used to value the securities for the purpose of the Financial Statements is that of 31 August 2021, the last business day of the financial year.

**g) Investment Funds**

Investment funds which are traded in active markets are valued using quoted market prices at the Statement of Financial Position date. Investment Funds which are not publicly traded are normally valued at the underlying audited net asset value as advised by the managers or administrators of these Investment funds, unless the Investment Manager is aware of good reasons why such a valuation would not be the most appropriate indicator of fair value.

**h) Redeemable Participating Shares**

Redeemable Participating Shares are redeemable at the Shareholder's option and are classified as financial liabilities. Any distributions on these redeemable participating shares are recognised in the Statement of Comprehensive Income as finance costs.

**Notes to the Financial Statements (Continued)****For the financial year ended 31 August 2021****1. Significant Accounting Policies (Continued)****i) Gains and Losses on Investments**

Realised gains or losses on disposal of investments and financial derivative instruments during the year and unrealised gains and losses on valuation of investments and financial derivative instruments held at the year end are included in the net gains and losses on financial assets and liabilities at fair value through profit or loss within the Statement of Comprehensive Income.

**j) Taxation**

Dividend and interest income received by the ICAV may be subject to withholding tax imposed in the country of origin. Investment income is recorded gross of such taxes and the corresponding withholding tax is recognised as a tax expense.

**k) Securities Lending**

From the start of the period until May 2021 the ICAV had a securities lending agreement with The Northern Trust Company, London Branch who act as agent. The agent in turn has entered into a securities lending agreement with each borrower on terms that the borrower shall deliver to the Escrow agent, concurrently with or prior to the delivery of the loaned securities, collateral having a market value at the time of delivery at least such value as determined by the lender or, in the absence of such determination, at least equal to or in excess of 105% of the market value of the loaned Securities unless the borrowed securities and collateral are denominated in the same currency then a collateral level of 102% will apply. The ICAV used J.P. Morgan Chase Bank, The Bank of New York Mellon and Euroclear Bank S.A. as Escrow agents.

In May 2021, the Directors of KBI Funds ICAV agreed to terminate the securities lending program with Northern Trust on a permanent basis.

The legal title and risks and rewards of the securities on loan remained with the Funds of the ICAV and therefore these securities form part of the financial assets at fair value through profit or loss on the Statement of Financial Position.

**l) Distributions**

As outlined in the "Background to the ICAV", KBI Developed Equity Fund, and KBI Water Fund, may distribute. Where applicable, distributions are classified as Finance Costs in the Statement of Comprehensive Income. See Note 16 for details of distributions.

**m) Forward Foreign Currency Contracts**

Forward foreign currency transactions are valued based on the closing forward contract rates on the relevant foreign exchange market on a daily basis. Realised gains and losses and movements in unrealised gains and losses are included in the net gains and losses on financial assets and liabilities at fair value through profit or loss within the ICAV's Statement of Comprehensive Income.

**n) Foreign Exchange**

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) as set out in Note 4, are net foreign exchange gains and losses on monetary financial assets and financial liabilities other than those classified at fair value through profit or loss.

Assets and liabilities denominated in foreign currencies, other than the functional currency of the ICAV, have been translated at the rate of exchange ruling at 31 August 2021. Transactions in foreign currencies are translated into Euro at the exchange rate ruling at the date of the transaction. Gains and losses on foreign exchange transactions are recognised in the Statement of Comprehensive Income in determining the result for the financial year.

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 1. Significant Accounting Policies (Continued)

## n) Foreign Exchange (Continued)

The following EUR exchange rates were used to convert investments, assets and liabilities to the functional currency of the EUR denominated Sub-Funds of the ICAV:

	As at 31 August 2021	As at 31 August 2020
<b>EUR 1=</b>		
Australian Dollar	1.6152	1.6171
Brazilian Real	6.0434	6.5609
Canadian Dollar	1.4917	1.5583
Chilean Peso	914.7903	927.5433
Colombian Peso	4,442.1485	4,484.7905
Czech Koruna	25.4140	26.2760
Danish Krone	7.4367	7.4444
Hong Kong Dollar	9.1808	9.2688
Indonesian Rupiah	16,836.1794	17,416.0293
Israeli Shekel	3.7819	4.0085
Japanese Yen	129.6843	126.8246
Korean Won	1,368.6737	1,420.6696
Malaysian Ringgit	4.9071	4.9817
Mexican Peso	23.6556	26.1746
New Zealand Dollar	1.6771	1.7694
Norwegian Krone	10.2762	10.3785
Philippine Peso	58.7274	57.9857
Polish Zloty	4.5197	4.3874
Pound Sterling	0.8577	0.8932
Singapore Dollar	1.5878	1.6260
South African Rand	17.0752	20.2609
Swedish Krona	10.1975	10.3150
Swiss Franc	1.0814	1.0769
Taiwan Dollar	32.7144	35.0910
Tanzania Shilling	2,737.4654	2,774.6052
Thailand Baht	38.0489	37.2210
Trinidad and Tobago Dollar	7.9967	8.0556
Tunisian Dinar	3.2913	3.2567
Turkish Lira	9.8149	8.8010
United States Dollar	1.1805	1.1960

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 1. Significant Accounting Policies (Continued)

## n) Foreign Exchange (Continued)

The following USD exchange rates were used to convert investments, assets and liabilities to the functional currency of the USD denominated Sub-Funds of the ICAV:

	As at 31 August 2021	As at 31 August 2020
<b>USD 1=</b>		
Australian Dollar	1.3683	1.3522
Brazilian Real	5.1196	5.4859
Canadian Dollar	1.2637	1.3030
Chilean Peso	774.9500	775.5700
Colombian Peso	3,763.0950	3,749.9800
Czech Koruna	21.5291	21.9709
Danish Krone	6.2999	6.2247
Euro	0.8471	0.8362
Hong Kong Dollar	7.7774	7.7502
Indonesian Rupiah	14,262.5000	14,562.5000
Israeli Shekel	3.2038	3.3518
Japanese Yen	109.8600	106.0450
Korean Won	1,159.4500	1,187.9000
Malaysian Ringgit	4.1570	4.1655
Mexican Peso	20.0395	21.8860
New Zealand Dollar	1.4208	1.4795
Norwegian Krone	8.7054	8.6780
Philippine Peso	49.7500	48.4850
Polish Zloty	3.8288	3.6686
Pound Sterling	0.7266	0.7469
Singapore Dollar	1.3451	1.3596
South African Rand	14.4650	16.9413
Swedish Krona	8.6387	8.6250
Swiss Franc	0.9161	0.9005
Taiwan Dollar	27.7135	29.3415
Tanzania Shilling	2,319.0000	2,320.0000
Thailand Baht	32.2325	31.1225
Trinidad and Tobago Dollar	6.7743	6.7357
Tunisian Dinar	2.7882	2.7231
Turkish Lira	8.3145	7.3590

## o) Transaction Costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

## p) Use of Estimates and Judgements

The preparation of Financial Statements in conformity with IFRS requires the ICAV to make use of 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 areas involving a higher degree of judgement or complexity or areas where estimates and assumptions are significant to the Financial Statements are disclosed in Note 2(b). The estimates and underlying assumptions are reviewed on an on-going basis.

**Notes to the Financial Statements (Continued)****For the financial year ended 31 August 2021****2. Financial Risk Management****Strategy in using Financial Instruments**

The investment objectives of the Fund are summarised in the "Background to the Fund" on pages 2 and 3.

Day-to-day risk management is undertaken by the Investment Manager, as detailed in the sections below. The Administrator and Depositary report separately to the Directors on a quarterly basis.

The Funds are subject to a number of investment restrictions imposed by external regulators or self-imposed by the Prospectus, Memorandum and Articles of Association. These restrictions are intended to reduce the risks associated with the Funds financial instruments. The Investment Manager also reports monthly to the Designated Directors on whether the Funds have been operated in accordance with the investment guidelines as defined in the Prospectus as well as any self-imposed limitations.

In pursuing its investment objective, the ICAV 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 ICAV's net assets. The Investment Manager's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Funds' financial performance.

These policies for managing risk have been applied throughout the financial year.

**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: foreign 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 Funds' overall market positions are monitored on a daily basis by the ICAV's Investment Manager and are reviewed on a regular basis by the Board of Directors.

At 31 August 2021, the ICAV's market risk is affected by three main components:

- a) changes in actual market prices ("market price risk");
- b) foreign currency movements ("foreign currency risk"); and
- c) interest rate movements ("interest rate risk").

**a. Market Price Risk**

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

The ICAV's equities, debt securities and Investment Funds are susceptible to market price risk arising from uncertainties about future prices of the instruments.

The Directors of the ICAV manage the market price risks inherent in the investment portfolio by ensuring full and timely access to relevant information from the Investment Manager. The Board meets regularly and at each meeting reviews investment performance and overall market positions. The Directors monitor the Investment Managers' compliance with the ICAV's objectives. There were no material changes to the ICAV's policies and processes for managing market risk and the methods and assumptions used to measure risk during the year. The Sub-Funds do not currently invest in derivative instruments and are not involved in netting or hedging arrangements with the exception of KBI Water Fund. The Sub-Funds of the ICAV are long-only equity funds. The global exposure is calculated daily by the Funds' administrator in the calculation of the net asset value. For Sub-Funds exposed to derivative instruments or netting or hedging activity, global exposure is calculated based on the Commitment Approach as outlined in the ICAV's Risk Management Procedure ('RMP') document.

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 142 to 264.

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 2. Financial Risk Management (Continued)

## a. Market Risk (Continued)

*Market price risk - Sensitivity analysis*

As at 31 August 2021, if equity and investment fund prices had increased by 25% at the Statement of Financial Position date, with all other variables held constant, this would have increased net assets attributable to holders of redeemable participating shares of the Funds as follows:

As at 31 August 2021	KBI Water Fund USD	KBI Developed Equity Fund EUR
<b>Investment assets</b>		
Equities	308,151,944	148,863,252
Investment Funds	—	—
<b>Total Investment assets</b>	<u>308,151,944</u>	<u>148,863,252</u>

\*Fund launched on 29 July 2021.

Conversely, if equity and investment funds prices had decreased by 25%, at the Statement of Financial Position date, with all other variables held constant, this would have decreased net assets attributable to holders of redeemable participating shares of the Funds by an equal amount. Actual trading results could differ from the above sensitivity analysis and these differences may be material.

(NB: the above sensitivity analysis is based on the assumption that only equities and investment funds are exposed to market price risk).

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 2. Financial Risk Management (Continued)

## a. Market Risk (Continued)

*Market price risk - Sensitivity analysis (Continued)*

As at 31 August 2020, if equity and investment fund prices had increased by 25% at the Statement of Financial Position date, with all other variables held constant, this would have increased net assets attributable to holders of redeemable participating shares of the Funds as follows:

As at 31 August 2020	KBI Water Fund USD	KBI Developed Equity Fund EUR
<b>Investment assets</b>		
Equities	145,244,102	130,510,003
Investment Funds	—	—
<b>Total Investment assets</b>	<u>145,244,102</u>	<u>130,510,003</u>

Conversely, if equity and Investment fund prices had decreased by 25% at the Statement of Financial Position date, with all other variables held constant, this would have decreased net assets attributable to holders of redeemable participating shares of the Funds by an equal amount. Actual trading results could differ from the above sensitivity analysis and these differences may be material.

(NB: the above sensitivity analysis is based on the assumption that only equities and investment funds are exposed to market price risk).

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 2. Financial Risk Management (Continued)

## b. 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 Funds' assets, liabilities and income are denominated in currencies other than Euro with the exception of the KBI Water Fund and the KBI North America Equity Fund whose assets, liabilities and income are denominated in currencies other than US Dollars. 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 of the Fund on recognition (accruals basis). The Sub-Funds do not currently invest in derivative instruments and are not involved in netting or hedging arrangements with the exception of KBI Water Fund which holds FX forwards for share class hedging/ Portfolio hedging purposes.

In accordance with ICAV policy, the Investment Manager monitors the Funds' currency position on a daily basis and the Board of Directors review it on a regular basis.

There were no material changes to the ICAV's policies and processes for managing currency risk and the methods used to measure risk during the financial year.

The tables below document the Funds' exposure to currency risks as at 31 August 2021 and 31 August 2020. All figures are stated in the base currency of the Fund (noted in parentheses).

## As at 31 August 2021

KBI Water Fund (USD '000)	AUD	BRL	CAD	CZK	EUR	GBP	HKD	INR	JPY	KRW	MXN	SEK	Total
Monetary Assets	—	—	105	—	—	522	76	—	49	—	—	—	752
Non-monetary Assets	—	11,939	22,742	—	221,503	209,454	65,489	7,736	36,162	32,681	27,627	12,028	647,361
Monetary liabilities	—	—	—	(32)	(225)	—	—	—	—	—	—	—	(257)
Currency Contracts	—	—	(105)	48,640	105	—	—	—	—	—	—	—	48,640
Unit Class Exposure	<u>5,239</u>	<u>—</u>	<u>—</u>	<u>49,683</u>	<u>1,072,822</u>	<u>20,352</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,148,096</u>
Net Exposure	<u>5,239</u>	<u>11,939</u>	<u>22,742</u>	<u>98,291</u>	<u>1,294,205</u>	<u>230,328</u>	<u>65,565</u>	<u>7,736</u>	<u>36,211</u>	<u>32,681</u>	<u>27,627</u>	<u>12,028</u>	<u>1,844,592</u>

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 2. Financial Risk Management (Continued)

## b. Currency Risk (Continued)

As at 31 August 2021

KBI Developed Equity Fund (EUR '000)	AUD	CAD	CHF	DKK	GBP	HKD	JPY	NOK	SEK	SGD	USD	Total
Monetary Assets	125	97	–	–	584	26	95	–	–	15	499	1,441
Non-monetary Assets	13,691	33,775	17,410	7,544	27,192	4,259	40,048	1,250	9,867	2,227	387,447	544,710
Monetary liabilities	–	–	–	–	(289)	–	–	–	–	–	(721)	(1,010)
Unit Class Exposure	–	–	–	–	176,232	–	–	–	–	–	53,001	229,233
Net Exposure	<u>13,816</u>	<u>33,872</u>	<u>17,410</u>	<u>7,544</u>	<u>203,719</u>	<u>4,285</u>	<u>40,143</u>	<u>1,250</u>	<u>9,867</u>	<u>2,242</u>	<u>440,226</u>	<u>774,374</u>

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## As at 31 August 2020

KBI Water Fund (USD '000)	AUD	BRL	CAD	CHF	CZK	EUR	GBP	HKD	INR	JPY	KRW	MXN	PHP	SEK	Total
Monetary Assets	—	—	—	—	(13)	818	299	—	159	842	—	168	32	—	2,305
Non-monetary Assets	—	5,845	8,164	—	—	103,871	62,777	40,625	2,929	29,972	20,438	12,019	4,422	5,623	296,685
Monetary liabilities	—	—	—	—	—	(3,082)	(1,149)	(114)	—	—	—	—	—	—	(4,345)
Currency Contracts	—	—	—	5	27,708	(115)	1,264	114	—	(842)	—	—	—	—	28,134
Unit Class Exposure	<u>7,136</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>27,801</u>	<u>511,982</u>	<u>16,581</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>563,500</u>
Net Exposure	<u>7,136</u>	<u>5,845</u>	<u>8,164</u>	<u>—</u>	<u>55,496</u>	<u>613,474</u>	<u>79,772</u>	<u>40,625</u>	<u>3,088</u>	<u>29,972</u>	<u>20,438</u>	<u>12,187</u>	<u>4,454</u>	<u>5,62</u>	<u>886,279</u>

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 2. Financial Risk Management (Continued)

## b. Currency Risk (Continued)

As at 31 August 2020

KBI Developed Equity Fund (EUR '000)	AUD	CAD	CHF	DKK	GBP	HKD	JPY	SEK	SGD	USD	Total
Monetary Assets	137	71	–	4	251	17	92	–	11	625	1,208
Non-monetary Assets	10,793	27,232	22,538	6,532	22,023	4,376	40,504	7,692	3,940	333,461	479,091
Monetary liabilities	–	–	–	–	(205)	–	–	–	–	(93)	(298)
Spot Contracts	–	–	3	–	–	–	–	–	–	–	3
Unit Class Exposure	–	12,161	–	–	132,570	–	–	–	–	15,653	160,384
Net Exposure	<u>10,930</u>	<u>39,464</u>	<u>22,541</u>	<u>6,536</u>	<u>154,639</u>	<u>4,393</u>	<u>40,596</u>	<u>7,692</u>	<u>3,951</u>	<u>349,646</u>	<u>640,388</u>

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 2. Financial Risk Management (Continued)

## b. Currency Risk (Continued)

*Currency risk - Sensitivity analysis*

At the Statement of Financial Position date, had the Euro and the US Dollar changed by 15% in relation to all currencies, with all other variables held constant, net assets attributable to holders of redeemable participating shares and the change in net assets attributable to holders of redeemable participating shares, would have changed by the amounts shown below:

KBI Water Fund (USD'000)	AUD	BRL	CAD	CHF	CZK	EUR	GBP	HKD	INR	JPY	KRW	MXN	PHP	SEK	Total
As at 31 August 2021	<u>78</u>	<u>1.79</u>	<u>3.411</u>		<u>-14.744</u>	<u>194.131</u>	<u>34.549</u>	<u>9.835</u>	<u>1.16</u>	<u>5.432</u>	<u>4.902</u>	<u>4.144</u>		<u>1.804</u>	<u>276.689</u>
As at 31 August 2020	<u>1.070</u>	<u>87</u>	<u>1.225</u>		<u>8.324</u>	<u>92.021</u>	<u>11.966</u>	<u>6.094</u>	<u>46</u>	<u>4.496</u>	<u>3.066</u>	<u>1.828</u>	<u>668</u>	<u>843</u>	<u>132.942</u>
KBI Developed Equity Fund (EUR'000)	AUD	CAD	CHF	DKK	GBP	HKD	JPY	NOK	SEK	SGD	USD	Total			
As at 31 August 2021	<u>2.072</u>	<u>5.081</u>	<u>2.612</u>	<u>1.13</u>	<u>30.558</u>	<u>64</u>	<u>6.021</u>	<u>18</u>	<u>1.480</u>	<u>33</u>	<u>66.033</u>	<u>116.155</u>			
As at 31 August 2020	<u>1.639</u>	<u>5.920</u>	<u>3.381</u>	<u>98</u>	<u>23.196</u>	<u>65</u>	<u>6.089</u>	<u>;</u>	<u>1.154</u>	<u>59</u>	<u>52.447</u>	<u>96.058</u>			

## Notes to the Financial Statements (Continued)

**b. Interest Rate Risk**

The Funds' interest bearing financial assets and financial 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.

