

## SUPPLEMENT 1

### Enam India Opportunities Fund

Supplement dated 1 July, 2025 to the Prospectus for EAMC ICAV dated 8 December, 2022

This Supplement dated 1 July, 2025 replaces the Supplement dated 8 December, 2022

#### 1. Preliminary Information

This Supplement contains information relating specifically to the Enam India Opportunities Fund (the “**Fund**”), a Fund of EAMC ICAV (the “**ICAV**”), an open-ended umbrella type Irish collective asset-management vehicle with segregated liability between sub-funds authorised by the Central Bank on 8 December, 2022 as a UCITS pursuant to the Regulations. The Fund was approved by the Central Bank on 8 December, 2022.

**This Supplement forms part of and should be read in the context of and in conjunction with the Prospectus for the ICAV dated 8 December, 2022 (the “Prospectus”) which immediately precedes this Supplement and is incorporated in this Prospectus. To the extent that there is any inconsistency between the Prospectus and this Supplement, the Supplement shall prevail.**

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

**The Fund’s Net Asset Value may have an elevated volatility due to its investment policy.**

**As the Fund may at any one time invest more than 20% of its Net Asset Value in emerging market countries, an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Please refer to the section of the Prospectus entitled “Risk Factors: Emerging Markets Risk” for further details.**

**Although the Fund may invest substantially in cash deposits, cash equivalents and/or Money Market Instruments in certain circumstances as outlined below, Shares in the Fund are not deposits and are different in nature to a deposit in that the investment is not guaranteed and the value of the investment is capable of fluctuation. Investment in the Fund involves certain investment risks, including the possible loss of principal.**

## 2. Interpretation

The expressions below shall have the following meanings:

<b>“Accumulating Class”</b>	means any Class in respect of which the Directors have determined not to declare dividends.
<b>“Base Currency”</b>	means US Dollars.
<b>“Business Day”</b>	any day (except Saturday or Sunday) on which banks and stock exchanges in India and Ireland are generally open for business or such other day or days as may be determined by the Directors, subject to prior consultation with the Manager, and notified to Shareholders in advance.
<b>“Dealing Day”</b>	means each Business Day and/or such other day or days as may be determined by the Directors, subject to prior consultation with the Manager, and notified to Shareholders in advance provided that there shall be at least one Dealing Day in each fortnight. See also the section entitled <b>“Suspension of Dealing/Valuation of Assets”</b> in the Prospectus.
<b>“Dealing Deadline”</b>	<p>means for each Dealing Day</p> <ul style="list-style-type: none"><li>(i) in relation to subscription requests, 10 a.m. (Irish time) on the relevant Dealing Day; and</li><li>(ii) in relation to redemption requests, 10 a.m. (Irish time) on the relevant Dealing Day; or</li><li>(iii) such other time as the Directors, subject to prior consultation with the Manager, may determine and notify to Shareholders in advance provided always that the Dealing Deadline is no later than the Valuation Point on that Dealing Day.</li></ul>
<b>“Initial Offer Period”</b>	means the initial offer period for all unlaunched Classes which has been extended to 5.00 p.m. (Irish time) on 1 January, 2026. The Initial Offer Period may be shortened or extended by the Directors in accordance with the Central Bank Requirements.

<b>“Initial Offer Price”</b>	means the initial fixed price payable for a Share in the relevant Class, as further detailed in the section below entitled <b>“Information on Share Classes”</b> .
<b>“Redemption Price”</b>	means the Net Asset Value per Share calculated as at the Valuation Point relating to the relevant Dealing Day on which such Share is to be redeemed, as adjusted for any anti-dilution levy.
<b>“Subscription Price”</b>	means the Net Asset Value per Share calculated as at the Valuation Point relating to the relevant Dealing Day on which such Share is to be issued, as adjusted for any anti-dilution levy.
<b>“Subscription Cut-off”</b>	means 5pm (Irish time) on a Business Day falling two Business Days after the relevant Dealing Day or such point as the Directors, subject to prior consultation with the Manager, may determine in exceptional circumstances.
<b>“Valuation Day”</b>	means each Dealing Day and/or such other day or days as may be determined by the Directors, subject to prior consultation with the Manager.
<b>“Valuation Point”</b>	means 12:00 p.m. (Irish time) on each Valuation Day or such time as the Directors, subject to prior consultation with the Manager, may determine and notify Shareholders in advance provided that the Valuation Point shall be after the Dealing Deadline.

All other defined terms used in this Supplement shall have the same meaning as in the Prospectus.

