# ECP UCITS ICAV

an umbrella Irish Collective Asset-management Vehicle with segregated liability between sub-funds authorised pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2019, as amended from time to time

## ECP Global Growth Fund

**an open-ended fund**

## SUPPLEMENT TO PROSPECTUS

**21 November 2024**

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## INTRODUCTION

This Supplement is issued in connection with the offer of the ECP Global Growth Fund, a sub-fund of ECP UCITS ICAV, an umbrella-type open-ended Irish Collective Asset-management Vehicle with segregated liability between sub-funds authorised by the Central Bank pursuant to the Regulations and the Act.

Five Classes of Shares in the Sub-Fund are being offered through this Supplement. Information in relation to each of these Classes is set out in this Supplement. The ICAV may create new Classes in the Sub-Fund from time to time, provided that the creation of any such new Class has been approved by the Central Bank. A separate pool of assets will not be maintained for each Class of Shares.

A description of ECP UCITS ICAV is contained in the Prospectus. **This Supplement relates to and forms part of the Prospectus. This Supplement must be read in the context of and together with the Prospectus. In particular, investors should read the risk factors set out in the Prospectus.**

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

Unless otherwise stated, all capitalised terms shall have the same meaning herein as in the Prospectus.

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## DEFINITIONS

The following definitions apply throughout this Supplement unless the context requires otherwise:

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| "**Affiliate**" | means any person or entity which directly or indirectly controls, is controlled by or is under common control with the Investment Manager; |
| "**Base Currency**" | means US Dollars; |
| "**Business Day**" | means each day, other than a Saturday or a Sunday or a public holiday, on which banks are open and/or are working days in Dublin, Ireland and Sydney, Australia, or such other days as the Directors may determine provided that all Shareholders will be notified in advance; |
| "**ICAV**" | means ECP UCITS ICAV; |
| "**Investment Grade**" | means having a composite rating in the top four long-term rating categories when averaging the ratings of Moody's, S&P and Fitch; having a comparable short-term or other rating or being unrated securities that the Investment Manager believes to be of comparable quality to rated investment-grade securities; |
| "**Knowledgeable Investor**" | means a person who is (a) the Investment Manager; (b) an employee or officer of the Investment Manager or anyone who is directly involved in the investment activities of the Sub-Fund; or (c) any Affiliate of the Investment Manager; |
| "**Minimum Holding**" | means the minimum holding amount set out at Schedule 1 for each Share Class, or such other amounts as the Directors may in their absolute discretion determine; |
| "**Minimum Redemption**" | means the minimum redemption amount set out at Schedule 1 for each Share Class, or such other amount as the Directors may in their absolute discretion determine; |
| "**Minimum Initial Subscription**" | means the minimum initial subscription amount set out at Schedule 1 for each Share Class, or such other amount as the Directors may in their absolute discretion determine; |
| "**Minimum Subsequent Subscription**" | means the minimum subsequent subscription amount set out at Schedule 1 for each Share Class, or such other amount as the Directors may in their absolute discretion determine; |
| "**Net Asset Value**" | means the net asset value of the Sub-Fund and/or each Class and/or each Share, as applicable, as |

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| | calculated in accordance with the Prospectus and this Supplement; |
| "**Prospectus**" | means the prospectus of the ICAV dated 27 February 2023 and all relevant supplements and revisions thereto; |
| "**Quality Franchises**" | means those high-quality businesses that the Investment Manager determines to be in the growth stage of their life-cycle and which have the ability to generate predictable, above-average returns and produce superior investment performance over the long-term; |
| "**Redemption Date**" | means each Business Day; |
| "**Redemption Dealing Deadline**" | means 4:00 p.m. (Irish time) on the relevant Redemption Date; |
| "**Reference Benchmark**" | means MSCI World Index (MXWO); |
| "**Share or Shares**" | means the Participating Shares of no par value in the Sub-Fund issued subject to, and in accordance with the Act, the Regulations and the Instrument of Incorporation of the ICAV; |
| "**Sub-Fund**" | means the ECP Global Growth Fund, a sub-fund of ECP UCITS ICAV; |
| "**Subscription Date**" | means each Business Day; |
| "**Subscription Dealing Deadline**" | means 4:00 p.m. (Irish time) on the relevant Subscription Date; |
| "**Supplement**" | means this supplement; |
| "**Target Return**" | means the Reference Benchmark +2% |
| "**Valuation Date**" | means each Business Day, which shall be on the same day as each relevant Dealing Day; and |
| "**Valuation Point"** | means 11:00 p.m. (Irish time) on the Valuation Date, unless otherwise determined by the Directors, provided that the Valuation Point shall always occur after the relevant Subscription Dealing Deadline and the Redemption Dealing Deadline. |

## THE SUB-FUND

### Classes of Shares

The Sub-Fund will offer the Classes provided for at Schedule 1.

### Profile of a Typical Investor

A typical investor in the Sub-Fund may be an investor with a medium risk tolerance and with an investment horizon of five years or longer who considers investment in the Sub-Fund as a convenient way of seeking to generate capital returns through an exposure to global equities.