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. In accordance with ICAV policy, the Investment Manager monitors the Funds' overall interest sensitivity on a daily basis and the Board of Directors review it on a regular basis. There were no material changes to the ICAV'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, none of the Sub-Funds had any significant exposure to interest rate risk.

**Credit Risk**

The ICAV 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.

The carrying amounts of financial assets best represent the maximum credit risk exposure at the Statement of Financial Position date. In accordance with ICAV policy, the Investment Manager monitors the Funds' overall credit risk on a daily basis and the Board of Directors review it on a regular basis. There were no material changes to the ICAV's policies and processes for managing credit risk and the methods used to measure risk since the prior year end.

As at the Statement of Financial Position date, the Funds' financial assets exposed to credit risk amounted to the following:

As at 31 August 2021	USD	EUR
	<b>KBI Water Fund</b>	<b>KBI Developed Equity Fund</b>
Cash and cash equivalents	53,141,749	562,489
Interest and other receivables	3,713,650	1,456,907
	<u>56,855,399</u>	<u>2,019,396</u>

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 2. Financial Risk Management (Continued)

## Credit Risk (Continued)

As at 31 August 2020	USD	EUR
	KBI Water Fund	KBI Developed Equity Fund
Cash and cash equivalents	15,466,071	2,302,231
Interest and other receivables	<u>3,136,400</u>	<u>1,196,546</u>
	<u>18,602,471</u>	<u>3,498,777</u>

The amounts in the above tables are based on the carrying value of all accounts.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Investment Manager analyses credit concentration based on the counterparty of the financial assets that the Fund holds. Details of counterparties, where applicable, are disclosed in the Schedules of Investments.

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 31 August 2021, NTC had a long term credit rating from Standard & Poor’s of (A+).

**Notes to the Financial Statements (Continued)****For the financial year ended 31 August 2021****2. Financial Risk Management (Continued)****Credit Risk (Continued)**

TNTC (as global sub-custodian of NTFSIL) does not appoint external sub-custodians within the U.S., the U.K., Ireland, Canada, Belgium, France, Germany, Netherlands and Saudi Arabia. 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 22(5) of UCITS V Directive 2014/91/EU), by assessing whether the Fund holds the ownership based on information or documents provided by the Fund or where available, on external evidence.

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 Board 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.

The ICAV had a securities lending agreement with The Northern Trust Company who act as agent.. The agent in turn has entered into a securities lending agreement on behalf of the ICAV, with each borrower on terms that the borrower shall deliver to the Escrow agent, concurrently with or prior to the delivery of the loaned securities, collateral having a market value at the time of delivery of at least equal to or in excess of 102%, where the collateral currency equals the security currency or 105% of the market value of the loaned securities in all other cases. Note 13 contains details of the securities lending agreement. In May 2021, the Directors of KBI Funds ICAV agreed to terminate the securities lending program with Northern Trust on a permanent basis

The Sub-Funds invested in debt securities, which have an investment grade as rated by a well-known rating agency. For unrated assets a rating is assigned using an approach that is consistent with rating agencies.

**Liquidity Risk**

The main liability of the Funds is the redemption of any shares that investors wish to sell. The Funds' constitution provides for the daily creation and cancellation of shares and they are, therefore, exposed to the liquidity risk of meeting shareholder redemptions at any time.

The Funds' financial instruments include 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 deterioration in the credit worthiness of any particular issuer. The Funds' listed securities are considered to be readily realisable as they are all listed on major worldwide stock exchanges.

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 2. Financial Risk Management (Continued)

## Liquidity Risk (Continued)

The 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 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 deterioration in the creditworthiness of any particular issuer.

In accordance with ICAV policy, the Investment Manager monitors the Fund's liquidity position on a daily basis and the Board of Directors review it on a regular basis.

There were no material changes to the ICAV's policies and processes for managing liquidity risk and the methods used to measure risk since the prior year end.

The tables below 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 the base currency of the Funds.

	As at 31 August 2021			As at 31 August 2020		
	Less than one month USD	From one to three months USD	Total USD	Less than one month USD	From one to three months USD	Total USD
<b>KBI Water Fund</b>						
Accrued expenses	–	3,845,886	3,845,886	–	1,448,120	1,448,120
Bank overdraft	–	255,970	255,970	–	56,395	56,395
Redemption of shares awaiting settlement	5,174	–	5,174	7,215	–	7,215
Purchase of securities awaiting settlement	–	–	–	5,011,170	–	5,011,170
Net assets attributable to holders of redeemable participating shares	<u>1,285,577,138</u>	<u>–</u>	<u>1,285,577,138</u>	<u>593,241,108</u>	<u>–</u>	<u>593,241,108</u>
Total financial liabilities	<u>1,285,582,312</u>	<u>4,101,856</u>	<u>1,289,684,168</u>	<u>598,259,493</u>	<u>1,504,515</u>	<u>599,764,008</u>

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 2. Financial Risk Management (Continued)

## Liquidity Risk (Continued)

	Less than one month EUR	From one to three months EUR	Total EUR	Less than one month EUR	From one to three months EUR	Total EUR
<b>KBI Developed Equity Fund</b>						
Accrued expenses	–	926,253	926,253	–	1,437,906	1,437,906
Bank overdraft	–	1,010,457	1,010,457	–	298,121	298,121
Redemption of shares awaiting settlement	22,471	–	22,471	275,668	–	275,668
Net assets attributable to holders of redeemable participating shares	<u>595,513,221</u>	<u>–</u>	<u>595,513,221</u>	<u>523,527,092</u>	<u>–</u>	<u>523,527,092</u>
Total financial liabilities	<u>595,535,692</u>	<u>1,936,710</u>	<u>597,472,402</u>	<u>523,802,760</u>	<u>1,736,027</u>	<u>525,538,787</u>

Redeemable participating shares are redeemed on demand at the holder's option

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Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

**2. Financial Risk Management (Continued)****Liquidity Risk (Continued)****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 of the Sub-Funds' financial assets and liabilities at the Statement of Financial Position date approximated their fair values.

**Fair Value Disclosure**

IFRS 13 "Financial Instruments: Disclosure" 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 traded securities) are based on latest available quoted mid-market prices for Sub-Funds priced at midday and at the closing mid prices for other Sub-Funds.

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. The fair value of financial assets and financial liabilities that are not traded in an active market is determined by using valuation techniques. The Funds use a variety of methods and make assumptions that are based on market conditions existing at the financial year end date.

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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); or
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 2. Financial Risk Management (Continued)

## Fair Value Disclosure (Continued)

The following is a summary of the fair valuations according to the inputs as at 31 August 2021 in valuing the Sub-Funds' assets and liabilities:

## KBI Water Fund

	Quoted Prices in Active Markets Level 1 USD	Significant Other Observable Inputs Level 2 USD	Significant Unobservable Inputs Level 3 USD	Total USD
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Equities	1,232,607,776	–	–	1,232,607,776
Forward Exchange Contracts	–	222,903	–	222,903
<b>Total assets</b>	<u>1,232,607,776</u>	<u>222,903</u>	<u>–</u>	<u>1,232,830,679</u>
<b>Liabilities</b>				
<b>Financial liabilities designated at fair value through profit or loss</b>				
Forward Exchange Contracts	–	(1,910)	–	(1,910)
<b>Total liabilities</b>	<u>–</u>	<u>(1,910)</u>	<u>–</u>	<u>(1,910)</u>

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 2. Financial Risk Management (Continued)

## Fair Value Disclosure (Continued)

The following is a summary of the fair valuations according to the inputs as at 31 August 2021 in valuing the Sub-Funds' assets and liabilities: (Continued)

## KBI Developed Equity Fund

	Quoted Prices in Active Markets Level 1 EUR	Significant Other Observable Inputs Level 2 EUR	Significant Unobservable Inputs Level 3 EUR	Total EUR
Assets				
Financial assets designated at fair value through profit or loss				
Equities	595,453,006	–	–	595,453,006
<b>Total assets</b>	<b>595,453,006</b>	<b>–</b>	<b>–</b>	<b>595,453,006</b>

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 2. Financial Risk Management (Continued)

## Fair Value Disclosure (Continued)

The following is a summary of the fair valuations according to the inputs as at 31 August 2020 in valuing the Sub-Funds' assets and liabilities:

## KBI Water Fund

	Quoted Prices in Active Markets Level 1 USD	Significant Other Observable Inputs Level 2 USD	Significant Unobservable Inputs Level 3 USD	Total USD
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Equities	580,976,406	–	–	580,976,406
Forward Exchange Contracts	–	185,768	–	185,768
<b>Total assets</b>	<u>580,976,406</u>	<u>185,768</u>	<u>–</u>	<u>581,162,174</u>
<b>Liabilities</b>				
<b>Financial liabilities designated at fair value through profit or loss</b>				
Forward Exchange Contracts	–	(637)	–	(637)
<b>Total liabilities</b>	<u>–</u>	<u>(637)</u>	<u>–</u>	<u>(637)</u>

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 2. Financial Risk Management (Continued)

## Fair Value Disclosure (Continued)

The following is a summary of the fair valuations according to the inputs as at 31 August 2020 in valuing the Sub-Funds' assets and liabilities: (Continued)

## KBI Developed Equity Fund

	Quoted Prices in Active Markets Level 1 EUR	Significant Other Observable Inputs Level 2 EUR	Significant Unobservable Inputs Level 3 EUR	Total EUR
Assets				
Financial assets designated at fair value through profit or loss				
Equities	522,040,010	–	–	522,040,010
<b>Total assets</b>	<b>522,040,010</b>	<b>–</b>	<b>–</b>	<b>522,040,010</b>

Investments, whose values are based on quoted market prices in active markets and, therefore, classified within Level 1, include active listed equities. Level 2 includes investment funds. The ICAV does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2.

The Level 2 amounts above represent investment funds and forward exchange contracts.

There were no significant transfers between Level 1 and Level 2 during the financial year.

There were no Level 3 instruments held during the year ended 31 August 2021 and 31 August 2020.

**Financial Assets and Liabilities not measured at Fair Value**

The financial assets and liabilities not measured at fair value through profit or loss are short-term financial assets and financial liabilities whose carrying amounts approximate fair value. Cash and cash equivalents are categorised as Level 1 and all other financial assets and liabilities not measured at fair value through profit or loss are categorised as Level 2 in the fair value hierarchy.

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 2. Operating Income

	KBI Water Fund	KBI Developed Equity Fund
	Year ended 31 August 2021 USD	Year ended 31 August 2021 EUR
<i>Investment income from financial assets at fair value through profit or loss</i>		
Dividend income	19,191,712	18,032,575
<i>Income from financial assets that are not at fair value through profit or loss</i>		
Rebate of tax	6,563	4,772
Sundry income	59,573	244
	<u>19,257,848</u>	<u>18,037,591</u>

\*Fund launched on 29 July 2021.

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 3. Operating Income (Continued)

	KBI Water Fund	KBI Developed Equity Fund
	Year ended 31 August 2020 USD	Year ended 31 August 2020 EUR
<i>Investment income from financial assets at fair value through profit or loss</i>		
Dividend income	9,800,386	17,023,101
<i>Income from financial assets that are not at fair value through profit or loss</i>		
Deposit Interest	33,500	242
Rebate of tax	12,451	10,664
Securities lending income	21,655	54,712
Sundry income	61,023	6,642
	<u>9,929,015</u>	<u>17,095,361</u>

\* Fund launched on 26 November 2019.

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

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

	KBI Water Fund	KBI Developed Equity Fund
	Year ended 31 August 2021 USD	Year ended 31 August 2021 EUR
Realised gains on investments	90,976,770	48,772,343
Net currency (losses)/gains	495,926	(74,299)
Net change in unrealised appreciation on investments	216,278,673	90,955,666
	<u>307,751,369</u>	<u>139,653,710</u>

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

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

	KBI Water Fund	KBI Developed Equity Fund
	Year ended 31 August 2020 USD	Year ended 31 August 2020 EUR
Realised gains/(losses) on investments	(3,719,081)	(7,361,050)
Net currency gains/(losses)	1,353,600	(326,915)
Net change in unrealised appreciation/(depreciation) on investments	50,224,016	(5,632,611)
	<u>47,858,535</u>	<u>(13,320,576)</u>

\*Fund launched on 26 November 2019.

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 5. Operating Expenses

	KBI Water Fund	KBI Developed Equity Fund
	Year ended 31 August 2021 USD	Year ended 31 August 2021 EUR
Administration fees	309,186	187,353
Auditor's fees	7,276	6,025
Bank payment charges	120,694	19,333
Depository fees	679,186	414,854
Director's fees	4,975	4,123
Distribution fees	96,772	–
Investment management fees	6,601,313	1,669,448
Legal fees	24,779	13,985
Line of credit fees	246	191
Liquidation provision	–	–
MLRO fees	771	646
Paying Agents	27,012	16,482
Printing/publishing fees	2,529	1,691
Professional fees	326,734	20,936
Registration fees	21,668	11,268
Regulatory fees	17,638	12,872
Research costs	162,583	–
Secretarial fees	1,868	1,571
Share class hedging fees	24,999	–
Solutions providers	28,490	20,437
Transaction fees (non-trading)	29,015	3,936
VAT professional fees	683	573
	<u>8,488,417</u>	<u>2,405,724</u>

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 5. Operating Expenses (Continued)

	KBI Water Fund	KBI Developed Equity Fund
	Year ended 31 August 2020 USD	Year ended 31 August 2020 EUR
Administration fees	178,019	163,220
Auditor's fees	7,376	6,318
Bank payment charges	97,106	38,079
Depository fees	394,185	361,415
Director's fees	2,279	1,078
Distribution fees	84,299	–
Investment management fees	4,243,075	1,667,747
Legal fees	15,404	9,555
Line of credit fees	262	208
MLRO fees	776	691
Paying Agents	23,484	11,925
Printing/publishing fees	3,497	2,398
Professional fees	16,778	9,761
Registration fees	26,118	15,129
Regulatory fees	14,284	10,927
Research costs	106,190	–
Secretarial fees	1,957	1,775
Share class hedging fees	25,136	–
Solutions providers	15,175	10,594
Transaction fees (non-trading)	24,689	1,106
Translation fees	90	29
VAT professional fees	646	576
	<u>5,280,825</u>	<u>2,312,531</u>

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 5. Transaction Costs

	KBI Water Fund	KBI Developed Equity Fund
	Year ended 31 August 2021 USD	Year ended 31 August 2021 EUR
Commission	446,531	243,772
Trade Expense	915,055	174,897
	<u>1,361,586</u>	<u>418,669</u>

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 6. Transaction Costs (Continued)

	KBI Water Fund	KBI Developed Equity Fund
	Year ended 31 August 2020 USD	Year ended 31 August 2020 EUR
Commission	235,222	250,862
Trade Expense	282,374	150,371
	<u>517,596</u>	<u>401,233</u>

## 7. Cash and Cash Equivalents

All cash is held with Northern Trust Fiduciary Services (Ireland) Limited.