### **3. Management and Distribution of the Fund**

#### *Investment Management of the Fund*

The Manager has appointed the Investment Manager to provide discretionary investment management services with respect to the Fund. Further information relating to the Investment Manager is set out in the section of the Prospectus entitled **“Investment Manager”**.

#### *Distribution of the Fund*

The Manager has appointed the Global Distributor to provide distribution services with respect to the Fund. Further information relating to the Global Distributor is set out in the section of the Prospectus entitled **“Global Distributor”**.

#### **4. Profile of a Typical Investor**

The Fund is suitable for investors seeking capital growth over a medium to long-term horizon who are prepared to accept a high level of volatility from time to time. Those investors should be willing to assume the risk of short-term share price fluctuations and losses that are typical for a long only equity fund focusing on stocks of issuers based in India. The Fund is not designed for investors needing current income.

An investment in the Fund is only suitable for investors who are capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which might result from such investment.

Prospective investors should consult with their professional and financial advisors before making an application for Shares.

#### **5. Investment Objective and Investment Policy**

##### **Investment Objective**

The investment objective of the Fund is to achieve long term capital appreciation.

##### **Investment Policy**

###### ***General***

The Fund will aim to achieve this investment objective by primarily investing in listed Indian equity and equity-related instruments (such as preference shares) and ADRs/GDRs which are listed and/or traded on Regulated Markets in India, in accordance with the Regulations. The Fund will also invest in IPOs. For this purpose, an Indian company means a company incorporated in India or which has its principal place of business or operations in India, or which derives a material part of its revenues and/or profits from activities in India.

The Fund may also invest in equities and equity-related instruments of Indian companies listed and/or traded on Regulated Markets outside of India.

As a result of corporate actions, the Fund may also hold warrants giving the Fund the right to purchase shares in companies consistent with the investment policy. Such warrants will not embed a derivative. As there is no intention to invest directly in warrants, any holding of warrants is expected to be minimal and in any event not exceed 5% of the Net Asset Value of the Fund.

The Fund may also invest up to 100% of its net assets in cash, cash equivalents and Money Market Instruments (including, but not limited to cash deposits, commercial paper and certificates of deposit which may or may not be listed or traded on Regulated Markets), in the appropriate circumstances. Such circumstances include times when the Investment Manager determines that opportunities or market conditions for equity investing are unattractive or where market conditions may require a defensive investment strategy, the holding of cash on deposit pending reinvestment, the holding of cash in order to

meet redemptions and the payment of expenses.

The Fund is actively managed and the Investment Manager has full discretion over the composition of its portfolio, subject to the investment objective and policies as outlined herein.

### ***Sustainable Finance Disclosure***

The Fund is an Article 8 fund under SFDR which is a fund that promotes environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.

The environmental and social characteristics promoted by the Fund include one or more of the following which may vary depending on the attributes of an investee company specific to its sector or industry:

- Reduction in carbon emissions intensity and energy efficiency measures
- Waste management and recycling
- Water management
- Human capital management and better protection of human rights
- Improved supply chain management
- Improved product stewardship

Further information in relation to the environmental and social characteristics promoted by the Fund is set out in the Annex to this Supplement.

The manner in which Sustainability Risks are integrated into the Fund's investment decisions and the results of the assessment of the likely impacts of Sustainability Risks on the returns of the Fund are disclosed in sub-section of the Prospectus titled "Sustainability Related Risks" under the section headed "The ICAV" and the risk factor titled "Sustainability Risk" under the section of this Supplement titled "Risk Factors".

The "do no significant harm" principle applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this Fund do not take into account the EU criteria for environmentally sustainable economic activities.

## **6. Investment Strategy**

The Fund's investment approach is to invest in growth opportunities that are available at reasonable valuations. An assessment of reasonable valuations covers the following elements:

- (a) Relative valuation as against the history for the stock
- (b) Relative valuation against peers
- (c) Relative valuation compared with existing returns and growth profile against history as well as peers
- (d) Relative gap against the expected value of future cash flows under various scenarios with existing assumptions on sales and profitability against the current market price

The Fund will invest in companies across market capitalizations and will not be biased towards any particular sector or industry.

The Investment Manager will also actively trade equity-related instruments and equities of Indian companies listed outside of India on a long only approach with a view to taking opportunities arising from short-term price movements which arise as a result of mispricing of securities on different exchanges. The Investment Manager does not expect to avail of such short-term price movements regularly as such mispricing is rare. Therefore, this is a very small part of the Fund's strategy and is not expected to result in an increase in transaction fees.