### Investment Objective

The Sub-Fund aims to provide capital growth in excess of the Target Return over a rolling five-year period, through an investment in an actively managed, concentrated global share portfolio.

There can be no assurance that the Sub-Fund will achieve its investment objective.

### Investment Policy

The Sub-Fund will seek to achieve its investment objective by investing in shares of globally listed growth companies, at least 90% of which shall meet the Investment Manager's definition of a Quality Franchise and are listed in a country that has been rated by the Institute for Economics & Peace ("**IEP**") through the Positive Peace Index ("**PPI**")[1] as being very high ("**Very High**"). The remaining 10% of the Sub-Fund's equity investments may comprise companies that do not immediately qualify as Quality Franchises at the point of acquisition by the Sub-Fund, but which will be expected to meet the criteria within five years of such date.

Where the Sub-Fund holds shares of a company that is incorporated in a country that is downgraded by the IEP and, as a result of such downgrade the relevant country is no-longer rated as Very High, the Investment Manager will look to immediately exit the investment where possible and, in any event, will do so within twelve months of the change in rating provided that the Investment Manager believes this to be in the best interests of Shareholders.

The Sub-Fund may also invest up to 20% of its Net Asset Value in cash or cash alternatives (such as money market instruments, or cash held on deposit) and collective investment schemes (including other funds managed by the Investment Manager or its affiliates including UCITS exchange traded funds ("**ETFs**")), provided such underlying collective investment schemes are eligible for investment by UCITS and are otherwise in accordance with the requirements of the Central Bank. As described in the Prospectus, the Sub-Fund may only invest up to a maximum of 10% of its assets in other collective investment schemes, including ETFs.

The Sub-Fund is actively managed meaning the Investment Manager uses their expertise to select investments to achieve the Sub-Fund's objectives.

Providing the units of the Quality Franchise are listed in a country rated as Very High, the investment decision of the Investment Manager is not otherwise constrained by any specific geographical allocation model or limit. Furthermore, the Investment Manager's determination of an investee company as a Quality Franchise is not restricted by reference to any specific market, sector or company size.

Despite this, the Investment Manager's selection process is likely to result in the Sub-Fund's portfolio being concentrated (investing in thirty to forty-five Quality Franchises) meaning that the Investment

[1] A list of those countries categorised as Very High on the PPI is maintained at www.visionofhumanity.org/maps/positive-peace-index

Manager will invest in a small number of companies when compared to the number of listed companies which might otherwise be available for investment. As a result of this concentrated exposure to a relatively small number of small and mid-cap companies (i.e. those with a market capitalisation of up to $10 billion), such holdings may, despite meeting the Quality Franchise requirements mentioned above, be considered less liquid than larger, more widely held companies. Investors' attention is drawn to the risk factor in the Prospectus headed '*Market and Valuation Risk*', however, it should be noted that such holdings will qualify as Transferable Securities and the Sub-Fund's portfolio will always be managed in light of its own liquidity profile and the Redemption Dealing Deadline afforded to Shareholders.

Although the Sub-Fund may invest in Emerging Markets, no more than 10% of the Net Asset Value will be invested in Emerging Markets.

**Investment Philosophy**

The Investment Manager's investment philosophy is built on the belief that the economics of a business drives long-term investment returns. As part of its investment philosophy, the Investment Manager believes that investing in high quality growing businesses that can generate predictable, above average economic returns will produce superior investment performance over the long-term.

The Investment Manager's processes are designed to construct portfolios from only the highest quality franchises, excluding those companies who do not have a sustainable competitive advantage or are unable to generate above average economic returns. Adherence to this philosophy supports the Investment Manager's ability to consistently price and source the correct investments, to understand what value the Investment Manager can add to target companies where desirable, and crucially, the Investment Manager's ability to generate outsized returns for the Sub-Fund.

**Strategy Characterisation**

To be included within the Investment Manager's investment portfolio, target companies are required to exhibit specific characteristics, both qualitative and quantitative. Companies that do not exhibit those characteristics will not be classified as a Quality Franchise by the Investment Manager.

The Investment Manager believes that Quality Franchises exhibit the following qualitative characteristics:

- a clear business model with a growth profile and defensible market position;
- managed by a team who have been able to execute on their stated strategic objectives over time; and
- the business has maintained a strong financial position.

Such companies also generally exhibit the following accounting-based measures:

- they are highly profitable and exhibit sustained high returns on equity and invested capital;
- consistently grow revenues above system growth; and
- are not leveraged - they do not hold large amounts of debt on their balance sheet.

**Investment Process**

The Sub-Fund's investment process is designed in a manner that allows its portfolio of assets to be constructed primarily from those companies that qualify as a Quality Franchise and to identify the extent to which the circumstances that enabled the historical financial results of an investee company to be achieved can be replicated into the future.