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 8. Other Receivables

	KBI Water Fund	KBI Developed Equity Fund
	As at	As at
	31 August 2021	31 August 2021
	USD	EUR
Currency receivable	1,090	–
Dividend income receivable	981,564	1,453,689
Prepaid expenses	32,593	3,218
Subscriptions of Shares awaiting settlement	2,698,403	–
	<u>3,713,650</u>	<u>1,456,907</u>

	KBI Water Fund	KBI Developed Equity Fund
	As at	As at
	31 August 2020	31 August 2020
	USD	EUR
Currency receivable	11,168	1
Deposit interest receivable	14	–
Dividend income receivable	575,786	1,193,207
Prepaid expenses	13,995	3,338
Sale of securities awaiting settlement	1,235,490	–
Subscriptions of Shares awaiting settlement	1,299,947	–
	<u>3,136,400</u>	<u>1,196,546</u>

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Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

**9. Bank Overdraft**

There were bank overdrafts held at 31 August 2021 in the amounts of USD 255,970, EUR 1,010,457, USD 585,453, EUR 61,416 and EUR 347,498, on KBI Water Fund, KBI Developed Equity Fund, KBI North America Equity Fund, KBI Integris Global Equity Fund and KBI Global Sustainable Infrastructure Fund respectively. (31 August 2020: USD 56,395, EUR 80,000, EUR 298,121, EUR 46, USD 829,700, and EUR 20 on KBI Water Fund, KBI Emerging Markets Equity Fund, KBI Developed Equity Fund, KBI Eurozone Equity Fund, KBI North America Equity Fund and KBI Integris Global Equity Fund respectively).

Overdrawn positions that exist in the Funds of the ICAV are as a result of transaction related activity and are not a result of a leverage strategy.

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 10. Other Payables

	KBI Water Fund	KBI Developed Equity Fund
	As at 31 August 2021 USD	As at 31 August 2021 EUR
Administration fees	169,717	82,340
Auditor's fees	7,317	6,181
Bank payment charges	97,034	4,990
Capital gains tax	102,800	–
Depositary fees	355,947	176,271
Directors fees	1,636	1,382
Distribution payable	34,749	–
Distributor fees	–	–
German tax reporting fees	1,910	1,688
Investment management fees	2,819,090	624,449
Legal fees	9,686	682
Liquidation provision	–	–
MLRO fees	121	102
Overdraft interest	1,094	1,135
Paying Agents	1,934	4,119
Printing/publishing fees	1,654	1,395
Professional VAT fees	282	546
Professional fees	89,171	9,978
Purchase of securities awaiting settlement	–	–
Redemptions of Shares awaiting settlement	5,174	22,471
Registration fees	7,189	3,896
Regulatory fees	6,549	6,663
Research costs	50,991	–
Share class hedging fee payable	78,626	–
Spot contracts payable	412	–
Subscriptions yet to be processed	7,086	–
Transaction charges	891	436
	<u>3,851,060</u>	<u>948,724</u>

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 10. Other Payables (Continued)

	KBI Water Fund	KBI Developed Equity Fund
	As at 31 August 2020 USD	As at 31 August 2020 EUR
Administration fees	122,385	91,119
Auditor's fees	6,945	5,873
Bank payment charges	45,295	5,337
Capital gains tax	21,108	—
Credit line obligation fee	534	452
Depository fees	256,582	195,709
Directors fees	1,760	1,488
Distribution payable	103,364	813,166
Distributor fees	17,432	—
German tax reporting fees	3,038	—
Investment management fees	764,877	302,230
Legal fees	5,955	3,270
MLRO fees	130	110
Overdraft interest	565	842
Paying Agents	—	1,410
Printing/publishing fees	1,014	857
Professional VAT fees	426	638
Professional fees	7,171	4,528
Purchase of securities awaiting settlement	5,011,170	—
Redemptions of Shares awaiting settlement	7,215	275,668
Registration fees	10,479	5,787
Regulatory fees	3,567	5,090
Research costs	19,710	—
Secretarial fees	—	—
Share class hedging fee payable	53,628	—
Spot contracts payable	640	—
Subscriptions yet to be processed	39	—
Transaction charges	1,476	—
	<u>6,466,505</u>	<u>1,713,574</u>

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Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

**11. Share Capital***Participating Shares*

The authorised share capital of the ICAV is 500,000,000,000 Shares of no par value and 300,000 redeemable non-participating shares of EUR 1 each. Non-participating shares do not entitle the holders thereof to any dividend and on a winding up entitle the holders thereof to receive the amount paid up thereon but do not otherwise entitle them to participate in the assets of the ICAV. The Directors have the power to allot shares up to the authorised share capital of the ICAV. There are 300,000 non-participating shares of EUR1 each currently in issue which are held by the Investment Manager and its nominees. The Investment Manager may redeem these Shares shortly after the ICAV is launched provided that the ICAV maintains a minimum capital amount of EUR 300,000 at all times.

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 11. Share Capital (Continued)

*Variation of rights*

The rights attached to any class may be varied or abrogated with the consent in writing of the holders of three-fourths in number of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class, and may be so varied or abrogated either whilst the ICAV is a going concern or during or in contemplation of a winding-up.

*Voting rights*

On a show of hands at a general meeting or class meeting of the ICAV, every Shareholder holding shares who is present in person or by proxy shall have one vote and on a poll every Shareholder present in person or by proxy shall have one vote for every share of which he/she is the holder.

*Distribution on winding up*

Subject to the provisions of the ICAV Act, if the ICAV shall be wound up the liquidator shall apply the assets of each Sub-Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Sub-Fund.

The assets available for distribution amongst the holders shall be applied as follows:

- i) Firstly, in the payment to the Shareholders of each Class or Fund of a sum in the Functional Currency (or in any other currency selected and at such rate of exchange as determined by the liquidator) as nearly as possible equal to the Net Asset Value of the Shares of the relevant Class or Fund held by such Shareholders respectively as at the date of commencement of winding up;
- ii) Secondly, in the payment to the holders of non-participating shares of sums up to the nominal amount paid up thereon out of the assets of the ICAV not comprised within any Fund provided that if there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Funds;
- iii) Thirdly, in the payment to the Shareholders of each Class or Fund of any balance then remaining in the relevant Fund, in proportion to the number of Shares held in the relevant Class or Fund; and
- iv) Fourthly, any balance then remaining and not attributable to any Fund or Class shall be apportioned between the Funds and Classes pro-rata to the Net Asset Value of each Fund or attributable to each Class immediately prior to any distribution to Shareholders and the amounts so apportioned shall be paid to Shareholders pro-rata to the number of Shares in that Fund or Class held by them.

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 11. Share Capital (Continued)

KBI Water Fund	AUD Class B Shares		CZK Class A Shares		Euro Class A Shares		Euro Class C Shares	
	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020
<b>Number of Shares</b>								
<b>Issued and Fully paid</b>								
Balance at the beginning of year	661,204	661,204	63,024,609	48,909,329	246,665	260,941	8,662,088	759,159
Issued during year	–	–	25,155,526	22,338,074	24,492	24,161	5,545,541	8,232,795
Redeemed during year	(329,329)	–	(10,702,086)	(8,222,794)	(2,761)	(38,437)	(2,092,814)	(329,866)
Total number of Shares in issue at end of year	<u>331,875</u>	<u>661,204</u>	<u>77,478,049</u>	<u>63,024,609</u>	<u>268,396</u>	<u>246,665</u>	<u>12,114,815</u>	<u>8,662,088</u>

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 11. Share Capital (Continued)

KBI Water Fund	Euro Class D Shares		Euro Class F Shares		Euro Class G Shares		Euro Class H Shares		
	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	
Number of Shares Issued and Fully paid									
Balance at the beginning of year	165,952	156,120	10,075	10,889	–	8,100	2,990,638	5,522,855	
Issued during year	58,030	33,039	1,721	1,800	–	–	5,733,147	9,272,717	
Redeemed during year	<u>(14,794)</u>	<u>(23,207)</u>	<u>(3,488)</u>	<u>(2,614)</u>	<u>–</u>	<u>(8,100)</u>	<u>(2,716,893)</u>	<u>(11,804,934)</u>	
Total number of Shares in issue at end of year	<u>209,188</u>	<u>165,952</u>	<u>8,308</u>	<u>10,075</u>	<u>–</u>	<u>–</u>	<u>6,006,892</u>	<u>2,990,638</u>	
KBI Water Fund	Euro Class I (Distributing) Shares		Euro Class I Shares		Sterling Class A Shares		Sterling Class E Shares		
	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	
Number of Shares Issued and Fully paid									
Balance at the beginning of year	973,379	722,747	4,158,831	8,771,750	432,635	525,888	37,787	658,832	
Issued during year	592,927	557,408	1,680,552	1,669,434	47,591	905,732	929	547	
Redeemed during year	<u>(406,313)</u>	<u>(306,776)</u>	<u>(613,031)</u>	<u>(6,282,353)</u>	<u>(116,914)</u>	<u>(998,985)</u>	<u>(4,616)</u>	<u>(621,592)</u>	
Total number of Shares in issue at end of year	<u>1,159,993</u>	<u>973,379</u>	<u>5,226,352</u>	<u>4,158,831</u>	<u>363,312</u>	<u>432,635</u>	<u>34,100</u>	<u>37,787</u>	
KBI Water Fund	US Dollar Class A Shares		US Dollar Class C Shares		US Dollar Class E Shares		US Dollar Class F Shares*	AUD Class A Shares	
	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2021	Year ended 31 August 2020
Number of Shares Issued and Fully paid									
Balance at the beginning of year	1,460,101	1,443,915	172,926	190,421	564,976	559,976	–	2,350	2,350
Issued during year	938,718	158,290	129,538	120,900	25,000	5,000	7,476,579	–	–
Redeemed during year	<u>(392,812)</u>	<u>(142,104)</u>	<u>(139,455)</u>	<u>(138,395)</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Total number of Shares in issue at end of year	<u>2,006,007</u>	<u>1,460,101</u>	<u>163,009</u>	<u>172,926</u>	<u>589,976</u>	<u>564,976</u>	<u>7,476,579</u>	<u>2,350</u>	<u>2,350</u>

\*Launched 12 April 2021.

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 11. Share Capital (Continued)

KBI Developed Equity Fund	Euro Class A Shares		Euro Class B Shares		Euro Class C Shares		Euro Class D (Distributing) Shares	
	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020
<b>Number of Shares</b>								
<b>Issued and Fully paid</b>								
Balance at the beginning of year	894,210	1,127,579	13,659,558	2,648,492	2,684,275	3,337,059	1,356,372	3,932,710
Issued during year	–	–	303,768	11,709,673	–	4,100,485	–	–
Redeemed during year	(206,486)	(233,369)	(2,579,812)	(698,607)	(1,470,819)	(4,753,269)	(1,320,905)	(2,576,338)
In-specie	–	–	–	–	–	–	–	–
Total number of Shares in issue at end of year	<u>687,724</u>	<u>894,210</u>	<u>11,383,514</u>	<u>13,659,558</u>	<u>1,213,456</u>	<u>2,684,275</u>	<u>35,467</u>	<u>1,356,372</u>

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 11. Share Capital (Continued)

KBI Developed Equity Fund	Euro Class H Shares		Euro Class I Shares		Sterling Class C (Distributing) Shares		Sterling Class C Shares	
	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020
<b>Number of Shares</b>								
<b>Issued and Fully paid</b>								
Balance at the beginning of year	3,287,628	3,576,186	37,429	22,688	861,458	800,090	15,018	16,873
Issued during year	594,994	4,370,787	554	14,741	1,081	103,938	285	800
Redeemed during year	(643,644)	(4,659,345)	—	—	(18,095)	(42,570)	(6,585)	(2,655)
In-specie	—	—	—	—	—	—	—	—
Total number of Shares in issue at end of year	<u>3,238,978</u>	<u>3,287,628</u>	<u>37,983</u>	<u>37,429</u>	<u>844,444</u>	<u>861,458</u>	<u>8,718</u>	<u>15,018</u>
KBI Developed Equity Fund	Sterling Class D Shares		US Dollar Class B (Distributing) Shares		US Dollar Class E (Distributing) Shares		CAD Class A Shares	
	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020	Year ended 31 August 2021	Year ended 31 August 2020
<b>Number of Shares</b>								
<b>Issued and Fully paid</b>								
Balance at the beginning of year	4,542,594	4,542,594	—	229,201	1,821,307	1,826,070	1,309,559	2,268,092
Issued during year	—	—	—	—	4,024,334	254,342	—	39,519
Redeemed during year	—	—	—	(229,201)	(1,099,855)	(259,105)	(1,309,559)	(998,052)
In-specie	—	—	—	—	—	—	—	—
Total number of Shares in issue at end of year	<u>4,542,594</u>	<u>4,542,594</u>	<u>—</u>	<u>—</u>	<u>4,745,786</u>	<u>1,821,307</u>	<u>—</u>	<u>1,309,559</u>

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 11. Net Asset Value

	As at 31 August 2021		As at 31 August 2020		As at 31 August 2019	
	Net Asset Value	Net Asset Value per Share	Net Asset Value	Net Asset Value per Share	Net Asset Value	Net Asset Value per Share
<b>KBI Water Fund</b>						
CZK Class A Shares	CZK1,069,637,996	CZK13.81	CZK610,821,537	CZK9.69	CZK449,215,901	CZK9.18
Euro Class A Shares	€10,307,234	€38.40	€6,371,454	€25.83	€6,527,297	€25.01
Euro Class C Shares	€529,546,733	€43.71	€255,623,506	€29.51	€21,776,562	€28.69
Euro Class D Shares	€8,789,123	€42.02	€4,717,960	€28.43	€4,324,149	€27.70
Euro Class F Shares	€15,429,104	€1,857.17	€12,837,016	€1,274.17	€13,719,165	€1,259.91
Euro Class G Shares	—	—	—	—	€176,764	€21.82
Euro Class H Shares	€187,065,091	€31.14	€61,932,697	€21.07	€113,384,976	€20.53
Euro Class I (Distributing) Shares	€16,779,199	€14.46	€9,819,808	€10.09	€7,310,903	€10.12
Euro Class I Shares	€140,907,850	€26.96	€76,793,900	€18.47	€159,741,860	€18.21
Sterling Class A Shares	£14,011,670	£38.57	£11,774,696	£27.22	£14,176,250	£26.96
Sterling Class E Shares	£776,272	£22.76	£608,544	£16.10	£10,536,140	£15.99
US Dollar Class A Shares	\$40,961,439	\$20.42	\$20,438,733	\$14.00	\$18,180,201	\$12.59
US Dollar Class C Shares	\$2,876,742	\$17.65	\$2,128,280	\$12.31	\$2,149,498	\$11.29
US Dollar Class E Shares	\$8,913,088	\$15.11	\$5,874,727	\$10.40	\$5,258,412	\$9.39
US Dollar Class F Shares***	\$84,729,917	\$11.33	—	—	—	—
AUD Class A Shares	AUD47,556	AUD20.24	AUD32,198	AUD13.70	AUD31,826	AUD13.54
AUD Class B Shares	AUD7,120,694	AUD21.46	AUD9,617,257	AUD14.55	AUD9,518,273	AUD14.40

\*\*\*Class launched 12 April 2021.

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 12. Net Asset Value (Continued)

	As at 31 August 2021		As at 31 August 2020		As at 31 August 2019	
	Net Asset Value	Net Asset Value per Share	Net Asset Value	Net Asset Value per Share	Net Asset Value	Net Asset Value per Share
<b>KBI Developed Equity Fund</b>						
Euro Class A Shares	€20,526,383	€29.85	€19,936,749	€22.30	€25,458,808	€22.58
Euro Class B Shares	€232,617,467	€20.43	€209,290,134	€15.32	€41,248,377	€15.57
Euro Class C Shares	€34,903,424	€28.76	€57,965,975	€21.59	€73,344,506	€21.98
Euro Class D (Distributing) Shares	€567,458	€16.00	€16,718,712	€12.33	€50,936,697	€12.95
Euro Class H Shares	€77,159,517	€23.82	€58,854,903	€17.90	€65,223,786	€18.24
Euro Class I Shares	€505,136	€13.30	€377,447	€10.08	€235,206	€10.37
Sterling Class C (Distributing) Shares	£17,311,334	£20.50	£14,152,274	£16.43	£14,005,466	£17.50
Sterling Class C Shares	£246,013	£28.22	£331,318	£22.06	£384,576	£22.79
Sterling Class D Shares	£133,602,425	£29.41	£103,927,493	£22.88	£106,833,843	£23.52
US Dollar Class B (Distributing) Shares	—	—	—	—	\$2,408,334	\$10.51
US Dollar Class E (Distributing) Shares	\$62,565,446	\$13.18	\$18,719,968	\$10.28	\$18,665,445	\$9.96
CAD Class A Shares	—	—	CAD18,949,794	CAD14.47	CAD31,527,103	CAD13.90

**For the financial year ended 31 August 2021****12. Securities Lending Income**

Securities lending activity had been suspended since April 2020. At 31 August 2020, one de-listed security remained on loan for the KBI Energy Solutions Fund as further detailed below.\*

In May 2021, the Directors of KBI Funds ICAV agreed to terminate the securities lending program with Northern Trust on a permanent basis. As a result, there are no securities on loan for the financial year ended 31 August 2021.