The Fund will invest only in areas where the Investment Manager believes that it has an edge, and it will tend to reduce or realise positions when the fundamentals deteriorate. Risk management will therefore be an integral feature of the Fund. The Investment Manager follows a distinct fundamental investment philosophy of identifying high quality businesses that are structurally well positioned, have sustainable competitive advantages and strong execution capabilities for consistent long-term growth. The guiding principles in identifying a company are size of opportunity, longevity of business, quality of management and value accretion in the business.

It's a bottom-up investment approach and active decisions with respect to stock selection are made through a rigorous research driven investment process. The Investment Manager makes its own financial models of the companies and dissects the profit and loss account and the balance sheet to arrive at the true and fair profits and state of business. The Investment Manager meets the management of the companies in the Fund's investment universe and closely tracks and monitors the business trends. The Investment Manager does not outsource any part of its research and conducts the entire process in house with its own research team.

The Investment Manager places significant emphasis on qualitative investing by avoiding sectors and companies where transparency levels are low, business models are opaque and businesses are overregulated and subject to government intervention. The Investment Manager looks for a margin of safety before making the respective investment. A business is considered overregulated in the following circumstances:

- (a) The product realisations are under the direct influence of the sector regulator;
- (b) A substantial part of the value chain is under the influence of regulatory developments;
- (c) Businesses where the government agencies are among sizeable business allocators where the cash flows become volatile and subject to fiscal budgetary allocations.

The Fund will have a diversified long only portfolio which focuses on investing in Indian related securities in accordance with the above investment policy.

There is no intention to use derivatives for investment or efficient portfolio management purposes.

The investment strategy also seeks to promote good environmental, social and governance practices. To achieve this, the Fund relies on the Investment Manager's proprietary ESG rating methodology and an exclusionary approach to integrate ESG in investment decisions.

Based on the ESG rating, companies are classified under three categories – 'Good', 'Neutral' and 'Laggard'. The ratings are arrived at based on a 'Materiality Framework' that includes identifying all the key ESG risks and

opportunities for each company in the coverage universe.

To mitigate risk and uphold the Investment Manager's commitment to responsible investing, the Investment Manager sets a limit on exposure to 'Laggard.' The Investment Manager's objective is to ensure that no more than 25% of the portfolio is exposed to companies categorized as 'Laggard.' This allocation limit serves as a safeguard, reducing the potential impact of ESG-related risks on the overall portfolio.

Further information in relation to the ESG elements of the Fund's investment strategy is set out in the Annex to this Supplement.

## **7. Borrowing and Leverage**

The Fund may only borrow on a temporary basis and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of the Fund. Please also refer to the section of the Prospectus entitled **"Borrowing Powers"** under the heading **"The ICAV"**.

## **Measurement of performance of the Fund**

The MSCI India Index shall be used by the Fund for comparison purposes.

The MSCI India Index is designed to measure the performance of the large and mid cap segments of the Indian market. With 109 constituents, the index covers approximately 85% of the Indian equity universe.

It should be noted that the ICAV may at any time change this reference benchmark where, for reasons outside its control, that benchmark has been replaced, or another benchmark may reasonably be considered by the ICAV to have become the appropriate standard for the relevant exposure. In such circumstances, any change in benchmark will be disclosed in the annual or half-yearly report of the Fund issued subsequent to such change.

## **8. Investment and Borrowing Restrictions**

The Fund is subject to the investment and borrowing restrictions set out in the Regulations and the CBI UCITS Regulations, some of which are summarised in Appendix I to the Prospectus.

## **9. Information on Share Classes**

The below table provides certain information relating to each Class of the Fund. Further information in relation to fees applicable to each Class is set out below at the section entitled **"Fees and Expenses"**.

<b>Class</b>	<b>Currency</b>	<b>Hedged or Unhedged</b>	<b>Distribution Policy</b>	<b>Initial Offer Price</b>	<b>Minimum Initial Subscription</b>	<b>Subscription Fee</b>	<b>Redemption Fee</b>
<b>Class A USD</b>	USD	Unhedged	Accumulation	10 USD	5,000,000 USD	Up to 5%	None

<b>Class A EUR</b>	EUR	Unhedged	Accumulation	10 EUR	5,000,000 EUR	Up to 5%	None
<b>Class B USD</b>	USD	Unhedged	Accumulation	10 USD	500,000 USD	Up to 5%	None
<b>Class B EUR</b>	EUR	Unhedged	Accumulation	10 EUR	500,000 EUR	Up to 5%	None
<b>Class C USD</b>	USD	Unhedged	Accumulation	10 USD	500 USD	Up to 5%	None
<b>Class C EUR</b>	EUR	Unhedged	Accumulation	10 EUR	500 EUR	Up to 5%	None

The Classes are available for investment by all investors.