As mentioned in the section headed "Investment Policy", the Sub-Fund may acquire shares which do not qualify as a Quality Franchise, providing the Investment Manager expects the investee company to meet the criteria within five years of its acquisition by the Sub-Fund. To identify such equities, the Investment Manager will employ a quantitative filter to identify equities which are aligned with the investment philosophy outlined above in the section headed "Investment Philosophy". To be identified as being a prospective Quality Franchise and be eligible for investment by the Sub-Fund, such companies will be expected to meet certain key screening metrics, including exhibiting:

- an interest coverage ratio greater than 4x;
- a return on equity greater than 15% over rolling three year periods; and
- sales growth above nominal gross domestic product over rolling three year periods.

Company Specific Research

Comprehensive bottom-up research is undertaken on each target company to ascertain whether it qualifies as a Quality Franchise. The key focus of the investment process undertaken by the Investment Manager is to identify the extent to which the circumstances that enabled the historical financial results to be achieved are resilient and able to be replicated into the future. Each research report looks at the target's business through a six-pillar framework to ensure sustainable excess returns over time, as further described below:

Certainty of Growth

*Pillar 1 - The Business Model & Strategy*
The foremost pillar for consideration is the "Business Pillar" which focuses on identifying businesses that have a favourable business model and which have demonstrated a superior ability to create and capture value, as determined by its market position and analysis of its available resources, including financial, physical, intellectual property and human resources. This ability will be determined by the Investment Manager following an analysis of the investee company which will look to identify a clear strategic vision which allows the Investment Manager understand how the investee company creates value and looks for ways to further add value. Furthermore, the Investment Manager will look to identify target companies which demonstrate an ability to grow through revenue growth as opposed to cost reductions. The target company's business model is analysed to determine the major profit drivers and to see if this business model is supportive of their strategy. This understanding of the investee companies' strategy is a critical element of the Investment Manager's investment process.

*Pillar 2 - Industry Drivers and Trends*
The "Industry Pillar" assesses whether the market for the target company's product is sufficiently large to support growth in the business over time. In depth understanding of industry drivers and trends ensure that the business model is suitable for the expected opportunity within the industry. Central to the analysis is to understand the industry landscape and to determine whether the industry is favourable for investment. Moreover, key success factors to generate excess returns in that industry are identified from this analysis.

Certainty of Safety

*Pillar 3 – Competitive Advantage & Positioning*
The "Competitive Pillar" seeks to identify whether the business holds a favourable competitive position, and through the unique combination of valuable resources, the business can achieve a sustainable competitive advantage. Customer power, supplier power, the threat of new entrants (barriers to entry and exit) and the relevance of substitute products all are considered and the degree to which the company exerts a dominant market position generally results in their ability to extract higher margins for their products. Central to this analysis is to determine

whether the business' core competency allows it to be more creative and profitable than its competitors.

*Pillar 4 - Sustainability*
The "Sustainability Pillar" focuses on areas of the business where there may be a risk to the predictability of business operations over time. This pillar encompasses three characteristics: firstly, the target business must operate in an industry with a low risk of macro-environmental factors affecting future operating performance. Secondly, the business has demonstrated strong environmental, social and governance ("**ESG**") practices and holds a capacity to mitigate potential ESG issues. Lastly, the business is deemed to have the requisite level of internal know-how which provides it with the ability to adjust its resources continuously, innovate and evolve. Such dynamic learning capabilities allow the business to sustainably renew its competitive advantage over time. By incorporating a forward-looking, scenario analysis of ESG-related affairs, the Investment Manager is able to better understand the risks and opportunities that lie ahead for any company and assess the potential risk to the predictability of their business operations.

<u>Certainty of Forecasts</u>

*Pillar 5 - Management*
The "Management Pillar" focuses on identifying management and executives with long-standing tenure and have the capability to articulate and deliver the growth plan for the business. The pillar focuses on understanding the role that management have played in generating the historical performance of the target company and how likely they will be able to replicate those results in future. Corporate governance is critically assessed to ensure that the appropriate corporate governance is employed within an organisation. In particular, the Investment Manager looks at how the target company's remuneration structures drive decision making, voting records, skills matrices of the board etc. as senior level management have a direct impact on the future financial performance of a company.

*Pillar 6 - Financial*
In this section, the relevance and reliability of financial accounts is assessed as these are crucial to understanding if the forecasts are predictable; and whether or not it can be assumed that the target business will start to generate, or continue to generate sufficient returns on invested capital for the risk employed in the business.

It is important to note that the Investment Manager will not acquire every business that meets the above criteria and the combination of purchase discipline (i.e. selecting only those investee companies that the Investment Manager has determined are likely to generate a positive return) and the appropriate investment due diligence is a crucial part of the investment process.

As further discussed above in the section headed "Investment Policy", the Investment Manager will exit an investment where the investee company is incorporated in a country which is subsequently downgraded from Very High rating by the IEP. The Investment Manager otherwise intends only to sell an investment where its research suggests that the relevant investee company is at a stage in its life-cycle where it is no longer expected to generate predictable, above average economic returns over the long-term, or in the event of an unforeseen corporate action (such as a material acquisition or the departure of key executives) which is expected to negatively impact returns.