Securities lending is the market practice whereby securities are temporarily transferred by one party (the lender) to another (the borrower) in return for collateral and income in the form of substitute payments over the course of the loan agreement. Securities used in securities lending activities were held at fair value and were recorded on the Global Securities System of Northern Trust Fiduciary Services (Ireland) Limited.

The income generated from securities lending is divided between the ICAV (60%), the securities lending agent, i.e. Northern Trust (30%) and the Investment Manager (10%).

There was no income generated from securities lending for the year ended 31 August 2021.

The following table shows the securities lending position of the ICAV at 31 August 2021 and 31 August 2020.

	<b>Year ended 31 August 2021 USD</b>	<b>Year ended 31 August 2020 USD</b>
<b>KBI Water Fund</b>		
Income earned during the year		
ICAV	—	21,655
KBI Global Investors Limited	—	3,609
Northern Trust	—	10,827
	<b>Year ended 31 August 2021 USD</b>	<b>Year ended 31 August 2020 USD</b>
Value of securities on loan at year end	—	—
Value of collateral held in respect of these loans at year end	—	—

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 13. Securities Lending Income (Continued)

	Year ended 31 August 2021 EUR	Year ended 31 August 2020 EUR
<b>KBI Developed Equity Fund</b>		
Income earned during the year		
ICAV	—	54,712
KBI Global Investors Limited	—	9,118
Northern Trust	—	27,356
	Year ended 31 August 2021 EUR	Year ended 31 August 2020 EUR
Value of securities on loan at year end	—	—
Value of collateral held in respect of these loans at year end	—	—

There was no Direct Costs for the year ended 31 August 2021.

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 13. Securities Lending Income (Continued)

The Direct Costs disclosed below relate to the Agent's (The Northern Trust Company) fee for year ended 31 August 2020:

	<b>Gross Earnings 31 August 2020 EUR</b>	<b>Direct Costs 31 August 2020 EUR</b>
KBI Developed Equity Fund	91,186	27,356
	<b>USD</b>	<b>USD</b>
KBI Water Fund	36,091	10,827

## 14. Fees

## Investment Management Fee

Under the provisions of the discretionary investment management agreement, the ICAV will pay the Investment Manager a fee of up to 2.50% per annum of the Net Asset Value (plus VAT, if any) of the KBI Water Fund and the KBI Developed Equity Fund. Within these maximum permitted limits, the Investment Manager's fee may differ between Sub-Funds and between classes of the same Sub-Fund. This fee shall be accrued weekly on each dealing day and payable monthly in arrears.

The ICAV will pay the Investment Manager a fee of up to 1.5% per annum of the Net Asset Value of the KBI Energy Solutions Fund (plus VAT, if any) in respect of Sterling Class A, Euro Class A, Euro Class B, Euro Class C, Euro Class D and Euro Class F Shares and an annual fee of up to 2.5% per annum of the Net Asset Value of the this Fund (plus VAT, if any) in respect of US Dollar Class A, US Dollar Class B, US Dollar Class C, US Dollar Class D, Sterling Class B, Sterling Class C, Sterling Class D, Euro Class E, Euro Class G and Euro Class H.

Investment Management fees of EUR 10,881,613 (31 August 2020: EUR 7,492,884) were charged during the financial year, EUR 4,732,055 of which were outstanding at the financial year end (31 August 2020: EUR: 1,296,071).

## Administration Fee

Under the provisions of the administration agreement, the ICAV shall pay to the Administrator out of the assets of each Sub-Fund attributable to each Class an annual fee which shall be accrued weekly on each Dealing Day and payable monthly in arrears, at a rate which will not exceed 0.10% of the Net Asset Value of KBI Water Fund and KBI Developed Equity Fund, (plus VAT, if any).

The Administrator shall also be entitled to be repaid out of the assets of the Sub-Fund all of its reasonable out-of-pocket expenses incurred on behalf of the Sub-Fund, which shall include legal fees, couriers' fees and telecommunication costs and expenses.

Administration fees of EUR 709,736 (31 August 2020: EUR 499,012) were charged during the financial year, EUR 363,418 of which were outstanding at the financial year end (31 August 2020: EUR 292,644).

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 14. Fees (Continued)

**Depositary Fee**

Under the provisions of the depositary agreement, the ICAV shall pay to the Depositary out of the assets of each Sub-Fund attributable to each Class an annual fee which shall be accrued weekly on each Dealing Day and payable monthly in arrears, at a rate which will not exceed 0.10% of the Net Asset Value of KBI Water Fund and KBI Developed Equity Fund (plus VAT, if any).

The Depositary shall also be entitled to be repaid out of the assets of each Sub-Fund all of its reasonable out-of-pocket expenses incurred on behalf of the Sub-Fund which shall include couriers' fees and telecommunication costs and other expenses incurred on behalf of the Sub-Fund by the Depositary in the proper performance of its duties (plus VAT, if any).

Depositary fees of EUR 1,557,596 (31 August 2020: EUR 1,102,896) were charged during the financial year, EUR 771,479 of which were outstanding at the financial year end (31 August 2020: EUR 625,934).

## 15. Efficient Portfolio Management and Use of Financial Derivative Instruments

The Investment Manager may utilise derivatives and other techniques and instruments (including, but not limited to, options, swaps, futures and forwards) whether the intention of providing protection against risks of gaining exposure to certain markets, sectors or securities, or otherwise of increasing the return on the Assets of each Fund. Such derivatives and other techniques and instruments will only be used for efficient portfolio management purposes in accordance with the conditions and limits laid down by the Central Bank of Ireland. The Investment Manager may also, when facilities become available in the relevant markets, lend the Portfolio securities and/or purchase securities subject to repurchase agreements. Securities lending is dealt with separately in Note 13. No securities were purchased subject to repurchase agreements during the financial year.

Open derivative contracts held at the Statement of Financial Position date are disclosed in the Schedule of Investments beginning on page 142.

## 16. Distributions

Details of distributions made during the financial year ended 31 August 2021 are as follows:

**KBI Water Fund Share Class I EUR**

<b>Date Declared</b>	<b>Date Paid</b>	<b>Rate per Share</b>	<b>No. of Shares</b>	<b>Amount €</b>	<b>Relevant Period</b>
26.02.2021	12.03.2021	0.09192	1,081,385	99,401	01.09.2020 - 28.02.2021
31.08.2021	14.09.2021	0.14909	1,159,993	172,943	01.03.2021 - 31.08.2021

**KBI Developed Equity Share Class C GBP**

<b>Date Declared</b>	<b>Date Paid</b>	<b>Rate per Share</b>	<b>No. of Shares</b>	<b>Amount \$</b>	<b>Relevant Period</b>
26.02.2021	12.03.2021	0.18942	844,776	160,017	01.09.2020 - 28.02.2021
31.08.2021	14.09.2021	0.29343	844,444	247,786	01.03.2021 - 31.08.2021

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 16. Distributions (Continued)

Details of distributions made during the financial year ended 31 August 2021 are as follows: (Continued)

**KBI Developed Equity Share Class D EUR**

<b>Date Declared</b>	<b>Date Paid</b>	<b>Rate per Share</b>	<b>No. of Shares</b>	<b>Amount £</b>	<b>Relevant Period</b>
26.02.2021	12.03.2021	0.14617	35,467	5,184	01.09.2020 - 28.02.2021
31.08.2021	14.09.2021	0.22907	35,467	8,125	01.03.2021 - 31.08.2021

**KBI Developed Equity Share Class E USD**

<b>Date Declared</b>	<b>Date Paid</b>	<b>Rate per Share</b>	<b>No. of Shares</b>	<b>Amount €</b>	<b>Relevant Period</b>
26.02.2021	12.03.2021	0.12374	1,153,177	142,694	01.09.2020 - 28.02.2021
31.08.2021	14.09.2021	0.18870	4,745,786	895,537	01.03.2021 - 31.08.2021

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 16. Distributions (Continued)

Details of distributions made during the financial year ended 31 August 2020 are as follows:

**KBI Developed Equity Share Class B USD**

<b>Date Declared</b>	<b>Date Paid</b>	<b>Rate per Share</b>	<b>No. of Shares</b>	<b>Amount \$</b>	<b>Relevant Period</b>
28.02.2020	13.03.2020	0.14835	209,201	31,035	01.09.2019 - 29.02.2020

**KBI Developed Equity Share Class C GBP**

<b>Date Declared</b>	<b>Date Paid</b>	<b>Rate per Share</b>	<b>No. of Shares</b>	<b>Amount £</b>	<b>Relevant Period</b>
28.02.2020	13.03.2020	0.23569	902,604	212,735	01.09.2019 - 29.02.2020
31.08.2020	14.09.2020	0.27753	861,458	239,080	01.03.2020 - 31.08.2020

**KBI Developed Equity Share Class D EUR**

<b>Date Declared</b>	<b>Date Paid</b>	<b>Rate per Share</b>	<b>No. of Shares</b>	<b>Amount €</b>	<b>Relevant Period</b>
28.02.2020	13.03.2020	0.18382	3,862,709	710,043	01.09.2019 - 29.02.2020
31.08.2020	14.09.2020	0.20830	1,356,372	282,532	01.03.2020 - 31.08.2020

**KBI Developed Equity Share Class E USD**

<b>Date Declared</b>	<b>Date Paid</b>	<b>Rate per Share</b>	<b>No. of Shares</b>	<b>Amount \$</b>	<b>Relevant Period</b>
28.02.2020	13.03.2020	0.14067	1,847,836	259,935	01.09.2019 - 29.02.2020
31.08.2020	14.09.2020	0.17364	1,821,307	316,252	01.03.2020 - 31.08.2020

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 16. Distributions (Continued)

Details of distributions made during the financial year ended 31 August 2020 are as follows: (Continued)

**KBI Water Fund Share Class I EUR**

<b>Date Declared</b>	<b>Date Paid</b>	<b>Rate per Share</b>	<b>No. of Shares</b>	<b>Amount €</b>	<b>Relevant Period</b>
28.02.2020	13.03.2020	0.08066	778,154	62,766	01.09.2019 - 29.02.2020
31.08.2020	14.09.2020	0.09166	973,379	89,220	01.03.2020 - 31.08.2020

## 17. Related Party Transactions

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

**Investment Manager**

Related parties include the Investment Manager, KBI Global Investors Ltd. Amounts earned by the Investment Manager and due to the Investment Manager at financial year end, are disclosed in notes 5 and 10, respectively and also disclosed in note 14.

**Directors**

The following Directors of KBI Funds ICAV are also employees of the Investment Manager, KBI Global Investors Limited:

Derval Murray, Padraig Sheehy, Gerard Solan and Patrick Cassells.

Fiona Mulcahy earned a fee of EUR 29,000 per annum and Frank Joseph Close earned a fee of EUR 24,000 per annum (31 August 2020: Frank Joseph Close and Fiona Mulcahy each earned EUR 20,000). All other directors are not entitled to a fee.

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 17. Related Party Transactions (Continued)

## Directors (Continued)

The tables below show a reconciliation of the Directors' and Secretary's interests in the Funds of the ICAV for the financial year ended 31 August 2021:

## Padraig Sheehy

	<b>KBI Developed Equity Fund</b>
Opening Balance 01 September 2020	265
Purchases	-
Sales	<u>(265)</u>
Closing Balance 31 August 2021	-

## Padraig Sheehy

	<b>KBI Water Fund</b>
Opening Balance 01 September 2020	12
Purchases	6,336
Sales	<u>(574)</u>
Closing Balance 31 August 2021	5,774

## Gerard Solan

	<b>KBI Developed Equity Fund</b>	<b>KBI Water Fund</b>
Opening Balance 01 September 2020	810	-
Purchases	-	2,752
Sales	<u>(810)</u>	<u>-</u>
Closing Balance 31 August 2021	-	2,752

## Derval Murray

	<b>KBI Water Fund</b>	<b>KBI Developed Equity Fund</b>
Opening Balance 01 September 2020	387	3,562
Purchases	-	-
Sales	<u>-</u>	<u>-</u>
Closing Balance 31 August 2021	387	3,562

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 17. Related Party Transactions (Continued)

## Directors (Continued)

The tables below show a reconciliation of the Directors' and Secretary's interests in the Funds of the ICAV for the financial year ended 31 August 2021: (continued)

## Patrick Cassells

	KBI Water Fund	KBI Developed Equity Fund
Opening Balance 01 September 2020	13	988
Purchases	-	-
Sales	-	-
Closing Balance 31 August 2021	13	988

## Shareholdings

The following Funds held shares in KBI Water Fund as at 31 August 2021:

KBI Innovator Fund held 185,370 Euro Class A shares (31 August 2020: 185,370 Euro Class A shares).

The following Funds held shares in KBI Developed Equity Fund as at 31 August 2021:

KBI Diversified Growth Fund held 37,983 Euro Class I Distributing shares (31 August 2020: 37,429 Euro Class I Distributing shares).

KBI Managed Fund held 687,725 Euro Class A shares (31 August 2020: 894,210 Euro Class A shares).

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 17. Related Party Transactions (Continued)

## Shareholdings (Continued)

Management fees are not charged on Euro Class A shares across all sub-funds of KBI Funds ICAV.

For Euro Class I Distributing shares in KBI Developed Equity Fund which are held by KBI Diversified Growth Fund a fee rebate is provided by way of re-investment for management fees charged.

As at 31 August 2021 the following sub-funds of KBI Funds ICAV held Euro Class A Units in the following:

	<b>Sub-fund not registered in Switzerland</b>	
	<b>31 August 2021</b>	<b>31 August 2020</b>
Sub-fund not registered in Switzerland	558,976	669,120
Sub-fund not registered in Switzerland	29,810	46,867
Sub-fund not registered in Switzerland	13,363	41,161
Sub-fund not registered in Switzerland	14,884	13,087

	<b>Sub-fund not registered in Switzerland</b>	
	<b>31 August 2021</b>	<b>31 August 2020</b>
Sub-fund not registered in Switzerland	27,119	29,318

	<b>Sub-fund not registered in Switzerland</b>	
	<b>31 August 2021</b>	<b>31 August 2020</b>
Sub-fund not registered in Switzerland	4,094	4,273

	<b>Sub-fund not registered in Switzerland</b>	
	<b>31 August 2021</b>	<b>31 August 2020</b>
Sub-fund not registered in Switzerland	36,745	36,745

	<b>Sub-fund not registered in Switzerland</b>	
	<b>31 August 2021</b>	<b>31 August 2020</b>
Sub-fund not registered in Switzerland	36,180	-

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

**18. Auditor Remuneration**

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

	Year ended 31 August 2021 EUR	Year ended 31 August 2020 EUR
Statutory audit of the Company accounts*	68,000	61,425
	<u>68,000</u>	<u>61,425</u>

\*Exclusive of VAT.

**19. Taxation**

The ICAV is an investment undertaking as defined in Section 739B of the Taxes Consolidation Act 1997, as amended ("TCA").

The ICAV 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 Shares.

A chargeable event does not include:

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

A chargeable event will not occur in respect of Redeemable Participating Shareholders who are neither resident nor ordinarily resident in Ireland and who have provided the ICAV with a relevant declaration to that effect. There were no chargeable events during the financial year.

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

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 ICAV or its Shareholders. A chargeable event includes any distribution payment to shareholders or any encashment, redemption or transfer of shares or an ending of a Relevant Period.

**20. Soft Commission Arrangements**

There are no soft commission arrangements for the year ended 31 August 2021 (31 August 2020: Nil).

**21. Comparative Figures**

The comparative information is supplied for the Statement of Financial Position as at 31 August 2020. The comparative information supplied for the Statement of Comprehensive Income, the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares and the Statement of Cash Flows is for the financial year from 1 September 2019 to 31 August 2020.

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

## 22. Events During the Financial year

The following share classes launched during the financial year:

	<b>Launch Date</b>
KBI Water Fund US Dollar Class F Shares	12 April 2021

A new prospectus was issued on 3 March 2021 and a supplement to the prospectus was issued on 1 July 2021.

A liquidation provision was put in place for the KBI 50/50 Global/ Eurozone Equity Fund upon receipt of a notice of a material redemption from an investor. The redemption took place in March 2021. The ICAV was further informed in Q3 2021 of the proposed redemption of the final investor in Q4 2021.

In March 2021, in light of the CBI's 'Dear CEO' letter on 20 October 2020 regarding its thematic review of governance, management and effectiveness of fund management companies, the Directors of KBI Funds ICAV agreed to appoint an external fund management company. Since its creation in 2004 KBI Funds ICAV has been run as a self-managed investment company. The process to select a fund management company progressed during April and in early May 2021 Amundi Ireland Ltd was chosen as Management Company, subject to contractual agreements. KBI Funds ICAV communicated directly with investors in August 2021, to provide more details on the proposed appointment of Amundi Ireland Ltd, to outline the rationale for the proposed change and to explain the impact on investors.

In May 2021, the Directors of KBI Funds ICAV agreed to terminate the securities lending program with Northern Trust on a permanent basis. Securities lending activity had been suspended since April 2020.