Class A USD and Class A EUR will each be open for subscriptions until the Classes together reach US\$100 million in net assets or until such other time as may be determined by the Directors, following which Class A USD and Class A EUR will be closed to further subscriptions.

In exceptional circumstances, the Minimum Initial Subscription amount may be reduced or waived by the Directors at their discretion either generally or, subject to the requirements of the Central Bank, in respect of specific applications.

All Classes shall carry full voting rights under the Instrument. The voting rights attached to all Classes are set out in the section of the Prospectus entitled “Voting Rights and Written Resolutions”.

## 10. How to Buy Shares in the Fund

Class A USD, Class B USD and Class C USD are launched and are available for subscription at the Net Asset Value per Share of the relevant Class.

Shares in the other unlaunched Classes will be offered at the Initial Offer Price outlined in the table above during the Initial Offer Period and subject to acceptance of applications for Shares by the ICAV, will be issued for the first time on the first Business Day following the expiry of the Initial Offer Period.

After the closing of the Initial Offer Period, Shares will be issued at the Net Asset Value per Share and available for purchase at the Subscription Price per Share.

Applications to buy Shares in the Fund must be received by the Administrator by the Dealing Deadline and cleared settlement monies must be received from the Applicant by the Subscription Cut-Off.



Detailed information on the subscription process is described in the section of the Prospectus entitled “**How to Buy Shares**”.

#### **11. How to Sell Shares in the Fund**

Applications to sell Shares in the Fund must be received by the Administrator by the Dealing Deadline.

Redemption proceeds in respect of Shares will normally be paid within 5 Business Days from the relevant Dealing Deadline provided that all the required Supporting Documentation has been furnished to and received by the Administrator.

Detailed information on the redemption process, including information deferred redemptions, is described in the section of the Prospectus entitled “**How to Sell Shares**”.

#### **12. Conversion and Transfer of Shares**

Subject to the Minimum Initial Subscription requirements of the relevant Classes, Shareholders may request conversion of some or all of their Shares in one Fund of the ICAV or Class to Shares in another Fund of the ICAV or Class or another Class in the Fund in accordance with the procedures specified in the Prospectus under the heading “**Conversion of Shares**”.

Any transfer of Shares must be effected in accordance with the provisions set down in the section of the Prospectus entitled “**Transfer of Shares**”.

#### **13. Suspension of Dealing**

Shares may not be bought, redeemed or converted during any period when the calculation of the Net Asset Value of the Fund is suspended or where the issue, redemption or conversion of Shares is otherwise suspended in the manner described in the Prospectus under the heading “**Suspension of Dealing/Valuation of Assets**”. Applicants for Shares and Shareholders requesting redemption and/or conversion of Shares will be notified of such suspension and, unless withdrawn, applications for Shares will be considered and requests for redemption and/or conversion will be processed as at the next Dealing Day following the ending of such suspension.

#### **14. Fees and Expenses**

##### *Establishment and Operating Expenses*

The Fund shall bear the fees and expenses attributable to the establishment and organisation of the ICAV and the Fund as detailed in the section of the Prospectus entitled “**Establishment Expenses**”.

The Fund shall bear its attributable operating expenses of the ICAV as set out in detail under the section of the Prospectus entitled “**Operating Expenses**”.

### *Subscription Fee*

The ICAV may charge a Subscription Fee on certain Classes of Shares as outlined in the table of Classes above. This Subscription Fee is calculated as a percentage of the subscription amount, is payable to the Manager, Investment Manager, Global Distributor or sub-distributors and is charged at the absolute discretion of the Directors. For further information, please refer to the section of the Prospectus entitled “**Subscription Fee**”.

### *Conversion Fee*

It is not currently intended to impose a conversion charge on the conversion of Shares in any Class to Shares in another Class of the Fund.

### *Management Fee*

The Manager shall be entitled to receive out of the assets of the Fund an annual fee which will not exceed 0.03% of the Net Asset Value of the Fund (plus VAT, if any), subject to a minimum amount of €50,000 per annum. The Manager's fee will be accrued and calculated on each Valuation Point and payable monthly in arrears.

The Manager shall be entitled to reimbursement of all reasonable and properly vouched out-of-pocket expenses (plus any applicable taxes) incurred on behalf of the Fund out of the assets of the Fund.