As part of its commitment to maximise returns, the Investment Manager reviews the portfolio composition on an ongoing basis. The Sub-Fund's portfolio will be assessed on a weekly basis and, where required, rebalance the portfolio by allocating away from underlying investments which it deems are expensive in favour of other equities within the portfolio which it believes now provide better value. Through its monitoring and management of the portfolio, the Investment Manager expects such rebalancing and turnover of its underlying investments to be low and to only take place where the positive impact of any such rebalancing on the Net Asset Value will be materially greater than the transaction costs incurred in doing so.

Country Risk Assessment

The Investment Manager uses the peacefulness ranking of countries as determined by the IEP to screen out countries with weak microeconomic foundations from inclusion in the portfolio and assists their decision-making in terms of the relative positioning of those countries with strong credentials within the portfolio. Accordingly, the portfolio only contains companies listed on a recognised exchange in a country that has been rated by IEP through the PPI as Very High.

The IEP which is an independent, non-partisan, global non-profit think-tank headquartered in Sydney with offices in New York, the Hague, Mexico City, Brussels, and Harare and is dedicated to shifting the world's focus to peace as a positive, achievable, and tangible measure of human well-being and progress. IEP has developed frameworks to produce metrics for measuring peace, namely their PPI.

The PPI is a conceptual framework that gauges the attitudes, institutions and structures that lead to peaceful societies. There are eight pillars of Positive Peace. The usefulness of the PPI is that a country's positive peacefulness tends to be the same factors that lead to economic development. These factors are often referred to as the micro-economic foundations of macro-economic growth.

**ESG Considerations**

The Sub-Fund promotes: (i) a reduction in greenhouse gas emissions; (ii) social responsibility and public health initiatives; (iii) a reduction in the use of and exposure to controversial weapons; (iv) the development of international human rights and labour standards; and (v)the development of peaceful societies on a global basis. Accordingly, the Sub-Fund complies with Article 8 pursuant to Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on SFDR. Further information about the social and environmental characteristics promoted by the Sub-Fund is available within the Annex to this Supplement as prescribed by Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("**SFDR**").

Sustainability risks within the meaning of SFDR are environmental, social or governance events or conditions whose occurrence could cause an actual or potential material negative impact on the value of the Sub-Fund's investments. Sustainability risks may contribute to the materiality of other risk types, including the risks inherent in the credit and interest rates markets, derivative and currency related risks, liquidity risk, counterparty risk and operational risk. As the Sub-Fund promotes environmental and social characteristics for the purposes of SFDR, sustainability risks are integrated into the investment decision making process in respect of the Sub-Fund and the Sub-Fund will seek to operate to the highest ESG standards.

Sustainability is one of the six pillars in the Quality Franchise framework described above in the section headed "Investment Process" and developed by the Investment Manager to better mitigate the portfolio against ESG and sustainability risks. The Investment Manager's process places a material emphasis on sustainability, management, and firm competitiveness which leads to superior sustainability and stewardship of companies. Typically, target companies that are deemed a Quality Franchise have rated highly in the Investment Manager's assessment of their ESG compliance.

The impacts following the occurrence of a sustainability risk may be numerous and vary depending on the specific risk and asset class. In general, where a sustainability risk occurs in respect of an investment, this could result in a significant, or in extreme circumstances, an entire, loss of value of the relevant investment and may have an equivalent negative impact on the returns of the Sub-Fund.

*Principal Adverse Impacts*

As permitted under Article 4 of the SFDR, the Manager does not consider adverse impacts of investment decisions on sustainability factors on the basis that it is not a financial market participant that is required to do so given that the Manager does not have on its balance sheet an average number of employees exceeding 500 during the financial year. The Manager may choose at a later date to publish and maintain on its website the consideration of principal adverse impacts of investment decisions on sustainability factors. The Manager will review its approach to considering the principal adverse impacts of investment decisions on sustainability factors within the meaning of SFDR on a periodic basis.

The Investment Manager will include, as part of its overall investment process, ESG factors and the principal adverse impacts of investment decisions on sustainability factors when considering whether or not to invest in or sell particular shares. The Investment Manager is not restricted by the Sub-Fund's investment policy from investing in any specific sector or industry, unless the sector or industry is identified as an exclusion within the Investment Manager's ESG Policy. An up-to-date version of the Investment Manager's ESG Policy is available upon request from the Manager or the Investment Manager.

**Borrowing & Leverage Policy**

The Manager will not employ leverage in respect of the Sub-Fund.

**Investment Restrictions**

The Sub-Fund is subject to the overall investment and borrowing restrictions set out in the Regulations, the Central Bank requirements, the Prospectus and this Supplement. In addition, the ICAV shall not make any change to the investment objective of the Sub-Fund, or any material change to the investment policy of the Sub-Fund, unless Shareholders have, in advance, and on the basis of a simple majority of votes cast at a general meeting or with the prior written approval of all Shareholders of the Sub-Fund (or otherwise in accordance with the Instrument of Incorporation), approved the relevant change/changes. Where Shareholder approval is obtained on the basis of a simple majority of votes cast at a general meeting, Shareholders will be given a reasonable notification period to enable them to redeem their Shares prior to the implementation of any such change.

