

## **Supplement**

**dated 20 May 2025**

**to the Prospectus for Osmosis ICAV**

### **OSMOSIS EMERGING MARKETS CORE EQUITY TRANSITION FUND**

This Supplement contains information relating specifically to the Osmosis Emerging Markets Core Equity Transition Fund (the “**Fund**”), a sub-fund of Osmosis ICAV (the “**ICAV**”), an open-ended umbrella type Irish collective asset-management vehicle with limited liability and with segregated liability between sub-funds authorised by the Central Bank of Ireland on 7 April 2017 as a UCITS pursuant to the UCITS Regulations.

**This Supplement forms part of and should be read in conjunction with the Prospectus including the general description of**

- **the ICAV and its management and administration**
- **its investment and borrowing powers and restrictions**
- **its general management and fund charges and**
- **its risk factors**

**which are contained in the Prospectus for the ICAV dated 18 June 2020 and any addenda issued thereto in accordance with the requirements of the UCITS Regulations (the “Prospectus”) and is available from the ICAV at 35 Merrion Square, Dublin 2, Ireland. To the extent that there is any inconsistency between the Prospectus and this Supplement, the Supplement shall prevail.**

The Directors of the ICAV accept responsibility for the information contained in the Prospectus and 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) 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.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Investors should read and consider the section entitled “Risk Factors” in the Prospectus and this Supplement before investing in the Fund.**

**The Fund promotes environmental characteristics and as such is a financial product referred to in Article 8 of Regulation (EU) 2019/2088. Information about the environmental characteristics that the Fund promotes is available in Annex I hereto.**

#### **1. Interpretation**

The expressions below shall have the following meanings:

**“Benchmark”** means the MSCI Emerging Markets Index or such other appropriate benchmark as may be disclosed to investors in the Fund’s periodic reports.

**“Business Day”** means any day (except Saturday or Sunday) on which banks in Ireland and England are generally open for business or such other day or days as may be determined by the Manager and notified in advance to Shareholders.

<b>“Dealing Day”</b>	means each Valuation Day unless otherwise determined by the Manager and notified to Shareholders in advance, provided that there shall be at least two Dealing Days in each calendar month occurring at regular intervals. See also the section entitled <b>“Suspension of Valuation of Assets”</b> in the Prospectus.
<b>“Dealing Deadline”</b>	means for each Dealing Day <ul style="list-style-type: none"> <li>(i) in relation to subscription requests, 10.00am (Irish time) on the Business Day immediately prior to the Dealing Day; and</li> <li>(ii) in relation to redemption requests, 10.00am (Irish time) on the Business Day immediately prior to the Dealing Day; or</li> <li>(iii) such other time as 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>“Emerging Markets” or “EM”</b>	means “emerging market” countries (i.e. countries that are developing their economies to become more advanced) that are represented in the Benchmark which at the date of this Supplement are: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, South Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.
<b>“GHG Equivalent Emissions”</b>	means a number which represents all Greenhouse gases (Methane, Carbon dioxide, CFC-12, HCFC-22, Tetrafluoromethane, Hexafluoromethane, Sulphur Hexafluoride, Nitrogen trifluoride) in metric tonnes as the equivalent tonnes of CO <sub>2</sub> . This is based on their global warming potential (GWP). The GWP of a gas is the global warming caused over a 100-year period by the emission of one ton of the gas relative to the warming caused over the same period by the emission of one ton of CO <sub>2</sub> . The GHG Equivalent Emissions is prepared and generated by the Investment Manager or by unrelated third parties acting on behalf of the Investment Manager.
<b>“MSCI Emerging Markets Index”</b>	means the MSCI Emerging Markets Index, which is a stock market index maintained by MSCI Inc. comprising approximately 1,278 Emerging Markets stocks representing approximately 85% of the free float-adjusted market capitalization in each of the Emerging Markets. This index represents large and mid-cap equity performance across global Emerging Markets.

**“Osmosis Model of Resource Efficiency” or “MoRE Model”**

means a proprietary model developed by the research team at the Investment Manager. It is a model which calculates and compares companies based on their Resource Efficiency Factor Score.

**“Redemption Settlement Cut-Off”**

means three Business Days after the relevant Dealing Day.

**“Resource Efficiency Factor Score”**

the Resource Efficiency Factor Score is calculated by the MoRE Model. This is a company specific score which is defined as the weighted sum of a company’s fossil-fuel based energy per unit of revenue, purchased water per unit of revenue and the amount of landfill, incinerated and recycled waste per unit of revenue. The Resource Efficiency Factor Scores are re-calculated in respect of each company upon publication of its annual financial statements (including its environmental report) and the portfolio will be adjusted quarterly to reflect these changes.