### *Investment Manager's Fee*

Pursuant to the Investment Management and Distribution Agreement, the Investment Manager is entitled to charge an Investment Management fee which applies separately in respect of each Class as set out in the table below, calculated as a percentage of the Net Asset Value of the relevant Class:

<b>Class</b>	<b>Investment Management Fee</b>
Class A USD	0.50%
Class A EUR	0.50%
Class B USD	0.90%
Class B EUR	0.90%
Class C USD	1.75%
Class C EUR	1.75%

The Investment Management Fee will be accrued at each Valuation Point and is payable monthly in arrears.

The Investment Manager shall be entitled to be reimbursed by the Fund for reasonable and properly vouched out of pocket expenses incurred and any VAT on all fees and expenses payable to or by it.

The Investment Manager shall pay the fees of any sub-investment manager or investment advisor out of the Investment Management Fee it receives from the Fund.

#### *Administrator's Fees*

The Administrator shall be entitled to receive out of the assets of the Fund an annual fee which will not exceed 0.04% of the Net Asset Value of the Fund (plus VAT, if any), subject to a minimum amount of €50,000 per annum.

The fees payable to the Administrator shall be accrued and calculated on each Valuation Point and payable monthly in arrears.

The Administrator shall also be compensated out of the assets of the Fund for other services, including inter alia the production of the financial statements and share registration and transaction fees, each of which shall be at normal commercial rates together with VAT, if any, thereon.

The Administrator shall also be entitled to reimbursement out of the assets of the Fund of all reasonable and properly vouched out-of-pocket expenses (plus any applicable taxes) it incurs in performing its duties under the Administration Agreement.

#### *Depositary Fees*

The Depositary shall be entitled to receive out of the assets of the Fund an annual fee which will not exceed 0.02% of the Net Asset Value of the Fund (plus VAT, if any), subject to a minimum amount of €25,000 per annum.

The Depositary shall also be entitled to be repaid out of the assets of the Fund for all of its reasonable disbursements incurred on behalf of the Fund, including the safe-keeping fees and expenses of any sub-custodian (which shall be at normal commercial rates) and proxy voting charges and transaction charges (which shall also be at normal commercial rates) levied by the Depositary or any sub-custodian and any applicable taxes it incurs on behalf of the Fund.

#### *Global Distributor's Fees*

The fees paid out of the assets of the Fund to the Global Distributor pursuant to the Investment Management and Distribution Agreement (the “**Global Distribution Fee**”), are included in the investment management fee which the Investment Manager will receive as investment manager of the Fund.

The Global Distributor shall also be entitled to be reimbursed out of the assets of the Fund for all reasonable and properly vouched out of pocket expenses incurred by it/them (as applicable).

The Global Distributor will be responsible for discharging the fees of any distributor appointed by the Global Distributor out of its fees. Any distributor appointed by the Global Distributor shall also be entitled to be reimbursed out of the assets of the Fund for all reasonable and properly vouched out of pocket expenses incurred by it.

## Total Fees and Operating Expenses

The total fees and operating expenses in respect of each Accounting Period, including the Manager's fee, the Investment Manager's fee, the Administrator's fee, the Depositary's fee, any distributors' fees and all operating expenses relating to the Fund will not exceed 1.00% of the Net Asset Value of the Fund in respect of Class A USD and Class A EUR, 1.40% of the Net Asset Value of the Fund in respect of Class B USD and Class B EUR and 2.25% of the Net Asset Value of the Fund in respect of Class C USD and Class C EUR.

Where in an Accounting Period, the fees and operating expenses payable by the Fund;

1. in respect of the Class A USD and Class A EUR exceed 1.00% of the Net Asset Value of the Fund, or
2. in respect of Class B USD and Class B EUR exceed 1.40% of the Net Asset Value of the Fund, or
3. in respect of Class C USD and Class C EUR exceed 2.25% of the Net Asset Value of the Fund;

the Investment Manager will waive its fee or reimburse the Fund to ensure that the Total Fees and Operating Expenses do not exceed the limits outlined above.

## 15. Distribution Policy

The distribution policy (including the distribution frequency, if relevant) in respect of each Class of Shares is as indicated in the table set out Share Class table above.

### *Accumulating Shares*

In the case of all accumulating Classes of the Fund, the net income and profits available for distribution will be accumulated and reflected in the Net Asset Value per Share which shall rise accordingly.

Further information relating to the distribution policy is set out in the section of the Prospectus entitled "**Distribution Policy**".