**Dividend Policy**

The Directors do not anticipate paying a dividend in respect of any Share Class within the Sub-Fund and therefore, currently, all Classes are accumulating in nature. All income and profits earned by the Sub-Fund attributable to the Shares will accrue to the benefit of the relevant Class and will be reflected in the Net Asset Value attributable to the relevant Class. Should the dividend policy of any Class change in the future, full details will be provided in an updated version of this Supplement and all Shareholders will be notified in advance of any such change.

**Risk Factors**

Shareholders' attention is drawn to the comprehensive risk factors set out within the Prospectus, most particularly those headed "*Equity Securities Risk*", "*Management Risk*", "*Market Risk*", "*Political and/or Regulatory Risks*", "*Illiquid or Restricted Securities Risk*" and "*Emerging Markets Risk*."

## SUBSCRIPTIONS, REDEMPTIONS, TRANSFERS AND CONVERSIONS

**Classes of Shares**

The Sub-Fund will offer the Share Classes provided for at Schedule 1.

The Class A, Class C, Class D and Class E Shares will be available for subscription by the public. The Class B Shares will be available to those members of the public which qualify as Knowledgeable Investors.

**Initial Offer Period**

The initial offer period for each Class marked as 'Open' within Schedule 1 will be open until 5:00 p.m. (Irish time) on 20 May 2025 or such other dates as determined by the Directors in accordance with the requirements of the Central Bank. The initial offer period in respect of all other Classes has now closed and shares in respect of each Class marked as 'Closed' within Schedule 1 will be offered at the prevailing Net Asset Value of that Class on the relevant Subscription Date.

**Initial Offer Price**

The initial offer price for each Class is set out at Schedule 1.

All subsequent subscriptions following the initial offer period in respect of each Class shall be at the prevailing Net Asset Value of that Class on the relevant Subscription Date.

**Minimum Subscriptions**

In the case of an applicant's first subscription into the Sub-Fund, an applicant must subscribe for at least the relevant Minimum Initial Subscription (although the Directors may in their absolute discretion permit an initial subscription of less than the Minimum Initial Subscription). In the case of any further subscriptions, Shareholders must subscribe for at least the Minimum Subsequent Subscription amount.

**Subscriptions Following the Initial Offer Period**

As set out in the Prospectus, in order to subscribe for Shares, an applicant must first open an account with the Administrator and in order to do so, an applicant must complete the initial subscription application form (available from the Administrator or the Manager) and send it promptly by post, SWIFT, delivery or fax (with the original signed form and supporting documentation in relation to anti-money laundering checks to follow immediately) to the Administrator. An applicant's initial subscription will be effected on the next Subscription Date falling after the investor's account with the Administrator has been opened. For top-up or subsequent subscriptions, each Shareholder will be required to complete an additional subscription form (available from the Administrator or the Manager) and send it promptly by post, SWIFT, delivery or fax (with the original signed form and supporting documentation in relation to anti-money laundering checks to follow immediately, if required) to the Administrator to be received no later than the Subscription Dealing Deadline. Subscription monies must be received by the Administrator, for the account of the Sub-Fund, by no later than the Business Day three Business Days following the relevant Subscription Date on which Shares are to be issued.

The procedure for subscribing for Shares is set out in the Prospectus.

**Redemptions**

The procedure for redeeming Shares is set out in the Prospectus.

Redemption requests must be received by the Administrator no later than the Redemption Dealing Deadline. Redemption requests for amounts less than the Minimum Redemption may be refused. A request for a partial redemption of Shares will be refused, or the holding may be redeemed in its entirety, if, as a result of such partial redemption, the aggregate Net Asset Value of the Shares maintained by the Shareholder would be less than the Minimum Holding. Settlement for redemptions will normally be made by telegraphic transfer or other form of bank transfer to the bank account of the Shareholder specified in the application form (at the Shareholder's risk) within three Business Days of the Redemption Date, provided the Administrator has received the correct redemption documentation, including all relevant anti-money laundering documentation.

**Deferral of Redemptions**

The procedure for and the requirements in relation to the deferral of redemptions are set out in the Prospectus.

**Compulsory Redemptions**

The Directors shall compulsorily redeem all Shares held by a Shareholder if that investor falls within one of the categories of Restricted Person as set out in the Prospectus.

**Transfers**

The procedure for transferring Shares is set out in the Prospectus.

**Conversions and Switches**

The procedure for converting or switching Shares is set out in the Prospectus.

**Valuation**

For the purpose of section 5(a) of the "*Valuation*" section of the Prospectus, the dealing price option that will be used in the context of valuing listed securities quoted or dealt in on a Recognised Market in which the Sub-Fund has invested is the closing bid price on the Recognised Market on which these securities are traded or admitted for trading.

**Anti-Dilution Levy**

The Sub-Fund may suffer a reduction in value as a result of the costs incurred in dealing in its underlying investments and of any spread between the buying and selling prices of such investments. This is known as "dilution". To prevent this and to protect the interests of all Shareholders including prospective investors an anti-dilution levy may be charged, which will be for the benefit of the Sub-Fund.