**COVID-19**

The COVID-19 virus pandemic continues to impact countries and economies across the globe. The Directors 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 ICAV 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 events during the financial year end, which, in the opinion of the Directors of the ICAV, may have had an impact on the Financial Statements for the financial year ended 31 August 2021.

## Notes to the Financial Statements (Continued)

## For the financial year ended 31 August 2021

**23. Reconciliation of Net Asset Value in accordance with IFRS**

At 31 August 2021, an adjustment was required to the Financial Statements. This was required in order to bring the Financial Statements in line with IFRS. This adjustment was for the purposes of the year-end Financial Statements only and did not affect the monthly reported dealing net asset value. The Net Asset Value of the Funds has been adjusted by the formation expenses written off and dealing after the NAV's cut off point, in accordance with IFRS. Note 12 shows the dealing NAV's per Share by Share Class prior to the adjustment described below. The following is the reconciliation detail as at 31 August 2021 and 31 August 2020:

	<b>KBI Water Fund</b>	<b>KBI Developed</b>
	<b>Year ended</b>	<b>Equity Fund</b>
	<b>31 August 2021</b>	<b>Year ended</b>
	<b>USD</b>	<b>31 August 2021</b>
		<b>EUR</b>
Net asset value originally reported	1,283,371,442	595,513,221
Adjustment for dealing after the cut off	2,205,696	—
Net assets per the financial statement	1,285,577,138	595,513,221

## Notes to the Financial Statements (Continued)

For the financial year ended 31 August 2021

## 23. Reconciliation of Net Asset Value in accordance with IFRS (Continued)

	<b>KBI Water Fund</b>	<b>KBI Developed</b>
	<b>Year ended</b>	<b>Equity Fund</b>
	<b>31 August 2020</b>	<b>Year ended</b>
	<b>USD</b>	<b>31 August 2020</b>
		<b>EUR</b>
Net asset value originally reported	591,941,842	523,527,092
Adjustment for dealing after the cut off	1,299,266	–
Net assets per the financial statement	593,241,108	523,527,092

**Notes to the Financial Statements (Continued)****For the financial year ended 31 August 2021****24. Post Balance Sheet Events**

A new prospectus was issued on 1 October 2021.

The COVID-19 outbreak has caused extensive disruption to businesses and economic activities globally. The uncertainty and instability described in Note 22 continues post financial year-end.

The appointment of Amundi Ireland Ltd as Management Company was effective 1 October 2021. Shareholder agreement for the proposed changes to the Instrument of Incorporation of the ICAV as well as to the introduction of a new Management Fee was approved at an EGM convened on 7 September 2021.

Mr Frank Close, Independent Director, retires as director of KBI Funds ICAV effective 31 October 2021.

There have been no other events subsequent to the financial year end, which, in the opinion of the Directors of the ICAV, may have had an impact on the Financial Statements for the financial year ended 31 August 2021.

**25. Approval of Financial Statements**

The Financial Statements were approved by the Board on 8 December 2021.

## Performance Data (Unaudited)

For the financial year ended 31 August 2021

## Performance Data for the Year Ended 31 December 2020\*

Funds	Inception Date	Inception Price	31/12/2019	31/12/2020	1 Year	Since Inception	Since Inception pa**
KBI Water Fund AUD Class A	02/06/2015	10.00	14.80	15.38	3.88%	53.79%	8.01%
KBI Water Fund AUD Class B	02/09/2015	10.00	15.73	16.32	3.76%	63.19%	9.61%
KBI Water Fund Euro Class A	08/04/2008	10.00	28.09	29.62	5.46%	196.24%	8.90%
KBI Water Fund Euro Class C	21/09/2009	10.00	32.17	33.80	5.06%	238.02%	11.39%
KBI Water Fund Euro Class D	23/09/2009	10.00	31.04	32.54	4.83%	225.40%	11.02%
KBI Water Fund Euro Class F	08/10/2010	568.10	1,405.12	1,451.77	3.32%	155.55%	9.59%
KBI Water Fund Euro Class H	09/03/2012	10.00	23.01	24.12	4.82%	141.19%	10.49%
KBI Water Fund Euro Class I	16/03/2012	10.00	20.32	21.05	3.57%	110.50%	8.82%
KBI Water Fund Sterling Class A	24/06/2008	10.00	28.31	31.20	10.22%	212.01%	9.51%
KBI Water Fund Sterling Class E	13/11/2013	10.00	16.78	18.45	9.94%	84.47%	8.96%
KBI Water Fund USD Class A	25/10/2013	10.00	14.35	16.39	14.24%	63.91%	7.11%
KBI Water Fund USD Class C	25/10/2013	10.00	12.78	14.32	12.04%	43.24%	5.12%
KBI Water Fund Euro Class I	06/04/2018	10.00	11.29	11.50	1.86%	15.01%	5.23%
KBI Water Fund CZK Class A	10/07/2018	10.00	10.37	11.23	8.29%	12.27%	4.77%
KBI Water Fund USD Class E	24/08/2018	10.00	10.69	12.16	13.78%	21.60%	8.64%
KBI Developed Equity Fund Euro Class A	30/03/2011	10.00	25.17	24.02	(4.59%)	140.16%	9.38%
KBI Developed Equity Fund Euro Class B	24/12/2013	10.00	17.34	16.48	(4.94%)	64.84%	7.37%
KBI Developed Equity Fund Euro Class C	08/12/2010	10.00	24.46	23.22	(5.07%)	132.22%	8.72%
KBI Developed Equity Fund Euro Class D Distributing	11/04/2014	10.00	14.41	13.25	(8.06%)	32.49%	4.27%
KBI Developed Equity Fund Euro Class H	18/01/2013	10.00	20.29	19.25	(5.16%)	92.45%	8.57%
KBI Developed Equity Fund Euro Class I Distributing	13/12/2016	10.00	11.50	10.81	(6.01%)	8.08%	1.94%
KBI Developed Equity Fund Sterling Class C	04/02/2011	10.00	23.78	23.77	(0.03%)	137.75%	9.13%
KBI Developed Equity Fund Sterling Class C Distributing	20/07/2011	10.00	18.26	17.70	(3.07%)	77.04%	6.22%
KBI Developed Equity Fund Sterling Class D	27/07/2011	10.00	24.58	24.70	0.48%	146.96%	10.05%
KBI Developed Equity Fund USD Class B Distributing***	14/11/2013	10.00	11.89	-	-	-	-
KBI Developed Equity Fund USD Class E Distributing	11/12/2018	10.00	11.27	11.31	0.31%	13.08%	6.15%
KBI Developed Equity Fund CAD Class A****	23/07/2014	10.00	15.40	-	-	-	-

Additional information for Swiss investors required for KBI Water Fund and KBI Developed Equity Fund.

\*Swiss regulations require the performance data to be calculated on a calendar year basis. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemptions of units.

\*\*Annualised if more than one year.

\*\*\*Shareclass closed during the financial period on 16 April 2020.

\*\*\*\*Shareclass closed during the financial period on 3 September 2020.

## Schedule of Total Expense Ratios for the financial year ended 31 August 2021 (Unaudited)

	Total Expense Ratio
<b>KBI Water Fund</b>	
Euro Class A Shares	0.16%
Euro Class C Shares	0.54%
Euro Class D Shares	0.76%
Euro Class F Shares	2.15%
Euro Class H Shares	0.77%
Euro Class I Shares	1.98%
Euro Class I (Distributing) Shares	1.99%
Sterling Class A Shares	0.91%
Sterling Class E Shares	1.16%
USD Class A Shares	0.76%
USD Class C Shares	2.47%
USD Class E Shares	1.16%
USD Class F Shares***	0.61%
AUD Class A Shares	0.70%
AUD Class B Shares	0.83%
CZK Class A Shares	2.25%
<b>KBI Developed Equity Fund</b>	
Euro Class A Shares	0.13%
Euro Class B Shares	0.51%
Euro Class C Shares	0.63%
Euro Class D (Distributing) Shares	0.71%
Euro Class H Shares	0.73%
Euro Class I Shares	1.63%
Sterling Class C Shares	0.63%
Sterling Class C (Distributing) Shares	0.63%
Sterling Class D Shares	0.13%
US Dollar Class E (Distributing) Shares	0.63%

\*\*\*Class launched 12 April 2021.

NB: the total expense ratios above have been calculated in accordance with UCITS Regulations.

The total expense ratio (TER) was calculated based on the version currently applicable of the “Guidelines on the calculation and disclosure of the Total Expense Ratio (TER) of collective investment schemes” of the Swiss Funds & Asset Management Association (SFAMA).

## KBI Water Fund

## Schedule of Investments

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value USD	% of Net Assets
	<b>Equities: 95.88% (2020: 97.93%)</b>		
	<b>Austria: 1.98% (2020: 1.60%)</b>		
	<b>Machinery-Diversified: 1.98% (2020: 1.60%)</b>		
445,019	Andritz	25,504,418	1.98
	<b>Total Austria</b>	<b>25,504,418</b>	<b>1.98</b>
	<b>Bermuda: 2.52% (2020: 3.33%)</b>		
	<b>Environmental Control: 1.42% (2020: 1.76%)</b>		
18,342,240	China Water Affairs	18,265,945	1.42
	<b>Water: 1.10% (2020: 1.57%)</b>		
34,390,000	Beijing Enterprises Water	14,171,916	1.10
	<b>Total Bermuda</b>	<b>32,437,861</b>	<b>2.52</b>
	<b>Brazil: 1.99% (2020: 0.99%)</b>		
	<b>Water: 1.99% (2020: 0.99%)</b>		
1,970,575	Cia de Saneamento Basico do Estado de Sao Paulo	13,626,526	1.06
4,372,175	Cia Saneamento Minas Gerais	11,939,137	0.93
	<b>Total Brazil</b>	<b>25,565,663</b>	<b>1.99</b>
	<b>Canada: 1.77% (2020: 1.38%)</b>		
	<b>Engineering &amp; Construction: 1.61% (2020: 1.00%)</b>		
430,618	Stantec	20,753,085	1.61
	<b>Miscellaneous Manufacturing: 0.16% (2020: 0.38%)</b>		
1,011,443	H2O Innovation	1,989,029	0.16
	<b>Total Canada</b>	<b>22,742,114</b>	<b>1.77</b>
	<b>Cayman Islands: 0.39% (2020: 0.46%)</b>		
	<b>Water: 0.39% (2020: 0.46%)</b>		
407,218	Consolidated Water	4,957,879	0.39
	<b>Total Cayman Islands</b>	<b>4,957,879</b>	<b>0.39</b>
	<b>Finland: 0.00% (2020: 0.61%)</b>		
	<b>Miscellaneous Manufacturing: 0.00% (2020: 0.61%)</b>		
	<b>Total Finland</b>	<b>-</b>	<b>-</b>

## KBI Water Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value USD	% of Net Assets
	<b>Equities: 95.88% (2020: 97.93%) (Continued)</b>		
	<b>France: 9.80% (2020: 8.81%)</b>		
	<b>Water: 9.80% (2020: 8.81%)</b>		
1,794,939	Suez	41,624,531	3.24
2,461,828	Veolia Environnement	84,406,661	6.56
	<b>Total France</b>	<b>126,031,192</b>	<b>9.80</b>
	<b>Germany: 1.81% (2020: 1.62%)</b>		
	<b>Metal Fabricate/Hardware: 1.81% (2020: 1.62%)</b>		
461,436	Norma Group	23,280,571	1.81
	<b>Total Germany</b>	<b>23,280,571</b>	<b>1.81</b>
	<b>Hong Kong: 2.33% (2020: 3.08%)</b>		
	<b>Environmental Control: 1.27% (2020: 1.65%)</b>		
23,588,037	China Everbright International	16,301,915	1.27
	<b>Water: 1.06% (2020: 1.43%)</b>		
9,850,000	Guangdong Investment	13,665,516	1.06
	<b>Total Hong Kong</b>	<b>29,967,431</b>	<b>2.33</b>
	<b>India: 0.60% (2020: 0.49%)</b>		
	<b>Engineering &amp; Construction: 0.60% (2020: 0.47%)</b>		
1,677,118	VA Tech Wabag	7,735,774	0.60
	<b>Miscellaneous Manufacturing: 0.00% (2020: 0.02%)</b>		
	<b>Total India</b>	<b>7,735,774</b>	<b>0.60</b>
	<b>Ireland: 2.51% (2020: 5.23%)</b>		
	<b>Miscellaneous Manufacturing: 2.51% (2020: 5.23%)</b>		
418,253	Pentair	32,278,675	2.51
	<b>Total Ireland</b>	<b>32,278,675</b>	<b>2.51</b>
	<b>Japan: 2.81% (2020: 5.05%)</b>		
	<b>Environmental Control: 2.30% (2020: 5.05%)</b>		
628,874	Kurita Water Industries	29,537,501	2.30
	<b>Machinery-Diversified: 0.51% (2020: 0.00%)</b>		
132,800	Ebara	6,624,285	0.51
	<b>Total Japan</b>	<b>36,161,786</b>	<b>2.81</b>

## KBI Water Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value USD	% of Net Assets
	<b>Equities: 95.88% (2020: 97.93%) (Continued)</b>		
	<b>Jersey: 2.44% (2020: 1.82%)</b>		
216,835	<b>Distribution/Wholesale: 2.44% (2020: 1.82%)</b> Ferguson	31,341,476	2.44
	<b>Total Jersey</b>	<b>31,341,476</b>	<b>2.44</b>
	<b>Mexico: 2.15% (2020: 2.03%)</b>		
9,638,450	<b>Chemicals: 2.15% (2020: 2.03%)</b> Orbia Advance	27,627,065	2.15
	<b>Total Mexico</b>	<b>27,627,065</b>	<b>2.15</b>
	<b>Netherlands: 3.63% (2020: 4.86%)</b>		
261,647	<b>Engineering &amp; Construction: 1.01% (2020: 2.34%)</b> Arcadis	12,947,462	1.01
540,493	<b>Miscellaneous Manufacturing: 2.62% (2020: 2.52%)</b> Aalberts Industries	33,738,763	2.62
	<b>Total Netherlands</b>	<b>46,686,225</b>	<b>3.63</b>
	<b>Philippines: 0.00% (2020: 0.75%)</b>		
	<b>Water: 0.00% (2020: 0.75%)</b>		
	<b>Total Philippines</b>	<b>—</b>	<b>—</b>
	<b>Republic of South Korea: 2.54% (2020: 3.44%)</b>		
484,855	<b>Home Furnishings: 2.54% (2020: 3.44%)</b> Woongjin Coway	32,680,511	2.54
	<b>Total Republic of South Korea</b>	<b>32,680,511</b>	<b>2.54</b>
	<b>Singapore: 0.24% (2020: 0.44%)</b>		
20,412,100	<b>Environmental Control: 0.24% (2020: 0.44%)</b> SIIC Environment	3,083,855	0.24
	<b>Total Singapore</b>	<b>3,083,855</b>	<b>0.24</b>
	<b>Sweden: 0.94% (2020: 0.95%)</b>		
296,884	<b>Miscellaneous Manufacturing: 0.94% (2020: 0.95%)</b> Alfa Laval	12,028,431	0.94
	<b>Total Sweden</b>	<b>12,028,431</b>	<b>0.94</b>

## KBI Water Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value USD	% of Net Assets
	<b>Equities: 95.88% (2020: 97.93%) (Continued)</b>		
	<b>United Kingdom: 13.86% (2020: 8.76%)</b>		
	<b>Engineering &amp; Construction: 3.31% (2020: 0.91%)</b>		
9,792,967	Costain	7,884,380	0.62
2,678,991	HomeServe	34,602,136	2.69
	<b>Machinery-Construction &amp; Mining: 1.69% (2020: 0.00%)</b>		
902,833	Weir Group	21,753,489	1.69
	<b>Water: 8.86% (2020: 7.85%)</b>		
1,617,291	Pennon Group GBX	27,766,811	2.16
521,632	Severn Trent	19,831,880	1.54
4,554,815	United Utilities	66,274,401	5.16
	<b>Total United Kingdom</b>	<b>178,113,097</b>	<b>13.86</b>
	<b>United States: 41.57% (2020: 42.23%)</b>		
	<b>Building Materials: 4.94% (2020: 3.29%)</b>		
368,583	Fortune Brands Home & Security	35,881,555	2.79
455,649	Masco	27,660,172	2.15
	<b>Commercial Services: 2.55% (2020: 0.00%)</b>		
145,213	Ecolab	32,724,476	2.55
	<b>Distribution/Wholesale: 2.01% (2020: 0.00%)</b>		
943,335	Core & Main	25,899,262	2.01
	<b>Electronics: 2.53% (2020: 4.58%)</b>		
185,685	Agilent Technologies	32,572,863	2.53
	<b>Engineering &amp; Construction: 3.82% (2020: 1.00%)</b>		
485,387	AECOM	31,824,399	2.48
424,254	Granite Construction	17,197,136	1.34
	<b>Environmental Control: 2.54% (2020: 1.35%)</b>		
499,839	Evoqua Water Technologies	19,456,233	1.51
91,891	Tetra Tech	13,214,385	1.03
	<b>Healthcare-Products: 3.71% (2020: 3.20%)</b>		
146,955	Danaher	47,646,485	3.71
	<b>Housewares: 1.27% (2020: 1.45%)</b>		
148,260	Toro	16,294,515	1.27
	<b>Machinery-Diversified: 6.51% (2020: 8.28%)</b>		
75,456	Idex	16,903,276	1.31
33,396	Lindsay	5,496,314	0.43
87,129	Roper Technologies	42,085,921	3.27
141,923	Xylem	19,346,234	1.50