**“Selection Pool”**

means the universe of the top 3,000 Emerging Markets public companies (weighted by market capital) at any time which publicly disclose information on the three core metrics of energy, water and waste.

**“Subscription Settlement Cut-off”**

means three Business Days after the relevant Dealing Day.

**“Sustainability Factors”**

means environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

**“Sustainability Risk”**

means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

**“Sustainable Finance Disclosures Regulation” or “SFDR”**

means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

**“Taxonomy Regulation”**

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

**“Valuation Day”**

means each Business Day and/or such other day or days as may be determined by the Directors and notified to Shareholder in advance.

**“Valuation Point”**

means close of business in the relevant market on each Dealing Day, being the time at which the last traded price on relevant stock exchanges or markets are used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion

determine and notify to Shareholders in advance); provided always 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.

## **2. Base Currency**

The Base Currency shall be USD.

## **3. Information on Share Classes**

The Fund offers the following Classes of Shares:

<b>Class of Shares</b>	<b>Currency</b>
Class A*	USD
Class A*	EUR
Class A*	GBP
Class B	USD
Class B	EUR
Class B (Hedged)	GBP
Class C	USD
Class C	EUR
Class C	GBP

*\*The Directors shall close the Class A Shares to further subscriptions on the earlier of (i) the close of the Initial Offer Period or such later date as may be determined in the discretion of the Directors or (ii) on the date upon which the Fund has accepted aggregate subscriptions of USD \$200,000,000 in the Class A Shares. The USD \$200,000,000 or currency equivalent limit may be increased at the discretion of the Directors.*

Shares shall be issued to investors as Shares of a Class in this Fund. The Directors may from time to time, create more than one Class of Shares in this Fund in accordance with the requirements of the Central Bank. The Directors may in their absolute discretion differentiate between Classes of Shares, without limitation, as to currency of denomination of a particular Class, dividend policy, hedging strategies if any applied to the designated currency of a particular Class, return of capital, fees and expenses or the Minimum Initial Subscription, Minimum Holding or Minimum Transaction Size applicable.

The Directors or the Manager may in their absolute discretion decide to close any Class and to refuse entry to any specific Class (in which case an investor will be offered access to another Class subject to such Class's prevailing terms and conditions).

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

An investor in the Fund is expected to be an informed investor seeking capital appreciation through broad based emerging markets equity exposure, that is willing to accept a medium degree of volatility and a medium to long term investment horizon.

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

The investment objective of the Fund is to provide investors with capital appreciation over the medium to long term and to outperform the Benchmark.

The Fund will aim to achieve its objective through active exposures to equity securities of resource efficient public companies listed or traded in, or with substantial operations in, Emerging Markets. Resource efficient public companies are those companies which use less fossil-fuel based energy per unit of revenue than their sector peers, use less water per unit of revenue than their sector peers and create less landfill, incinerated and recycled waste per unit of revenue than their sector peers (as determined by the MoRE Model).

The Fund will typically invest, subject to the investment restrictions set out in Appendix I to the Prospectus, between 90% and 100% of its NAV in company shares and will hold a broad spread of equity investments from a broad range of economic sectors in Emerging Markets.

In relation to investment in equity securities, typically at least 90% of the Net Asset Value of the Fund will be listed or traded on a Recognised Exchange, as set out in Appendix II to the Prospectus.

The Fund may, however, temporarily and on an exceptional basis during its initial ramp-up period invest up to 20% of its NAV in UCITS including UCITS exchange traded funds (“**ETF**”) providing indirect exposure to Indian equity securities pending the completion of initial operational set-up items in respect of the Fund including account opening which will enable the Fund to invest directly in Indian equities. Following the completion of these initial operational set-up items during the initial ramp-up period of the Fund, this Supplement will be updated to reflect that Indian equity exposure will be obtained directly by the Fund. The Fund expects to obtain direct exposure to Indian equities as a foreign portfolio investor (FPI). Due to the limited availability of ESG and sustainability data in respect of the underlying issuers of the Indian equities in which such UCITS including UCITS ETFs invest, the Fund’s indirect investment in Indian equities during this temporary initial ramp-up period will not be subject to the MoRE Model.

The Fund may also invest up to 10% of its NAV in cash equivalents (such as money market funds (notably collective investment schemes) and money market instruments, including, but not limited to, certificates of deposit, fixed or floating rate notes and fixed or variable rate commercial paper (which are considered investment grade or above as rated by the principal rating agencies)) issued by governments and/or corporations and in cash deposits denominated in such currency or currencies as the Investment Manager may determine.