## 16. Risk Factors

Investment in the Fund involves a degree of risk. The attention of investors is drawn to the "**Risk Factors**" section in the Section of the Prospectus entitled "**The ICAV**".

### Investment Risk

An investment in the Fund involves certain risk factors and considerations relating to the Fund's structure and investment objective which a prospective investor should evaluate before making a decision to invest in the Fund. No assurance can be given that the Fund will succeed in meeting its investment objective or that there will be any return on capital. Moreover, past performance is not a guarantee of future results.

## Sustainability Risk

Assessment of Sustainability Risks is complex and may be based on ESG data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that this data will be correctly assessed. The Investment Manager considers that Sustainability Risks are likely to have a moderate impact on the value of the Fund's investments in the medium to long term.

### **17. Reports and Accounts**

The ICAV will prepare an annual report and audited accounts in respect of the Fund as of the Annual Accounting Date in each year and a half-yearly report and unaudited accounts as of 30 June in each year. The first annual report will be made up to 31 December, 2023. The first semi-annual report will be made up to 30 June 2023 if the Fund is launched before 31 March 2023 but if launched subsequent to that date the first semi-annual report will be made up to 30 June 2024.

The audited annual report and accounts will be prepared in accordance with IFRS and will be published within four months of the Fund's financial year end and its semi-annual report will be published within two months of the end of the half year period and, in each case, a paper copy shall be supplied to Shareholders free of charge upon request from the office of the Administrator. The Instrument may also be obtained free of charge from the office of the Manager.

**Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:** Enam India Opportunities Fund

**Legal entity identifier:** 635400O17BY3HL4ZVA86

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?



**Yes**



**No**



It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_\_%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It will make a minimum of **sustainable investments with a social objective:** \_\_\_\_%



It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promotes E/S characteristics, but **will not make any sustainable investments**



### What environmental and/or social characteristics are promoted by this financial product?

The environmental and social characteristics promoted by the Fund include all of the following, where applicable, depending on the attributes of an investee company specific to its sector or industry:

- Reduction in carbon emissions and energy efficiency measures
- Waste management and recycling
- Water management

- Human capital management and better protection of human rights
- Improved supply chain management
- Improved product stewardship

The Fund does not have a designated reference benchmark for the purpose of attaining the environmental or social characteristics promoted.

The Fund does not have a sustainable investment objective and does not currently commit to investing in any “sustainable investment” within the meaning of the SFDR or the Taxonomy Regulation. However, the Fund uses a combination of a proprietary rating methodology and an exclusionary approach to assess the environmental, social and governance practices of its investee companies.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

Based on the Investment Manager’s proprietary ESG rating methodology, all companies within the investment universe are categorized into three groups, 'Good,' 'Neutral,' and 'Laggard'.

The ratings are arrived at after considering the performance of each company across material environmental, social and governance indicators. Generally, the Investment Manager refers to the Sustainability Accounting Standards Board (SASB) and the expertise of its research team to decide material aspects.

Companies are evaluated on the following indicators:

- Energy and emissions management
- Decarbonization plans
- Waste management and recycling initiatives
- Water management
- Product stewardship initiatives
- Human rights practices
- Employee and worker health and safety practices
- Supply chain management

To mitigate risk and uphold the Investment Manager’s commitment to responsible investing, the Investment Manager sets a limit on exposure to 'Laggard.' The Investment Manager’s objective is to ensure that no more than 40% of the portfolio is exposed to companies categorized as 'Laggard.' This allocation limit serves as a safeguard, reducing the potential impact of ESG-related risks on the overall portfolio.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

N/A



**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?*

N/A

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

N/A

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

N/A



**Does this financial product consider principal adverse impacts on sustainability factors?**

Yes

**X** No

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**What investment strategy does this financial product follow?**

The Fund’s investment approach is to invest in growth opportunities that are available at reasonable valuations.

The Fund will invest in companies across market capitalizations and will not be biased towards any particular sector or industry.

The Investment Manager will also actively trade equity-related instruments and equities of Indian companies listed outside of India on a long only approach with a view to taking opportunities arising from short-term price movements.

The Investment Manager follows a distinct fundamental investment philosophy of identifying high quality businesses that are structurally well positioned, have sustainable competitive advantages and strong execution capabilities for consistent long-term growth.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.



It is a bottom-up investment approach and active decisions with respect to stock selection are made through a rigorous research driven investment process.

The Investment Manager places significant emphasis on qualitative investing by avoiding sectors and companies where transparency levels are low, business models are opaque, and businesses are overregulated and subject to government intervention.