## KBI Water Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value USD	% of Net Assets		
Equities: 95.88% (2020: 97.93%) (Continued)					
United States: 41.57% (2020: 42.23%) (Continued)					
Metal Fabricate/Hardware: 4.20% (2020: 8.53%)					
1,226,628	Mueller Water Products	20,380,424	1.59		
125,665	Rexnord	7,634,777	0.59		
104,224	Valmont Industries	25,947,086	2.02		
Miscellaneous Manufacturing: 1.38% (2020: 2.94%)					
284,504	SPX	17,763,007	1.38		
Water: 6.11% (2020: 7.61%)					
905,255	Essential Utilities	44,936,858	3.50		
220,999	SJW	15,318,546	1.19		
1,221,875	Vidler Water Resources	18,199,828	1.42		
Total United States		534,383,752	41.57		
Total Equities		1,232,607,776	95.88		
Unrealised Gains on Forwards: 0.02% (2020: 0.03%)					
Counterparty	Bought	Sold	Settle Date	Unrealised Gain US\$	% of Net Assets
Northern Trust	CZK 1,025,875,845	USD (47,429,235)	09/16/2021	213,669	0.02
Northern Trust	CZK 3,061,393	USD (140,301)	09/16/2021	1,874	—
Northern Trust	CZK 2,672,968	USD (122,757)	09/16/2021	1,379	—
Northern Trust	CZK 2,987,179	USD (137,442)	09/16/2021	1,286	—
Northern Trust	CZK 1,284,625	USD (58,774)	09/16/2021	885	—
Northern Trust	CZK 1,791,176	USD (82,470)	09/16/2021	714	—
Northern Trust	CZK 1,390,822	USD (64,026)	09/16/2021	565	—
Northern Trust	CZK 1,516,534	USD (69,906)	09/16/2021	524	—
Northern Trust	CZK 1,212,113	USD (55,771)	09/16/2021	521	—
Northern Trust	CZK 4,192,252	USD (194,268)	09/16/2021	425	—
Northern Trust	CZK 1,282,348	USD (59,153)	09/16/2021	401	—
Northern Trust	CZK 1,743,622	USD (80,609)	09/16/2021	367	—
Northern Trust	CZK 1,097,038	USD (50,690)	09/16/2021	258	—
Northern Trust	CZK 1,322,491	USD (61,385)	09/16/2021	33	—
Northern Trust	CZK 3,814	USD (176)	09/16/2021	2	—
Northern Trust	CZK 869	USD (40)	09/16/2021	—	—
Northern Trust	CZK 219	USD (10)	09/16/2021	—	—
Northern Trust	USD 0	CZK (2)	09/16/2021	—	—
Northern Trust	CZK 182	USD (8)	09/16/2021	—	—
Total Unrealised Gains on Forwards				222,903	0.02
Total Financial assets at fair value through profit or loss		1,232,830,679	95.90		

**KBI Water Fund****Schedule of Investments (Continued)****As at 31 August 2021**

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

**Financial liabilities at fair value through profit or loss****Unrealised Losses on Forwards: 0.00% (2020: 0.00%)**

<b>Counterparty</b>	<b>Bought</b>	<b>Sold</b>	<b>Settle Date</b>	<b>Unrealised Loss US\$</b>	<b>% of Net Assets</b>
Northern Trust	USD 47,442	CZK (1,030,733)	09/16/2021	(426)	—
Northern Trust	USD 74,752	CZK (1,617,871)	09/16/2021	(384)	—
Northern Trust	USD 72,567	CZK (1,569,779)	09/16/2021	(335)	—
Northern Trust	USD 14,139	CZK (308,930)	09/16/2021	(209)	—
Northern Trust	USD 20,235	CZK (438,685)	09/16/2021	(138)	—
Northern Trust	USD 11,536	CZK (250,738)	09/16/2021	(108)	—
Northern Trust	USD 14,023	CZK (304,222)	09/16/2021	(106)	—
Northern Trust	USD 6,759	CZK (147,177)	09/16/2021	(76)	—
Northern Trust	USD 2,877	CZK (62,771)	09/16/2021	(39)	—
Northern Trust	USD 3,671	CZK (79,792)	09/16/2021	(35)	—
Northern Trust	USD 3,136	CZK (68,118)	09/16/2021	(27)	—
Northern Trust	USD 8,452	CZK (182,396)	09/16/2021	(19)	—
Northern Trust	USD 5,710	CZK (123,024)	09/16/2021	(4)	—
Northern Trust	USD 315	CZK (6,809)	09/16/2021	(2)	—
Northern Trust	USD 176	CZK (3,803)	09/16/2021	(1)	—
Northern Trust	USD 59	CZK (1,290)	09/16/2021	(1)	—
Northern Trust	USD 31	CZK (683)	09/16/2021	—	—
Northern Trust	USD 19	CZK (424)	09/16/2021	—	—
Northern Trust	USD 16	CZK (351)	09/16/2021	—	—
Northern Trust	USD 67	CZK (1,450)	09/16/2021	—	—
Northern Trust	USD 1	CZK (32)	09/16/2021	—	—
Northern Trust	USD 16	CZK (358)	09/16/2021	—	—
<b>Total Unrealised Losses on Forwards</b>				<b>(1,910)</b>	<b>0.00</b>
<b>Total Financial liabilities at fair value through profit or loss</b>				<b>(1,910)</b>	<b>0.00</b>
				<b>Fair Value USD</b>	<b>% of Net Assets</b>
<b>Total Value of Investments</b>				<b>1,232,828,769</b>	<b>95.90</b>
<b>Cash*</b>				<b>52,885,779</b>	<b>4.11</b>
<b>Other Net Liabilities</b>				<b>(137,410)</b>	<b>(0.01)</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>				<b>1,285,577,138</b>	<b>100.00</b>

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

**Analysis of Total Assets**

Transferable securities and money market instruments admitted to an official stock exchange listing or traded on a regulated market.

Financial derivative instruments dealt on a regulated market

Other assets

<b>% of Total Assets</b>
<b>95.57</b>
<b>0.02</b>
<b>4.41</b>
<b>100.00</b>

**KBI Developed Equity Fund****Schedule of Investments**

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
	<b>Equities: 99.99% (2020: 99.72%)</b>		
	<b>Australia: 2.30% (2020: 2.06%)</b>		
	<b>Banks: 0.59% (2020: 0.56%)</b>		
53,321	Australia & New Zealand Banking	919,894	0.15
28,513	Commonwealth Bank of Australia	1,767,350	0.30
52,199	Westpac	834,609	0.14
	<b>Biotechnology: 0.14% (2020: 0.24%)</b>		
4,161	CSL	803,811	0.14
	<b>Computers: 0.17% (2020: 0.12%)</b>		
98,552	Computershare	1,007,380	0.17
	<b>Diversified Financial Services: 0.19% (2020: 0.20%)</b>		
10,679	Macquarie	1,102,463	0.19
	<b>Electric: 0.00% (2020: 0.08%)</b>		
	<b>Entertainment: 0.10% (2020: 0.00%)</b>		
21,722	Aristocrat Leisure	614,269	0.10
	<b>Food: 0.10% (2020: 0.09%)</b>		
23,810	Woolworths	615,382	0.10
	<b>Insurance: 0.34% (2020: 0.23%)</b>		
188,561	Insurance Australia	612,319	0.10
184,981	Suncorp	1,428,724	0.24
	<b>Iron/Steel: 0.20% (2020: 0.24%)</b>		
90,289	Fortescue Metals	1,174,189	0.20
	<b>Mining: 0.27% (2020: 0.13%)</b>		
56,206	BHP Billiton	1,587,344	0.27
	<b>Oil &amp; Gas: 0.00% (2020: 0.17%)</b>		
	<b>REITS: 0.11% (2020: 0.00%)</b>		
100,965	Dexus Reits	664,797	0.11
	<b>Retail: 0.09% (2020: 0.00%)</b>		
15,045	Wesfarmers	558,608	0.09
	<b>Total Australia</b>	<b>13,691,139</b>	<b>2.30</b>
	<b>Austria: 0.20% (2020: 0.11%)</b>		
	<b>Machinery-Diversified: 0.00% (2020: 0.11%)</b>		

## KBI Developed Equity Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
	<b>Equities: 99.99% (2020: 99.72%) (Continued)</b>		
	<b>Austria: 0.20% (2020: 0.11%) (Continued)</b>		
	<b>Oil &amp; Gas: 0.20% (2020: 0.00%)</b>		
24,618	OMV	1,156,554	0.20
	<b>Total Austria</b>	<b>1,156,554</b>	<b>0.20</b>
	<b>Belgium: 0.33% (2020: 0.43%)</b>		
	<b>Banks: 0.33% (2020: 0.43%)</b>		
27,561	KBC Group	1,967,580	0.33
	<b>Total Belgium</b>	<b>1,967,580</b>	<b>0.33</b>
	<b>Bermuda: 0.41% (2020: 0.00%)</b>		
	<b>Agriculture: 0.41% (2020: 0.00%)</b>		
38,093	Bunge	2,442,670	0.41
	<b>Total Bermuda</b>	<b>2,442,670</b>	<b>0.41</b>
	<b>Canada: 5.67% (2020: 5.20%)</b>		
	<b>Auto Parts &amp; Equipment: 0.58% (2020: 0.21%)</b>		
52,025	Magna	3,478,620	0.58
	<b>Banks: 3.36% (2020: 3.72%)</b>		
14,657	Bank of Montreal	1,233,588	0.21
146,352	Bank of Nova Scotia	7,665,528	1.29
113,730	Canadian Imperial Bank of Commerce/Canada	11,066,687	1.86
	<b>Insurance: 1.38% (2020: 0.24%)</b>		
97,785	Great-West Lifeco	2,559,548	0.43
342,964	Manulife Financial	5,650,249	0.95
	<b>Media: 0.35% (2020: 0.00%)</b>		
100,366	Quebecor	2,121,130	0.35
	<b>Oil &amp; Gas: 0.00% (2020: 0.39%)</b>		
	<b>REITS: 0.00% (2020: 0.41%)</b>		
	<b>Retail: 0.00% (2020: 0.23%)</b>		
	<b>Total Canada</b>	<b>33,775,350</b>	<b>5.67</b>
	<b>Cayman Islands: 0.23% (2020: 0.20%)</b>		
	<b>Building Materials: 0.13% (2020: 0.00%)</b>		
218,000	Xinyi Glass	777,064	0.13

## KBI Developed Equity Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
	<b>Equities: 99.99% (2020: 99.72%) (Continued)</b>		
	<b>Cayman Islands: 0.23% (2020: 0.20%) (Continued)</b>		
	<b>Food: 0.00% (2020: 0.09%)</b>		
	<b>Real Estate: 0.10% (2020: 0.11%)</b>		
143,000	Wharf Real Estate Investment Company	600,067	0.10
	<b>Total Cayman Islands</b>	<b>1,377,131</b>	<b>0.23</b>
	<b>Denmark: 1.27% (2020: 1.25%)</b>		
	<b>Healthcare-Products: 0.19% (2020: 0.00%)</b>		
7,735	Coloplast	1,134,508	0.19
	<b>Pharmaceuticals: 1.08% (2020: 1.25%)</b>		
75,736	Novo Nordisk	6,409,391	1.08
	<b>Total Denmark</b>	<b>7,543,899</b>	<b>1.27</b>
	<b>Finland: 0.70% (2020: 0.56%)</b>		
	<b>Banks: 0.58% (2020: 0.00%)</b>		
347,233	Nordea Bank	3,459,222	0.58
	<b>Forest Products &amp; Paper: 0.12% (2020: 0.56%)</b>		
20,835	UPM-Kymmene	717,037	0.12
	<b>Total Finland</b>	<b>4,176,259</b>	<b>0.70</b>
	<b>France: 2.94% (2020: 2.14%)</b>		
	<b>Advertising: 0.39% (2020: 0.22%)</b>		
42,018	Publicis Groupe	2,336,201	0.39
	<b>Auto Parts &amp; Equipment: 0.00% (2020: 0.27%)</b>		
	<b>Commercial Services: 0.00% (2020: 0.18%)</b>		
	<b>Computers: 0.46% (2020: 0.71%)</b>		
14,464	Capgemini	2,753,584	0.46
	<b>Electrical Components &amp; Equipment: 0.18% (2020: 0.00%)</b>		
7,168	Schneider Electric	1,084,590	0.18
	<b>Engineering &amp; Construction: 0.00% (2020: 0.24%)</b>		
	<b>Entertainment: 0.12% (2020: 0.00%)</b>		
16,072	La Francaise des Jeux SAEM	703,070	0.12
	<b>Insurance: 0.50% (2020: 0.00%)</b>		
93,171	AXA	2,215,141	0.37

## KBI Developed Equity Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
	<b>Equities: 99.99% (2020: 99.72%) (Continued)</b>		
	<b>France: 2.94% (2020: 2.14%) (Continued)</b>		
	<b>Insurance: 0.50% (2020: 0.00%) (Continued)</b>		
50,799	CNP Assurances	738,998	0.13
	<b>Oil &amp; Gas: 0.41% (2020: 0.25%)</b>		
66,017	TOTAL	2,465,900	0.41
	<b>Pharmaceuticals: 0.42% (2020: 0.15%)</b>		
28,351	Sanofi	2,484,256	0.42
	<b>REITS: 0.34% (2020: 0.12%)</b>		
15,234	Gecina Reits	2,006,318	0.34
	<b>Telecommunications: 0.12% (2020: 0.00%)</b>		
75,124	Orange	722,655	0.12
	<b>Total France</b>	<b>17,510,713</b>	<b>2.94</b>
	<b>Germany: 1.57% (2020: 2.07%)</b>		
	<b>Auto Manufacturers: 0.54% (2020: 0.39%)</b>		
37,520	Porsche Automobil	3,217,715	0.54
	<b>Building Materials: 0.00% (2020: 0.18%)</b>		
	<b>Healthcare-Services: 0.00% (2020: 0.19%)</b>		
	<b>Miscellaneous Manufacturing: 0.26% (2020: 0.67%)</b>		
11,040	Siemens	1,552,114	0.26
	<b>Semiconductors: 0.26% (2020: 0.22%)</b>		
43,993	Infineon Technologies	1,586,607	0.26
	<b>Telecommunications: 0.00% (2020: 0.11%)</b>		
	<b>Transportation: 0.51% (2020: 0.31%)</b>		
50,625	Deutsche Post	3,016,491	0.51
	<b>Total Germany</b>	<b>9,372,927</b>	<b>1.57</b>
	<b>Hong Kong: 0.48% (2020: 0.42%)</b>		
	<b>Banks: 0.23% (2020: 0.19%)</b>		
537,000	Bank of China Hong Kong	1,378,944	0.23
	<b>Insurance: 0.10% (2020: 0.00%)</b>		
57,000	AIA	577,247	0.10

## KBI Developed Equity Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
	<b>Equities: 99.99% (2020: 99.72%) (Continued)</b>		
	<b>Hong Kong: 0.48% (2020: 0.42%) (Continued)</b>		
	<b>Real Estate: 0.15% (2020: 0.23%)</b>		
77,500	Sun Hung Kai Properties	925,617	0.15
	<b>Total Hong Kong</b>	<b>2,881,808</b>	<b>0.48</b>
	<b>Ireland: 0.00% (2020: 1.68%)</b>		
	<b>Building Materials: 0.00% (2020: 0.79%)</b>		
	<b>Computers: 0.00% (2020: 0.89%)</b>		
	<b>Total Ireland</b>	<b>–</b>	<b>–</b>
	<b>Italy: 0.19% (2020: 0.71%)</b>		
	<b>Insurance: 0.00% (2020: 0.71%)</b>		
	<b>Telecommunications: 0.19% (2020: 0.00%)</b>		
2,822,278	Telecom Italia	1,153,465	0.19
	<b>Total Italy</b>	<b>1,153,465</b>	<b>0.19</b>
	<b>Japan: 6.73% (2020: 7.74%)</b>		
	<b>Auto Manufacturers: 0.32% (2020: 0.31%)</b>		
74,500	Honda Motor	1,919,886	0.32
	<b>Auto Parts &amp; Equipment: 0.28% (2020: 0.37%)</b>		
42,000	Bridgestone	1,639,883	0.28
	<b>Banks: 0.38% (2020: 0.37%)</b>		
130,800	Mitsubishi UFJ Financial	599,514	0.10
55,900	Sumitomo Mitsui Financial	1,639,487	0.28
	<b>Beverages: 0.13% (2020: 0.21%)</b>		
51,200	Kirin	786,945	0.13
	<b>Chemicals: 0.25% (2020: 0.26%)</b>		
168,300	Asahi Kasei	1,474,913	0.25
	<b>Commercial Services: 0.15% (2020: 0.23%)</b>		
13,600	Secom	874,040	0.15
	<b>Computers: 0.27% (2020: 0.13%)</b>		
21,900	Otsuka	963,413	0.16
12,700	SCSK	679,635	0.11