In calculating the subscription price for Shares, the ICAV may, on any Subscription Date where there are net subscriptions, apply an anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of the Sub-Fund. Furthermore, in calculating the redemption price for Shares, the ICAV may, on any Redemption Date where there are net redemptions, deduct an anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of the Sub-Fund. Such anti-dilution levy will amount to a maximum value of 2% of the subscription or redemption amount, as applicable.

## FEES, COSTS AND EXPENSES

Further information on all fees and expenses payable out of the assets of the Sub-Fund are as set out in the "*Fees, Costs and Expenses*" section in the Prospectus.

**Management Fee**

Details in relation to the Management Fee payable out of the assets of the Sub-Fund are set out in the Prospectus.

**Investment Management Fee**

Details in relation to the Investment Management Fee payable out of the assets of the Sub-Fund are set out in the Prospectus and in Schedule 1 to this Supplement.

**Administration Fee**

Details in relation to the Administration Fee payable out of the assets of the Sub-Fund are set out in the Prospectus.

**Depositary Fee**

Details in relation to the Depositary Fee payable out of the assets of the Sub-Fund are set out in the Prospectus.

**Subscription Fee**

No subscription fee will be charged to Shareholders upon any subscription for Shares.

**Redemption Fee**

No redemption fee will be charged to Shareholders when Shares of the Sub-Fund are redeemed.

**Establishment Expenses**

The aggregate estimated fees and expenses incurred in connection with the establishment of the ICAV and this Sub-Fund are as set out in the "*Establishment Expenses*" section in the Prospectus. The Sub-Fund may, at the absolute discretion of the Directors, be allocated such portion of such establishment expenses as the Directors consider fair in the circumstances. Such expenses will be amortised in accordance with the terms of the Prospectus.

**SCHEDULE 1 – Share Classes**

| Share Class Name | Currency Denomination | Currency Hedged or Unhedged | Initial Offer Period | Initial Offer Price | Minimum Initial Subscription | Investment Management Fee | Minimum Subsequent Subscription | Minimum Holding | Minimum Redemption |
|---|---|---|---|---|---|---|---|---|---|
| Class A | USD | Unhedged | Closed | USD 1.00 | USD 10,000 | 0.9% | USD 1,000 | USD 10,000 | USD 1,000 |
| Class B | AUD | Unhedged | Closed | AUD 1.00 | AUD 10,000 | N/A | AUD 1,000 | AUD 10,000 | AUD 1,000 |
| Class C | EUR | Unhedged | Open | EUR 1.00 | EUR 10,000 | 0.9% | EUR 1,000 | EUR 10,000 | EUR 1,000 |
| Class D | GBP | Unhedged | Open | GBP 1.00 | GBP 10,000 | 0.9% | GBP 1,000 | GBP 10,000 | GBP 1,000 |
| Class E | CHF | Unhedged | Open | CHF 1.00 | CHF 10,000 | 0.9% | CHF 1,000 | CHF 10,000 | CHF 1,000 |

*ANNEX*

**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**

**Product name:** ECP Global Growth Fund (the "**Fund**") **Legal entity identifier: 9845007Z0401AD671F80**

**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.

# 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:** ___% <br> ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy <br> ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☐ 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 <br> ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <br> ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <br> ☐ with a social objective |
| ☐ It will make a minimum of **sustainable investments 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 Fund promotes both environmental and social characteristics.

By precluding investment in certain sectors (including thermal coal, petroleum, logging, palm oil and pesticides) and with the Fund's investment process favouring investment in capital-light sectors (such as 'software as a service' and data analytics) that typically have less environmental impact as compared to heavy industry, the Fund promotes a reduction in greenhouse gas emissions.

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

The Investment Manager also excludes from investment those companies it does not deem to be socially responsible (such as those involved the in gambling, tobacco, adult entertainment sectors or in the manufacturing and/or selling of controversial weapons) and in doing so the Fund seeks to foster the promotion of social responsibility and public health initiatives whilst also seeking to promote a reduction in the use of and exposure to controversial weapons.

The Fund also promotes the development of international human rights and labour standards by excluding from investment those companies that violate global environmental and social norms as evidenced through their infringement of the UNGC principles or OECD Guidelines for Multinational Enterprises.

Finally, the Fund also promotes the development of peaceful societies on a global basis by excluding from investment companies that are based in countries that have been rated by the Institute for Economics & Peace ("**IEP**") through the Positive Peace Index ("**PPI**") as being anything below a very high rating ("**Very High**").