For cash management purposes, the Fund may invest up to 10% of its NAV in aggregate in collective investment schemes, including ETF. For the avoidance of doubt, open-ended ETF (both UCITS and alternative investment funds) are considered collective investment schemes for the purposes of this restriction. Collective investment schemes must meet the criteria set out in the Central Bank’s Guidance on “UCITS Acceptable investments in other Investment Funds”. The Fund will not invest in other sub-funds of the ICAV.

The Fund’s investment universe comprises the world’s largest public companies listed or traded in, or with substantial operations in, Emerging Markets and the Resource Efficiency Factor

Score is generated through the MoRE Model which calculates scores on a systematic basis using a proprietary resource efficiency valuation metric derived from observed amounts of energy consumed, water use, and waste created relative to revenue generated for each company in the global large cap Emerging Markets universe. The Resource Efficiency Factor Score is entered into an optimization program as an “alpha score” and third party risk models are used as the risk function. The optimizer is programmed to maximize the Resource Efficiency Factor score whilst controlling to the constraints set within the third party risk models (an optimiser in this context is a financial tool used by the Investment Manager to generate investment portfolios subject to multiple risk constraints such as turnover and industry and country exposure). The third party risk models used are multi-factor risk models and are used to generate a portfolio with a similar risk profile to that of the Benchmark. Typical examples of the common factors controlled for are industry, country and style (growth, value, momentum, etc.). Such risk models do not provide discretionary investment management authority to third parties in respect of the assets of the Fund.

The MoRE Model will analyse the disclosing universe of public companies in the Selection Pool (i.e. those constituents of the Selection Pool that disclose sufficiently on their energy consumption, waste creation and water consumption, in the public domain through their annual reports and sustainability reports; this data is checked for completeness and accuracy and then entered into the Model of Resource Efficiency database making it part of the disclosing universe of stocks). This data is checked by the specialist research team at the Investment Manager for completeness and accuracy and then entered into the Model of Resource Efficiency database making it part of the disclosing universe of stocks. The specialist research team at the Investment Manager assesses, corrects, normalises and collates resource efficiency data from large corporates as its core function. Data runs through a statistical check on both absolute quantities and intensities. Significant data variations and anomalies with respect to previous years are automatically selected for manual analysis: annual and semi-annual sustainability reports are then researched to validate or correct the original source information.

Only companies which disclose on GHG Equivalent Emissions, water consumption and waste generation will be scored. These factors are combined and calculated into a Resource Efficiency Factor Score, i.e. for each stock within the universe of companies disclosing environmental and resource efficiency data a unique multi-factor score is calculated. The multi-factor score is generated by combining the individual factors of greenhouse gas emissions, water use, and waste generated which are used to quantify a company's resource efficiency. The Fund's investment portfolio is deliberately biased towards companies with higher scores thereby increasing the portfolio weights towards greater resource efficiency.

The Resource Efficiency Factor Scores are analysed within their sector and re-calculated in respect of each company upon publication of its annual financials (including its environmental report). When new data is released for a company, then the Resource Efficiency Factor Score will change for that company. A company that either does not disclose or does not disclose sufficiently on the three resource consumption factors (energy, water and waste) receives a zero factor score. The Fund's portfolio is rebalanced quarterly to take into account both the Resource Efficiency Factor Score and ex-ante active risk constraint (which is a forward looking, forecasted active risk sensitivity which shows the potential divergence of a portfolio from its stated Benchmark).

The Investment Manager applies the exclusions referred to in Article 12(1)(a) to (c) of Commission Delegated Regulation (EU) 2020/1818 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks (the “**Climate Transition Benchmark Exclusions**”). In addition, the Investment Manager applies wider principles-based exclusions on companies where the

Investment Manager in its discretion determines, based on information provided by a third party data provider as outlined above, the company to have a material involvement in any of the below activities:

- Environmental, Social and Governance ("ESG") controversies;
- Controversial weapons;
- Nuclear weapons;
- Civilian firearms; and
- Tobacco.

The Investment Manager has established an ESG Advisory Council who are responsible for keeping ESG criteria under review to assess the applicability and/or relevance of exclusions in the context of the developing economy and how companies are approaching their transition towards zero carbon production. The ESG Advisory Council will include employees of the Investment Manager as well as external parties who have expertise in and working knowledge of Environmental, Social and Governance principles. Appointments will be made by invite only and the ESG Advisory Council will be run and controlled by the Investment Manager. The ESG Advisory Council will not have any power to dictate the decisions of the Investment Manager, who will at all times retain full discretion over the assets of the Fund, however the Investment Manager will review the opinions, as expressed by the Council.