## KBI Developed Equity Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
	<b>Equities: 99.99% (2020: 99.72%) (Continued)</b>		
	<b>Japan: 6.73% (2020: 7.74%) (Continued)</b>		
	<b>Cosmetics/Personal Care: 0.16% (2020: 0.30%)</b>		
18,400	Kao	943,168	0.16
	<b>Distribution/Wholesale: 0.58% (2020: 0.72%)</b>		
68,600	ITOCHU	1,750,121	0.29
67,400	Mitsubishi	1,720,286	0.29
	<b>Diversified Financial Services: 0.19% (2020: 0.21%)</b>		
235,000	Daiwa Securities	1,127,485	0.19
	<b>Electric: 0.00% (2020: 0.11%)</b>		
	<b>Electrical Components &amp; Equipment: 0.23% (2020: 0.29%)</b>		
78,800	Brother Industries	1,371,420	0.23
	<b>Electronics: 0.28% (2020: 0.19%)</b>		
6,500	Hoya	892,167	0.15
59,300	Yokogawa Electric	788,553	0.13
	<b>Engineering &amp; Construction: 0.29% (2020: 0.24%)</b>		
79,500	Kajima	872,338	0.15
120,100	Obayashi	839,969	0.14
	<b>Food: 0.10% (2020: 0.00%)</b>		
16,000	Seven & I	594,243	0.10
	<b>Gas: 0.11% (2020: 0.00%)</b>		
39,600	Tokyo Gas	645,983	0.11
	<b>Home Builders: 0.33% (2020: 0.51%)</b>		
114,600	Sekisui House	1,937,258	0.33
	<b>Insurance: 0.25% (2020: 0.28%)</b>		
29,300	MS&AD Insurance	803,419	0.13
18,400	Sompo	685,295	0.12
	<b>Internet: 0.00% (2020: 0.08%)</b>		
	<b>Machinery-Construction &amp; Mining: 0.27% (2020: 0.31%)</b>		
33,800	Hitachi	1,586,343	0.27
	<b>Office/Business Equipment: 0.11% (2020: 0.18%)</b>		
39,800	Seiko Epson	628,990	0.11
	<b>Oil &amp; Gas: 0.10% (2020: 0.08%)</b>		
179,400	JXTG	589,242	0.10
	<b>Pharmaceuticals: 0.48% (2020: 0.56%)</b>		
77,900	Astellas Pharma	1,114,129	0.19

## KBI Developed Equity Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
	<b>Equities: 99.99% (2020: 99.72%) (Continued)</b>		
	<b>Japan: 6.73% (2020: 7.74%) (Continued)</b>		
	<b>Pharmaceuticals: 0.48% (2020: 0.56%) (Continued)</b>		
44,800	Medipal	725,973	0.12
19,200	Shionogi	1,029,257	0.17
	<b>Real Estate: 0.26% (2020: 0.19%)</b>		
16,900	Daito Trust Construction	1,573,572	0.26
	<b>Retail: 0.10% (2020: 0.16%)</b>		
13,700	ABC-Mart	622,755	0.10
	<b>Semiconductors: 0.29% (2020: 0.23%)</b>		
4,800	Tokyo Electron	1,747,013	0.29
	<b>Telecommunications: 0.41% (2020: 0.69%)</b>		
65,600	KDDI	1,704,947	0.29
62,700	SoftBank	712,169	0.12
	<b>Toys/Games/Hobbies: 0.28% (2020: 0.26%)</b>		
4,100	Nintendo	1,672,131	0.28
	<b>Transportation: 0.13% (2020: 0.27%)</b>		
36,700	Yamato	792,103	0.13
	<b>Total Japan</b>	<b>40,048,045</b>	<b>6.73</b>
	<b>Jersey: 0.32% (2020: 0.24%)</b>		
	<b>Distribution/Wholesale: 0.32% (2020: 0.24%)</b>		
15,740	Ferguson	1,927,290	0.32
	<b>Total Jersey</b>	<b>1,927,290</b>	<b>0.32</b>
	<b>Macau: 0.00% (2020: 0.11%)</b>		
	<b>Lodging: 0.00% (2020: 0.11%)</b>		
	<b>Total Macau</b>	<b>—</b>	<b>—</b>
	<b>Netherlands: 0.92% (2020: 1.64%)</b>		
	<b>Chemicals: 0.00% (2020: 1.14%)</b>		
	<b>Electronics: 0.14% (2020: 0.00%)</b>		
21,730	Koninklijke Philips	848,394	0.14
	<b>Food: 0.21% (2020: 0.24%)</b>		
43,738	Koninklijke Ahold Delhaize	1,249,813	0.21

## KBI Developed Equity Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
	<b>Equities: 99.99% (2020: 99.72%) (Continued)</b>		
	<b>Netherlands: 0.92% (2020: 1.64%) (Continued)</b>		
	<b>Insurance: 0.27% (2020: 0.00%)</b>		
36,005	NN	1,585,300	0.27
	<b>Semiconductors: 0.30% (2020: 0.26%)</b>		
5,469	ASM International	1,797,934	0.30
	<b>Total Netherlands</b>	<b>5,481,441</b>	<b>0.92</b>
	<b>Norway: 0.21% (2020: 0.00%)</b>		
	<b>Banks: 0.21% (2020: 0.00%)</b>		
69,765	DNB Bank	1,249,679	0.21
	<b>Total Norway</b>	<b>1,249,679</b>	<b>0.21</b>
	<b>Singapore: 0.38% (2020: 0.75%)</b>		
	<b>Diversified Financial Services: 0.17% (2020: 0.14%)</b>		
160,800	Singapore Exchange	1,003,087	0.17
	<b>Electronics: 0.11% (2020: 0.10%)</b>		
53,900	Venture Corp	650,572	0.11
	<b>Entertainment: 0.00% (2020: 0.13%)</b>		
	<b>Food: 0.00% (2020: 0.12%)</b>		
	<b>REITS: 0.10% (2020: 0.11%)</b>		
440,900	CapitaLand Mall	573,400	0.10
	<b>Ship Building: 0.00% (2020: 0.15%)</b>		
	<b>Total Singapore</b>	<b>2,227,059</b>	<b>0.38</b>
	<b>Spain: 1.68% (2020: 1.67%)</b>		
	<b>Electric: 0.98% (2020: 1.07%)</b>		
340,286	Iberdrola	3,569,600	0.60
134,896	Red Electrica	2,281,429	0.38
	<b>Engineering &amp; Construction: 0.22% (2020: 0.29%)</b>		
57,440	ACS Actividades de Construcción y Servicios	1,315,089	0.22
	<b>Oil &amp; Gas: 0.28% (2020: 0.31%)</b>		
173,799	Repsol	1,686,806	0.28

## KBI Developed Equity Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
	<b>Equities: 99.99% (2020: 99.72%) (Continued)</b>		
	<b>Spain: 1.68% (2020: 1.67%) (Continued)</b>		
	<b>Retail: 0.20% (2020: 0.00%)</b>		
40,018	Inditex	1,156,720	0.20
	<b>Total Spain</b>	<b>10,009,644</b>	<b>1.68</b>
	<b>Sweden: 1.08% (2020: 1.47%)</b>		
	<b>Agriculture: 0.00% (2020: 0.52%)</b>		
	<b>Banks: 0.20% (2020: 0.72%)</b>		
126,355	Svenska Handelsbanken	1,205,376	0.20
	<b>Engineering &amp; Construction: 0.28% (2020: 0.00%)</b>		
68,999	Skanska	1,686,831	0.28
	<b>Home Furnishings: 0.40% (2020: 0.00%)</b>		
109,439	Electrolux	2,347,614	0.40
	<b>Machinery-Construction &amp; Mining: 0.20% (2020: 0.23%)</b>		
20,051	Atlas Copco	1,167,569	0.20
	<b>Total Sweden</b>	<b>6,407,390</b>	<b>1.08</b>
	<b>Switzerland: 2.92% (2020: 4.42%)</b>		
	<b>Banks: 0.17% (2020: 0.83%)</b>		
70,792	UBS	1,000,488	0.17
	<b>Commercial Services: 0.33% (2020: 0.45%)</b>		
41,496	Adecco	1,957,085	0.33
	<b>Computers: 0.10% (2020: 0.36%)</b>		
6,954	Logitech International	602,120	0.10
	<b>Food: 0.66% (2020: 0.25%)</b>		
36,937	Nestle	3,953,810	0.66
	<b>Healthcare-Products: 0.00% (2020: 0.13%)</b>		
	<b>Machinery-Construction &amp; Mining: 0.24% (2020: 0.00%)</b>		
45,577	ABB	1,429,877	0.24
	<b>Pharmaceuticals: 0.99% (2020: 1.33%)</b>		
17,248	Roche	5,866,163	0.99
	<b>Retail: 0.16% (2020: 0.25%)</b>		
10,441	Cie Financiere Richemon	974,965	0.16

## KBI Developed Equity Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
	<b>Equities: 99.99% (2020: 99.72%) (Continued)</b>		
	<b>Switzerland: 2.92% (2020: 4.42%) (Continued)</b>		
	<b>Semiconductors: 0.00% (2020: 0.11%)</b>		
	<b>Telecommunications: 0.27% (2020: 0.71%)</b>		
3,271	Swisscom	1,625,894	0.27
	<b>Total Switzerland</b>	<b>17,410,402</b>	<b>2.92</b>
	<b>United Kingdom: 4.81% (2020: 4.23%)</b>		
	<b>Aerospace/Defense: 0.25% (2020: 0.23%)</b>		
226,186	BAE Systems	1,499,153	0.25
	<b>Agriculture: 0.00% (2020: 0.78%)</b>		
	<b>Banks: 0.21% (2020: 0.00%)</b>		
271,432	HSBC	1,221,988	0.21
	<b>Beverages: 0.69% (2020: 0.16%)</b>		
68,050	Coca-Cola European Partners	3,373,919	0.57
16,914	Diageo	688,950	0.12
	<b>Cosmetics/Personal Care: 0.46% (2020: 0.64%)</b>		
58,076	Unilever	2,739,676	0.46
	<b>Food: 0.20% (2020: 0.00%)</b>		
407,466	Tesco	1,211,858	0.20
	<b>Home Builders: 0.35% (2020: 0.46%)</b>		
36,835	Berkeley	2,072,730	0.35
	<b>Insurance: 0.32% (2020: 0.41%)</b>		
603,650	Legal & General	1,901,253	0.32
	<b>Investment Companies: 0.00% (2020: 0.10%)</b>		
	<b>Mining: 1.16% (2020: 0.77%)</b>		
42,040	Anglo American	1,504,335	0.25
86,451	Rio Tinto	5,425,051	0.91
	<b>Oil &amp; Gas: 0.00% (2020: 0.37%)</b>		
	<b>Private Equity: 0.68% (2020: 0.00%)</b>		
260,439	3i Group	4,060,396	0.68
	<b>Retail: 0.19% (2020: 0.31%)</b>		
280,082	Kingfisher	1,144,682	0.19

## KBI Developed Equity Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
	<b>Equities: 99.99% (2020: 99.72%) (Continued)</b>		
	<b>United Kingdom: 4.81% (2020: 4.23%) (Continued)</b>		
	<b>Software: 0.17% (2020: 0.00%)</b>		
117,481	Sage Group	1,016,709	0.17
	<b>Telecommunications: 0.13% (2020: 0.00%)</b>		
546,925	Vodafone	777,605	0.13
	<b>Total United Kingdom</b>	<b>28,638,305</b>	<b>4.81</b>
	<b>United States: 64.65% (2020: 60.62%)</b>		
	<b>Advertising: 3.86% (2020: 2.61%)</b>		
368,421	Interpublic	11,621,123	1.95
183,614	Omnicom	11,389,838	1.91
	<b>Agriculture: 0.24% (2020: 0.82%)</b>		
27,912	Archer-Daniels-Midland	1,418,831	0.24
	<b>Auto Manufacturers: 0.00% (2020: 0.72%)</b>		
	<b>Banks: 1.06% (2020: 2.33%)</b>		
232,395	Huntington Bancshares	3,058,373	0.51
18,140	Morgan Stanley	1,604,547	0.27
16,405	Northern Trust	1,646,754	0.28
	<b>Biotechnology: 1.81% (2020: 1.61%)</b>		
174,813	Gilead Sciences	10,777,259	1.81
	<b>Building Materials: 0.22% (2020: 0.00%)</b>		
25,531	Masco	1,312,939	0.22
	<b>Chemicals: 0.78% (2020: 0.84%)</b>		
34,703	Celanese	4,661,217	0.78
	<b>Commercial Services: 4.15% (2020: 3.48%)</b>		
68,144	Automatic Data Processing	12,066,125	2.03
99,771	Robert Half International	8,743,115	1.47
211,950	Western Union	3,884,568	0.65
	<b>Computers: 6.14% (2020: 6.67%)</b>		
24,597	Accenture	7,014,140	1.18
108,426	Hewlett Packard	1,419,564	0.24
415,786	HP	10,476,982	1.76
50,113	International Business Machines	5,957,565	1.00
155,200	NetApp	11,691,439	1.96
	<b>Cosmetics/Personal Care: 0.00% (2020: 0.42%)</b>		
	<b>Distribution/Wholesale: 0.64% (2020: 0.00%)</b>		
80,272	Fastenal	3,798,206	0.64

## KBI Developed Equity Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
	<b>Equities: 99.99% (2020: 99.72%) (Continued)</b>		
	<b>United States: 64.65% (2020: 60.62%) (Continued)</b>		
	<b>Diversified Financial Services: 2.43% (2020: 0.22%)</b>		
83,797	Franklin Resources	2,302,474	0.39
64,182	T. Rowe Price	12,169,269	2.04
	<b>Electric: 1.11% (2020: 1.48%)</b>		
41,232	Exelon	1,712,047	0.29
24,436	Pinnacle West Capital	1,591,771	0.27
60,362	Public Service Enterprise	3,269,299	0.55
	<b>Electronics: 0.00% (2020: 0.76%)</b>		
	<b>Food: 0.95% (2020: 2.08%)</b>		
141,864	ConAgra Brands	3,979,691	0.67
34,251	General Mills	1,677,514	0.28
	<b>Healthcare-Services: 2.23% (2020: 2.26%)</b>		
6,498	Humana	2,231,735	0.37
85,630	Quest Diagnostics	11,083,769	1.86
	<b>Home Furnishings: 0.19% (2020: 0.27%)</b>		
6,088	Whirlpool	1,142,251	0.19
	<b>Household Products/Wares: 0.42% (2020: 1.09%)</b>		
21,546	Kimberly-Clark	2,515,449	0.42
	<b>Insurance: 0.83% (2020: 1.38%)</b>		
54,886	Prudential Financial	4,922,745	0.83
	<b>Internet: 0.70% (2020: 0.00%)</b>		
64,244	eBay	4,176,717	0.70
	<b>Machinery-Diversified: 1.37% (2020: 2.05%)</b>		
40,707	Cummins	8,135,882	1.37
	<b>Media: 1.45% (2020: 2.43%)</b>		
47,784	Comcast	2,456,497	0.41
175,736	ViacomCBS	6,171,490	1.04
	<b>Mining: 1.85% (2020: 0.00%)</b>		
223,896	Newmont	10,998,016	1.85
	<b>Miscellaneous Manufacturing: 1.95% (2020: 0.00%)</b>		
69,065	Trane Technologies	11,615,463	1.95
	<b>Oil &amp; Gas: 0.90% (2020: 0.99%)</b>		
95,942	Valero Energy	5,388,990	0.90
	<b>Pharmaceuticals: 3.91% (2020: 4.55%)</b>		
56,361	AbbVie	5,765,728	0.97
48,242	Cigna	8,648,781	1.45

## KBI Developed Equity Fund

## Schedule of Investments (Continued)

As at 31 August 2021

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Assets
	<b>Equities: 99.99% (2020: 99.72%) (Continued)</b>		
	<b>United States: 64.65% (2020: 60.62%) (Continued)</b>		
	<b>Pharmaceuticals: 3.91% (2020: 4.55%) (Continued)</b>		
109,681	Merck	7,087,987	1.19
45,549	Pfizer	1,777,470	0.30
	<b>Pipelines: 1.62% (2020: 0.00%)</b>		
700,556	Kinder Morgan	9,652,711	1.62
	<b>REITS: 3.48% (2020: 1.69%)</b>		
556,380	AGNC Investment Reits	7,685,014	1.29
157,444	Iron Mountain Reits	6,366,715	1.07
235,642	Omega Healthcare Investors Reits	6,692,276	1.12
	<b>Retail: 5.40% (2020: 5.91%)</b>		
119,676	Best Buy	11,814,006	1.98
11,037	Darden Restaurants	1,408,504	0.24
5,653	Domino's Pizza	2,474,591	0.41
10,629	Home Depot	2,936,402	0.49
48,099	Tractor Supply	7,915,177	1.33
131,018	Walgreens Boots Alliance	5,633,291	0.95
	<b>Semiconductors: 4.23% (2020: 2.68%)</b>		
127,426	Intel	5,837,772	0.98
12,429	Lam Research	6,369,540	1.07
80,304	Texas Instruments	12,989,322	2.18
	<b>Ship Building: 0.00% (2020: 0.49%)</b>		
	<b>Software: 5.48% (2020: 7.09%)</b>		
29,223	Activision Blizzard	2,039,260	0.34
119,661	Microsoft	30,609,878	5.14
	<b>Telecommunications: 3.94% (2020: 2.35%)</b>		
304,171	AT&T	7,066,703	1.19
278,388	Cisco Systems	13,919,989	2.34
52,056	Verizon Communications	2,426,075	0.41
	<b>Transportation: 1.31% (2020: 1.35%)</b>		
73,917	Expeditors International Of Washington	7,803,410	1.31
	<b>Total United States</b>	<b>385,004,256</b>	<b>64.65</b>
	<b>Total Equities</b>	<b>595,453,006</b>	<b>99.99</b>
	<b>Total Financial assets at fair value through profit or loss</b>	<b>595,453,006</b>	<b>99.99</b>

**KBI Developed Equity Fund****Schedule of Investments (Continued)****As at 31 August 2021**

The percentages in brackets show the equivalent sector holdings at 31 August 2020.