The investment strategy also seeks to promote good environmental, social and governance practices. To achieve this, the Fund relies on the Investment Manager's proprietary ESG rating methodology and an exclusionary approach to integrate ESG in investment decisions.

Based on the ESG rating, companies are classified under three categories – 'Good', 'Neutral' and 'Laggard'. The ratings are arrived at based on a 'Materiality Framework' that includes identifying all the key ESG risks and opportunities for each company in the coverage universe. Generally, the Investment Manager refers to the Sustainability Accounting Standards Board (SASB) guidelines and its research team's experience in determining the material aspects for each company.

To mitigate risk and uphold the Investment Manager's commitment to responsible investing, the Investment Manager sets a limit on exposure to 'Laggard.' The Investment Manager's objective is to ensure that no more than 40% of the portfolio is exposed to companies categorized as 'Laggard.' This allocation limit serves as a safeguard, reducing the potential impact of ESG-related risks on the overall portfolio.

The Investment Manager believes in giving companies an opportunity and recognizing the potential for positive change and the Investment Manager will closely monitor and seek to engage with companies categorized as 'Laggard.' The Investment Manager employs a constructive approach, encouraging such companies to enhance their ESG practices within a reasonable timeframe. Should a company fail to demonstrate tangible progress or exhibit a lack of intent to improve its ESG practices within the stipulated timeframe, the Investment Manager reserves the right to progressively reduce the Fund's exposure to the stock. This measured approach aligns with the Investment Manager's commitment to responsible investing and ensures that the portfolio reflects companies dedicated to sustainable business practices.

**Proprietary Rating Methodology:** The Investment Manager has developed a proprietary rating methodology to systematically evaluate its investment universe on material environmental, social and governance aspects. Each company is rated on a scale of 0 (lowest) to 10 (highest) across three main pillars - **Corporate Governance, Sustainability Culture** and **E&S Performance**. Within environmental and social (E&S) performance, the material topics and metrics will differ across industries. The same topic may also be weighed differently across industries depending on its relative importance to the industry.

The ratings across the three pillars factor the company disclosures, qualitative factors, controversies, and performance versus local and global peers. The rating process helps in:

- Identifying gaps in disclosures or performance parameters.
- Tracking the progress of investee companies.
- Providing input on topics of engagement with investee companies.

**Exclusionary Approach:** Certain sectors are excluded from the investment universe to mitigate potential negative effects on the environment and society. As a policy, the Investment Manager does not invest in sectors linked to alcohol, tobacco, gambling, and controversial arms and ammunition. Companies deriving more than 25% of their revenues from these sectors are excluded. The Investment Manager also avoids investing in companies that have a poor track record of dealing with minority shareholders and adopt unethical practices such as diversion of funds to related parties, lack of transparency and disclosures, deviation from stated policies, etc. Consequently the purpose of the exclusionary approach is to ensure that the Fund's investments cause reduced harm to the environment/society by not investing in certain assets/ investee companies.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The bottom-up stock selection process is supplemented by the Investment Manager's proprietary ESG rating methodology. All companies within the investment universe are categorized into three groups, 'Good,' 'Neutral,' and 'Laggard'.

Investee companies that are rated below 6 based on the Investment Manager's proprietary rating methodology are classified as 'Laggard'. The strategy seeks to limit exposure to companies that are classified as 'Laggard' to no more than 40% of the total portfolio. This allocation limit serves as a safeguard, reducing the potential impact of ESG-related risks on the overall portfolio.

Additionally, the aggregate ESG rating of the portfolio is monitored to provide an indication of the deterioration or improvement in the portfolio's ESG characteristics over a period.

As detailed in the section above titled "What investment strategy does this financial product follow?", companies deriving more than 25% of their revenues from sectors linked to alcohol, tobacco, gambling and controversial arms and ammunition are excluded from the Fund's investment universe. The Investment Manager also avoids investing in companies that have a poor track record of dealing with minority shareholders and adopt unethical practices such as diversion of funds to related parties, lack of transparency and disclosures, deviation from stated policies, etc.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

While the Investment Manager does not have a committed minimum rate to reduce the scope of investments, the Investment Manager does have an exclusion list and implements safeguards based on its proprietary ESG ratings. The Investment Manager ensures no more than 40% of the portfolio is invested in companies categorized as 'Laggard' (ESG score of less than 6 out of 10).

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### ● ***What is the policy to assess good governance practices of the investee companies?***

The Investment Manager adopts a multi-faceted approach to assess the governance practices of investee companies.

