

KOTAK FUNDS
Société d'investissement à capital variable
Registered office: 80, Route d'Esch,
L-1470 Luxembourg,
Grand Duchy of Luxembourg
R.C.S. Luxembourg B 131.576
(the "**Fund**")

NOTICE TO SHAREHOLDERS OF KOTAK FUNDS – INDIA ESG FUND (the "Sub-Fund")

Luxembourg, 15 January 2025

Dear Shareholder,

The Company's board of directors (the "**Board**") would like to inform you about some changes to the Sub-Fund in which you own shares.

I. Change of name

The name of the Sub-Fund will change from "India ESG Fund" to India Growth Fund" with effect from 17th January, 2025 (the "**Effective Date**"). This change is driven by the recent guidance on the implementation of ESMA's ESG fund names guidelines. The scope of guidelines prescribed for the funds with "ESG" in its name is significantly restrictive, which shall affect the way the Sub-Fund is being managed currently. It shall impose further constraints on the permitted investable universe for the Sub-Fund, thereby limiting the investment opportunities for the Investment Manager. This may have an adverse impact on the performance of the Sub-Fund in future and hence it being considered to modify the name of the Sub-Fund.

II. Investment policy

The investment policy of the Sub-Fund will also be amended as follows with effect from the Effective Date in order to update the list of exclusions applicable to the Sub-Fund:

"The Investment Manager will seek to limit and/or exclude direct investment (as applicable) in corporate issuers which, in its opinion

have exposure to, or ties with, certain sectors including but not limited to:

- (i) the production of certain types of controversial weapons such as cluster munitions;*
- (ii) the distribution or production of firearms or small arms ammunition intended for retail civilians;*
- (iii) the extraction of certain types of fossil fuel;*
- (iv) the production of tobacco products;*

*(v) the ownership or operation of gambling-related activities or facilities; and
(vi) production of adult entertainment materials.*

The assessment of the level of involvement in each activity may be based on percentage of revenue or any other parameter connected to a restricted activity. Currently, the revenue threshold followed by the Investment Manager is 0% revenue share from activities listed in items (i), (ii) and (vi) above and 10% revenue share from activities listed in items (iii), (iv), and (v)."

This update also involves an amendment of the Sub-Fund's pre-contractual disclosure required by Commission Delegated Regulation (EU) 2022/1288.

The core investment objective, strategy and risk weighting of the Sub-Fund is not changing. The continuing aim is to provide long-term capital appreciation by investing at least two thirds of the Sub-Fund's total assets in equity and equity linked securities of companies registered in India or deriving a significant portion of their business from India with an ESG overlay.

The planned changes are shown in detail in the draft of the revised Prospectus made available at the registered office of the Company upon request and free of charge.

Yours sincerely,

On Behalf of the Board of the Company

Zurich, 15 January 2025

The prospectus and key investor information documents, the articles of association, as well as the annual and semi-annual reports can be obtained free of charge upon request from the Swiss representative.

Representative and Paying Agent in Switzerland:

BNP PARIBAS, Paris, Zurich branch, Selnaustrasse 16, CH-8002 Zurich