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

The Fund uses the following sustainability indicators to measure the attainment of each of the above-mentioned characteristics:

| SUSTAINABILITY INDICATOR | |
|---|---|
| Greenhouse Gas Emissions (GHG) | % of the portfolio that is directly exposed to companies in the petroleum sector; |
| | % of the portfolio that is directly exposed to companies in the thermal coal sector; |
| | % of the portfolio that is directly exposed to companies in the thermal logging sector; |
| | % of the portfolio that is directly exposed to companies in the palm oil sector; |
| | % of the portfolio that is directly exposed to companies in the pesticides sector; |
| | Total Carbon Emission and Carbon Risk Trend as determined by a third-party investment research, analytics and consulting firm; |
| Social Matters | % of the portfolio that is directly exposed to companies in the gambling sector; |
| | % of the portfolio that is directly exposed to companies in the tobacco sector; |
| | % of the portfolio that is directly exposed to companies in the adult entertainment sector; |
| | % of the portfolio that is directly exposed to companies invovled in the manufacturing of controversial weapons |

| | |
|---|---|
| | (anti-personnel mines, cluster munitions, chemical weapons and biological weapons); |
| | % of investee companies which have been found to violate the UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises; |
| Peaceful Societies | Number of investee companies operating within low Positive Peace Countries, as determined by the Investment Manager. |

As further outlined below, the Fund will exclude investments in companies which derive any revenue from thermal coal, petroleum, logging, palm oil, pesticides, gambling, adult entertainment, tobacco, or controversial weapons and will not invest in companies based in countries that have received a rating of lower than 'Very High' on the IEP's Positive Peace Index unless the jurisdiction in question has received a rating of 'High' and the Investment Manager expects this to be upgraded to 'Very High' over the investment period.

***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?***

Not applicable as the Fund does not commit to making sustainable investments.

***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?***

Not applicable as the Fund does not commit to making sustainable investments nor does it have a sustainability objective.

*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:*

The Fund does not commit to making sustainable investments.

*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.*

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

**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.

**Yes,** ☐

**No** ☒

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

The Fund's investment strategy is to invest in equities of companies that the Investment Manager believes are sustainable in nature and that responsibly grow their economic footprint. The Investment Manager's proprietary, integrated framework ('Pillars of a Quality Franchise') places a material emphasis on sustainability and stewardship of companies. The result of this process means that the Investment Manager identifies sustainable companies which it defines as 'Quality Franchises'. To be included within the Fund's portfolio, target companies are required to exhibit specific characteristics, both qualitative and quantitative. Companies that do not exhibit those characteristics will not be classified as a Quality Franchise by the Investment Manager.

Quality Franchises exhibit the following qualitative characteristics:

- a sustainable business with a growth profile and defensible market position;
- managed by a team who have been able to execute on their stated strategic objectives over time; and
- the business has maintained a strong financial position.

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

Such companies also generally exhibit the following accounting-based measures:

- they are highly profitable, and exhibit sustained high returns on equity and invested capital;
- consistently grow revenues above system growth; and
- are not leveraged - they do not hold large amounts of debt on their balance sheet.

The Investment Manager's investment philosophy is built on the belief that the economics of a business drives long-term investment returns. As part of its investment strategy, the Investment Manager believes that investing in high quality growing businesses that can generate predictable, above average economic returns will produce superior investment performance over the long-term and this sees the Fund invest in high-Quality Franchises operating within high Positive Peace countries.

The Investment Manager's processes are designed to construct portfolios from only the highest quality franchises, excluding those companies who do not have a sustainable competitive advantage or are unable to generate above average economic returns. Adherence to this philosophy supports the Investment Manager's ability to consistently price and source the correct investments, to understand what value the Investment Manager can add to target companies where desirable, and crucially, the Investment Manager's ability to generate outsized returns.

In following the investment strategy, the Fund promotes investments in companies that demonstrate a low risk of macro-environmental factors affecting future operating performance whilst demonstrating strong ESG practices and holding a capacity to mitigate potential ESG issues. Furthermore, the Fund will target investee companies that hold dynamic capabilities to sustainably renew their competitive advantage through time.

Sustainability is one of the six pillars in the Quality Franchise framework further described in the section of the Supplement headed "Investment Process" and has been developed by the Investment Manager to better mitigate the portfolio against ESG and sustainability risks. The investment strategy places a material emphasis on an investee company's sustainability, management, and firm competitiveness which leads to superior sustainability and stewardship of companies (i.e. those that meet the Investment Manager's definition of a Quality Franchise'.

Quality Franchises generally demonstrate industry-leading environmental and/or social practices and are usually carbon-light business models with capable, experienced, and trustworthy leadership. Specifically, the investment strategy precludes certain sectors from investment due to their unsustainable nature (including: thermal coal, petroleum, logging, palm oil, pesticides, gambling, adult entertainment, tobacco and controversial weapons). Moreover, the product excludes investments based in countries that have been rated by the Institute for Economics & Peace ("**IEP**") through the Positive Peace Index ("**PPI**") as being anything below a very high rating ("**Very High**").

The Investment Manager believes that by investing in countries with such a rating of 'Very High', the capital investment is made in sustainable investments in regions that have economic structures that drive peaceful and more inclusive societies.

The Investment Manager has also developed a proprietary ESG Policy and adheres to this in its management of the Fund's portfolio. As such, ESG and sustainability are core considerations when the Investment Manager makes investment decisions for the Fund and these considerations are made at both the issuer level and the country level. The Fund will be precluded from investing in those companies or sectors that are identified for exclusion within the Investment Manager's ESG Policy (as outlined below in response to the next question) and as the Investment Manager deems appropriate from time to time.