<b>Holdings</b>	<b>Financial assets at fair value through profit or loss</b>	<b>Fair Value EUR</b>	<b>% of Net Assets</b>
	<b>Total Value of Investments</b>	<b>595,453,006</b>	<b>99.99</b>
	<b>Bank Overdraft*</b>	<b>(447,968)</b>	<b>(0.08)</b>
	<b>Other Net Assets</b>	<b>508,183</b>	<b>0.09</b>
	<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>	<b><u>595,513,221</u></b>	<b><u>100.00</u></b>

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

<b><u>Analysis of Total Assets</u></b>	<b>% of Total Assets</b>
Transferable securities and money market instruments admitted to an official stock exchange listing or traded on a regulated market.	<b>99.66</b>
Other assets	<b><u>0.34</u></b>
	<b><u>100.00</u></b>



## KBI Water Fund

## Schedule of Material Portfolio Changes for the financial year ended 31 August 2021 (Unaudited)

	<b>Largest Purchases</b>	<b>Cost USD</b>
HomeServe	2,738,732	39,085,712
Veolia Environnement	1,242,621	33,655,856
Ecolab	149,029	32,150,987
AECOM	485,387	29,750,493
Pennon Group GBP	2,081,143	28,086,787
Masco	468,133	26,977,587
United Utilities	1,879,798	24,916,614
Danaher	102,313	24,634,371
Weir Group	919,397	23,854,025
Essential Utilities	496,255	22,024,172
Core & Main	1,080,164	21,785,266
Suez	1,000,146	21,504,859
Roper Technologies	48,996	20,616,298
Fortune Brands Home & Security	220,819	20,184,723
Severn Trent	533,362	17,415,089
Evoqua Water Technologies	671,175	16,800,083
Cia de Saneamento Basico do Estado de Sao Paulo	2,011,780	14,990,454
Pentair	239,342	14,472,933
Ferguson	116,151	13,947,839
Woongjin Coway	199,698	12,995,966
Tetra Tech	93,244	12,725,303
Agilent Technologies	93,437	12,189,837
Stantec	282,021	11,713,417
Valmont Industries	49,234	10,471,021
Aalberts Industries	199,888	10,406,560
Mueller Water Products	785,767	10,251,519
Ilex	51,900	10,142,837
Alfa Laval	360,753	9,753,879
Andritz	193,572	9,695,759
Norma Group	182,840	9,215,601
Kurita Water Industries	212,400	8,998,304
SPX	154,843	8,945,314
Guangdong Investment	5,548,000	8,882,007
Cia Saneamento Minas Gerais	2,035,125	8,782,975
Orbia Advance	3,238,061	8,276,659
	<b>Largest Sales</b>	<b>Proceeds USD</b>
Pentair	509,258	30,483,236
Valmont Industries	138,845	28,820,762
Kurita Water Industries	539,426	21,664,368
Rexnord	380,440	18,551,030
Pennon Group GBP	1,140,271	17,962,093
Xylem	174,350	17,376,916
SPX	286,648	15,810,350
Itron	169,664	15,367,874
Arcadis	442,838	12,969,764
Agilent Technologies	81,915	12,470,193
Danaher	47,285	12,361,359
Mueller Water Products	930,033	12,134,689
Evoqua Water Technologies	334,439	10,279,772
Alfa Laval	293,014	9,859,106
Lindsay	56,974	8,885,604
Fortune Brands Home & Security	84,437	8,438,926
United Utilities	517,231	6,934,178
Essential Utilities	145,628	6,789,935
Veolia Environnement	222,818	6,383,728

**KBI Water Fund****Schedule of Material Portfolio Changes for the financial year ended 31 August 2021 (Unaudited) (Continued)**

	<b>Largest Sales</b>	<b>Proceeds USD</b>
Tetra Tech	52,241	5,752,768
Metro Pacific Investments	65,492,000	5,477,753
Suez	209,429	4,029,313
Middlesex Water	53,689	3,861,476
Core & Main	136,829	3,775,102
Uponor	205,416	3,622,505
H2O Innovation	1,758,809	3,443,776

**KBI Developed Equity Fund****Schedule of Material Portfolio Changes for the financial year ended 31 August 2021 (Unaudited)**

	<b>Largest Purchases</b>	<b>Cost EUR</b>
Newmont	257,356	12,979,252
Kinder Morgan	700,556	10,710,696
Trane Technologies	69,423	10,708,763
T. Rowe Price	64,319	10,578,925
Omega Healthcare Investors Reits	315,777	9,600,316
Cigna	48,242	9,259,578
Cisco Systems	230,898	9,150,870
AGNC Investment Reits	697,406	8,549,612
Automatic Data Processing	58,415	8,004,127
AT&T	312,952	7,935,851
Merck	111,411	7,315,992
Tractor Supply	51,432	6,229,722
HP	251,343	6,228,655
NetApp	103,444	5,922,142
Manulife Financial	359,923	5,889,946
Robert Half International	87,357	5,560,735
Best Buy	61,214	5,549,763
Iron Mountain Reits	189,125	5,546,359
B2Gold	1,064,164	5,305,236
Omnicom	94,439	5,269,795
Accenture	26,325	5,245,520
Texas Instruments	40,085	5,100,306
International Business Machines	41,203	4,865,619
Domino's Pizza	14,725	4,711,493
Gilead Sciences	86,778	4,656,098
Celanese	34,703	4,637,443
ConAgra Brands	146,102	4,564,270
3i Group	314,799	4,401,629
Quest Diagnostics	40,828	4,374,930
	<b>Largest Sales</b>	<b>Proceeds EUR</b>
Home Depot	53,348	12,674,139
Amerisourcebergen	123,525	10,933,979
HP	412,260	9,111,617
Microsoft	45,278	9,034,183
AbbVie	91,134	8,225,156
Simon Property	112,025	8,139,296
Apple	76,981	8,053,608
Verizon Communications	159,457	7,721,606
International Business Machines	69,230	7,556,877
Morgan Stanley	130,568	7,362,439
Archer-Daniels-Midland	140,777	7,201,411
Comcast	169,398	7,128,989
LyondellBasell Industries	109,436	6,940,209
Northern Trust	75,916	6,812,420
Seagate Technology	108,213	6,723,790
Johnson Controls International	128,911	6,159,842
Expeditors International Of Washington	75,121	6,137,692
Riocan Real Estate Investment Trust	504,130	5,941,514
Best Buy	58,886	5,699,784
Prudential Financial	76,466	5,624,438
General Mills	112,176	5,606,862
UnitedHealth Group	16,979	5,550,182
ViacomCBS	175,473	5,176,114
Cummins	26,327	5,114,777

**Other notes to the Financial Statements (Unaudited)**

**Information in respect of underlying investments:**

A sub-fund not registered in Switzerland invests in the following underlying fund:

Underlying Fund	Domiciled	Investment Management Fee %
A sub-fund not registered in Switzerland	Ireland	0% per annum of Net Asset Value attributable to Euro Class
KBI Developed Equity Fund	Ireland	0% per annum of Net Asset Value attributable to Euro Class
A sub-fund not registered in Switzerland	Ireland	0% per annum of Net Asset Value attributable to Euro Class
A sub-fund not registered in Switzerland	Ireland	0% per annum of Net Asset Value attributable to Euro Class
A sub-fund not registered in Switzerland	Ireland	0% per annum of Net Asset Value attributable to Euro Class
A sub-fund not registered in Switzerland	Ireland	0% per annum of Net Asset Value attributable to Euro Class

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**Information for Investors in Switzerland (unaudited)**

- 1) The state of the origin of the fund is Ireland.
- 2) The representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich.
- 3) The paying agent is NPB Neue Privat Bank AG, Limmatquai 1/ am Bellevue, P.O. Box, CH-8024 Zurich.
- 4) The prospectus, the key information documents or the key investor information documents, the Instrument of Incorporation as well as the annual and semi-annual reports may be obtained free of charge from the representative.

**Appendix 1 - Securities Financing Transactions and Re-use (Unaudited)**

The following information is presented with regard to Regulation (EU) 2015/2365 on transparency of securities financing and of re-use ("SFTR"). The Investment Manager ("IM") has not re-invested collateral in relation to securities lending on any of the Sub-Funds during the financial year.

In May 2021, the Directors of KBI Funds ICAV agreed to terminate the securities lending program with Northern Trust on a permanent basis. Securities lending activity had been suspended since April 2020.

**KBI Water Fund**

31 August 2021

**Global Data**

Securities and commodities on loan as a proportion of total lendable assets -%

Assets engaged by SFT Type	USD	% of AUM
Securities lending	-	-%

**Concentration Data**

Largest collateral issuers	Collateral USD
----------------------------	----------------

**Aggregate Transaction Data**

<b>Securities Lending</b>							
<b>Collateral type: OECD Government Debt rated AA- or higher</b>							
<b>Collateral currency: USD</b>							
<b>Maturity:</b>	<1 day	1 day – 1 week	1 week – 1 month	1-3 months	3 months – 1 year	> 1 year	Open maturity
- Collateral							-
- Securities Lending	-						

<b>Countries of counterparties:</b>
<b>Settlement &amp; clearing type:</b>

**Reuse of Collateral**

Share of collateral re-used -%

Minimum permitted collateral re-use -%

Return on cash collateral re-investment N/A

**Safekeeping – Collateral Received**

All collateral received is held by Northern Trust Fiduciary Services (Ireland) Limited, as Depositary.

**Safekeeping – Collateral Granted**

Collateral held in:	Collateral Volumes
Segregated accounts	-
Pooled accounts	
Other	

## Appendix 1 - Securities Financing Transactions and Re-use (Unaudited) (Continued)

Return & Cost

Securities Lending						
	Fund		IM		Northern Trust	
	USD	%	USD	%	USD	%
Return	-	60	3,609	-	-	-
Cost	Nil	-	Nil	-	Nil	-

31 August 2020

Global Data

Securities and commodities on loan as a proportion of total lendable assets -%

Assets engaged by SFT Type	USD	% of AUM
Securities lending	-	-%

Concentration Data

Largest collateral issuers	Collateral USD
----------------------------	----------------

Aggregate Transaction Data

Securities Lending							
Collateral type: OECD Government Debt rated AA- or higher							
Collateral currency: USD							
Maturity:	<1 day	1 day – 1 week	1 week - 1 month	1-3 months	3 months - 1 year	> 1 year	Open maturity
- Collateral							-
- Securities Lending	-						

Countries of counterparties:

Settlement &amp; clearing type:

Reuse of Collateral

Share of collateral re-used -%

Minimum permitted collateral re-use -%

Return on cash collateral re-investment N/A

Safekeeping – Collateral Received

All collateral received is held by Northern Trust Fiduciary Services (Ireland) Limited, as Depositary.

Safekeeping – Collateral Granted

Collateral held in:	Collateral Volumes
Segregated accounts	-
Pooled accounts	
Other	

Return & Cost

Securities Lending						
	Fund		IM		Northern Trust	
	USD	%	USD	%	USD	%
Return	21,655	60	3,609	10	10,827	30
Cost	Nil	-	Nil	-	Nil	-

**KBI Developed Equity Fund**

31 August 2021

**Global Data**

Securities and commodities on loan as a proportion of total lendable assets -%

Assets engaged by SFT Type	EUR	% of AUM
Securities lending	-	-%

**Concentration Data**

Largest collateral issuers	Collateral EUR
----------------------------	-------------------

**Aggregate Transaction Data****Securities Lending**

Collateral type: OECD Government Debt rated AA- or higher

Collateral currency: EUR

Maturity:	<1 day	1 day – 1 week	1 week – 1 month	1-3 months	3 months – 1 year	> 1 year	Open maturity
- Collateral							-
- Securities Lending	-						

Countries of counterparties:

Settlement &amp; clearing type:

**Reuse of Collateral**

Share of collateral re-used -%

Minimum permitted collateral re-use -%

Return on cash collateral re-investment N/A

**Safekeeping – Collateral Received**

All collateral received is held by Northern Trust Fiduciary Services (Ireland) Limited, as Depositary.

**Safekeeping – Collateral Granted**

Collateral held in:	Collateral Volumes
Segregated accounts	-
Pooled accounts	
Other	

**Return & Cost****Securities Lending**

	Fund		IM		Northern Trust	
	EUR	%	EUR	%	EUR	%
Return	-	-	-	-	-	-
Cost	Nil	-	Nil	-	Nil	-

31 August 2020

**Global Data**

Securities and commodities on loan as a proportion of total lendable assets -%

Assets engaged by SFT Type	EUR	% of AUM
Securities lending	-	-%

**Concentration Data**

Largest collateral issuers	Collateral EUR
----------------------------	-------------------

**Aggregate Transaction Data****Securities Lending**

Collateral type: OECD Government Debt rated AA- or higher

Collateral currency: EUR

Maturity:	<1 day	1 day – 1 week	1 week - 1 month	1-3 months	3 months - 1 year	> 1 year	Open maturity
- Collateral							-
- Securities Lending	-						

Countries of counterparties:

Settlement &amp; clearing type:

**Reuse of Collateral**

Share of collateral re-used -%

Minimum permitted collateral re-use -%

Return on cash collateral re-investment N/A

**Safekeeping – Collateral Received**

All collateral received is held by Northern Trust Fiduciary Services (Ireland) Limited, as Depositary.

**Safekeeping – Collateral Granted**

Collateral held in:	Collateral Volumes
Segregated accounts	-
Pooled accounts	
Other	

**Return & Cost****Securities Lending**

	Fund		IM		Northern Trust	
	EUR	%	EUR	%	EUR	%
Return	54,712	60	9,118	10	27,356	30
Cost	Nil	-	Nil	-	Nil	-

**Appendix 2 - UCITS Remuneration Disclosures (Unaudited)****Remuneration**

The ICAV has adopted a remuneration policy as required by the UCITS Regulations and which follows the European Securities and Markets Authority (“ESMA”) Guidelines on Sound Remuneration Policies in a way and to the extent that is appropriate to the ICAV’s size, and internal organisation, and the nature, scope and complexity of its activities.

The ICAV’s remuneration policy is designed to ensure that any relevant conflicts of interest can be managed appropriately at all times. The remuneration policy has been adopted by the Directors, who will review the policy annually and any revisions to the remuneration policy require their approval.

**Identified Staff**

The ICAV has determined that the following persons would fall within the categories of staff to which remuneration policy applies (Identified Staff):

- (i) Independent Non-Executive Directors.
- (ii) Designated Persons responsible for the monitoring of certain management functions of the ICAV.

	<b>Headcount</b>	<b>Total Fixed Remuneration EUR</b>	<b>Total Variable Remuneration EUR</b>	<b>Total Remuneration EUR</b>
Independent Non-Executive Directors	2	53,000	-	53,000
Designated Persons	3	-	-	-

The ICAV does not pay any variable remuneration to any of its Identified Staff.

**Investment Manager**

The ICAV has delegated portfolio management to the Investment Manager which is subject to an equivalent remuneration regime to that in the UCITS directive:

The Fixed, Variable and Total Remuneration given below represents the total remuneration of 18 identified staff of the Investment Manager and is based on data which has been provided by the Investment Manager.

	<b>Total Fixed Remuneration EUR</b>	<b>Total Variable Remuneration EUR</b>	<b>Total Remuneration EUR</b>
Investment Manager	-	-	-
Designated Staff - 18 persons	535,089	143,004	678,093