Prior to any company entering the Fund's investment universe, the Investment Manager's research and portfolio management teams conduct frequent and detailed engagements with the company's management and founders. These engagements are designed to provide comfort and confidence in the company's governance practices and management character. The discussions cover various critical matters such as overall strategy, capital allocation policies, succession planning, treatment of minority shareholders, and other governance-related issues.

Once a company is included in the investment universe, it is periodically monitored on various aspects. The Investment Manager's proprietary ESG rating model assesses the governance practices across various parameters that are set out below:

- Minority shareholder treatment
- Compensation practices
- Board and Committee structure and functioning
- Access and accounting quality
- Policy and Ethical Conduct
- Data protection and privacy

The Investment Manager's research team closely follows media news and reports about each of the companies tracked in the universe. Additionally, industry channel checks also provide additional insights into the practices followed by the company. This helps the Investment Manager stay informed about any developments or concerns that may affect the governance quality of these companies and consequently the value of the investment.



**Asset allocation** describes the share of investments in specific assets.

### **What is the asset allocation planned for this financial product?**

A minimum of 60% of the assets of the Fund will be aligned with the environmental and social characteristics promoted by the Fund. The Fund does not currently commit to holding sustainable investments. The Fund may hold a maximum of 40% of its assets in investments that are not aligned with the environmental and social characteristics promoted by the Fund, and which fall into “#2 Other” category of investments, further details in relation to which are set out in the section titled “What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?”

### ● ***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

The Fund does not use derivatives for the purposes of attaining environmental or social characteristics.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

While the Fund promotes environmental and social characteristics within the meaning of Article 8 of the SFDR, it does not currently commit to investing in a minimum level of “sustainable investments” within the meaning of the SFDR. Furthermore, the Fund does not currently commit to a minimum level of investments taking into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation. As such, the minimum proportion of the Fund’s investments that contribute to environmentally sustainable economic activities for the purposes of the Taxonomy Regulation will be 0%.

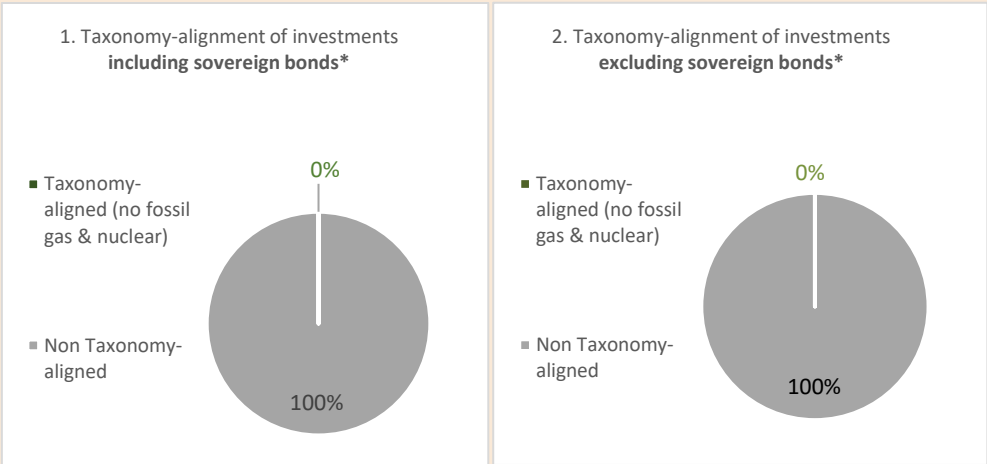
### Does the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?

☐
**Yes:**

☐ In fossil gas
 ☐ In nuclear energy

☒
**No**

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- ***What is the minimum share of investments in transitional and enabling activities?***

N/A



- ***What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?***

N/A



- ***What is the minimum share of socially sustainable investments?***

N/A



- ***What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?***

The Fund will allocate at least 60% of its assets in companies aligned with the E&S characteristics promoted. Based on the Investment Manager’s proprietary ESG rating methodology, this will comprise companies rated as ‘Good’ or ‘Neutral’ (ESG score greater than or equal to 6 out of 10). Hence, the remaining portion (<40% of the Fund’s assets) will be made of (#2) “Other” investments that belong to the ‘Laggard’ category (ESG score lower than 6 out of 10) as well as cash and cash equivalents.



- ***Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?***

The Fund does not use a reference benchmark for the purpose of attaining the environmental and/or social characteristics.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

<https://www.waystone.com/kba-consulting-management-ltd/eamc-icav/>