Additionally, the Investment Manager will engage with investee companies on sustainability matters deemed relevant or material by the Investment Manager and will vote in accordance with its investment process and voting policy.

### *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?*

In terms of exclusions, the Investment Manager's investment process aims to remove unsustainable businesses, and the outcome of this means the strategy avoids companies that are large carbon-emitters, have poor ESG standards, harm the environment, or have failed to manage or plan for ESG risks. The scope for excluding companies (and their subsidiaries and investments) is based on their direct involvement in the production, manufacture, service, and delivery of their products within the sectors or areas of concern listed below.

It is in this context that the following exclusions will apply to all investments held by the Fund:

- the Fund will not invest in any companies which derive any revenue from thermal coal, petroleum, logging, palm oil, pesticides, gambling, adult entertainment, tobacco, or controversial weapons; and
- the Fund will not invest in companies based in countries that have received a rating of lower than 'Very High' on the IEP's Positive Peace Index unless the jurisdiction in question has received a rating of 'High' and the Investment Manager expects this to be upgraded to 'Very High' over the investment period.

In the event that a company within the Fund's portfolio is subsequently found to derive revenue from an excluded sectors, or is located in a jurisdiction that is no longer rated as 'Very High' on the IEP's Positive Peace Index, then the Fund will divest itself of the company in question.

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

The product does not commit to a minimum rate of reduction of the investments considered prior to the application of the investment strategy.

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

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

It is the Investment Manager's belief that businesses that demonstrate inadequate corporate governance will deliver poor investment outcomes. Ensuring operations are fair, respectful, and honest, should be a priority and will permeate through the whole organisation. For any company, having strong corporate governance is a prerequisite to deliver on strategic plans and business outcomes.

As part of the assessment of good governance practices of investee companies, the Investment Manager undertakes a qualitative assessment of the investee firm's governance practices. This analysis is conducted by the Investment Manager as part of their initial and ongoing due diligence on investee companies which includes direct engagement and interviews with key executives to make determination around relevant governance practices, including:

- Foundations for management and oversight;
- Structure of the board to be effective and add value;
- Culture of acting lawfully, respectfully, and responsibly;
- Timely and balanced disclosures;
- Respect for all stakeholders with adequate stakeholder interaction;

- Effective internal controls and risk management frameworks;
- Fair and responsible remuneration;
- Alignment of interest and appropriate incentives to deliver the strategy;
- Board structure, size, diversity of thought, skills and independence; and
- Executive capability and skill set.

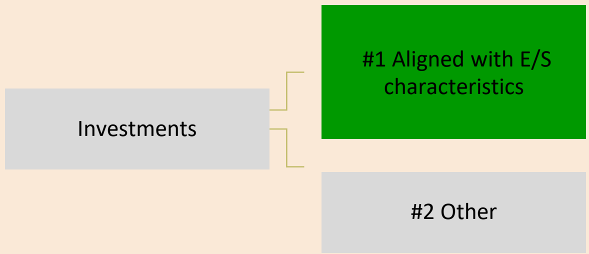
If the Investment Manager determines that the investee company exhibits inadequate corporate governance then the Investment Manager will engage with management of the company in order to correct the practices. Where this intervention fails to address the issues identified, the Fund will divest itself of the position.

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

The Fund invests at least 80% of its net assets in investments that are aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics).

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

Up to 20% of the investments are not aligned with these characteristics (#2 Other).




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.
**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

**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.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**
Not applicable.

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

Not applicable.

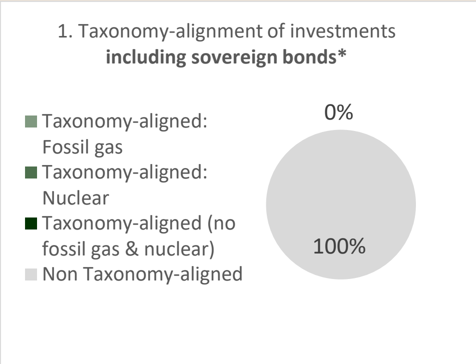
**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?**

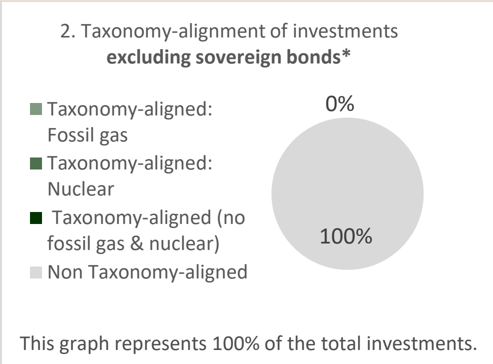
Yes:

In fossil gas    In nuclear energy

X 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***

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

Not applicable.

**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.

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

Not applicable.

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

The Fund does not commit to making sustainable investments.

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

The investments categorised under the “#2 Other” will be used for cash management and efficient portfolio management purposes and will consist of cash and cash equivalents.

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

**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?**

Not applicable. A reference benchmark has not been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Fund.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

**Where can I find more product specific information online?**
More information on the Investment Manager is available www.ecpam.com.

More information on the Fund is available at https://ecpam.com/sustainability/ .