Investments are selected using the Investment Manager's proprietary resource efficiency metrics, upon which the MoRE Model is based. In addition the Investment Manager applies a discretionary exclusionary policy for the Fund that accords with the Fund's investment philosophy; these exclusions and the Investment Manager's policies underpinning them will evolve as the wider ESG landscape evolves. In the event that any material changes to the above exclusions are proposed then, subject to the approval of the Central Bank, this Supplement will be updated appropriately. The ESG Advisory Council provides external views to assist in the development of the Investment Manager's ESG policies.

This Fund is actively managed in reference to the Benchmark by virtue of the fact that the investment objective of the Fund is to outperform the Benchmark. The Investment Manager has discretion to invest in securities not included in the Benchmark at any time in order to take advantage of investment opportunities. Whilst the investment strategy will restrict the extent to which the Fund's holdings may deviate from the Benchmark, deviation may still be material.

## **6. Financial Derivative Instruments**

The Fund may also use derivatives for investment and efficient portfolio management purposes including for hedging purposes. The techniques and instruments which may be used by the Fund are exchange traded futures and currency forwards.

The Fund may sell futures on equities or currencies to manage risks by "locking in" gains and/or protecting against future declines in value of the Fund's investments. Futures are contracts in standardised form between two parties entered into on an exchange, whereby one party agrees to sell to the other party an asset at a price fixed at the date of the contract, but with delivery and payment to be made at a point in the future. The Fund may buy futures on equities or currencies to take a position in securities to achieve the investment objective of the Fund where the Investment Manager believes that these securities are undervalued and will enhance the

Fund returns or where the Investment Manager seeks to ensure that its cash receivables are invested in the markets to avoid a cash drag on the returns of the Fund.

The Fund may utilise forward foreign exchange contracts to manage the Fund's exposure to currency fluctuations and/ or hedge currency risk. In particular, currency forwards may be used to implement share class currency hedging arrangements pursuant to the section entitled **"Share Class Hedging"** of this Supplement. A forward foreign exchange contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Forward foreign exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered and are not traded on exchanges. Rather, they are individually negotiated transactions. Forward foreign exchange contracts are effected through a trading system known as the interbank market. It is not a market with a specific location but rather a network of participants electronically linked. There is no central clearing system for forward foreign exchange contracts entered into on this market and accordingly, if the Fund wishes to 'close out' any such contract before the specified date, it will be reliant upon agreement to enter into an appropriate 'offsetting' transaction. There is no limitation as to daily price movements on this market and counterparties will not be required to make or continue to make a market in any forward foreign exchange contracts. Further, effecting forward foreign exchange contracts may involve somewhat less protection against defaults than trading on exchanges, as neither the interbank market nor transactions in forward foreign exchange contracts effected on it are regulated by any regulatory authority, nor are they guaranteed by an exchange or its clearing house.

The Fund's global exposure (as prescribed in the Central Bank UCITS Regulations) relating to financial derivative instruments shall not exceed 100% of the Net Asset Value of the Fund and will be measured using the commitment approach.

The use of derivatives entails certain risks to the Fund including those set out under "Risk Factors" in the Prospectus sub-paragraphs *"Derivatives and Techniques and Instruments Risk"*, *"Substantial Risks are Involved in Trading Financial Derivative Instruments"* and *"OTC Markets Risk and Derivatives Counterparty Risk"*.

## **7. Risk Management Process**

The Manager employs a risk management process which enables it to accurately measure, monitor and manage the various risks associated with financial derivative instruments. Details of the derivatives which may be used are set out in the derivatives risk management process filed with the Central Bank. The Manager or its delegate will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments of the Fund. Any types of derivative not included in the risk management process will not be used until such time as a revised submission has been provided to the Central Bank. Any exposure created by the use of derivatives will not exceed the Net Asset Value of the Fund.

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

### Leverage

The Fund will not be leveraged in excess of 100% of NAV through the use of FDI.

### Investment and Borrowing Restrictions



The investment and borrowing restrictions for the Fund are set out in Appendix I to the Prospectus.

Borrowing will not be utilised for the purposes of gearing. Borrowings on behalf of the Fund may only be made on a temporary basis and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of the Fund. The Fund may borrow to meet redemption requests. The remaining borrowing restrictions for the Fund are set out in the main body of the Prospectus.

## 9. Offer

### Initial Offer Period

The Initial Offer Period for each Class of Shares opens at 9 a.m. on 21 March 2025 and will close at 5 p.m. on 19 September 2025 at the initial issue price of US\$ 10.00, GBP£ 10.00, and EUR 10.00 (the “**Initial Price**”) respectively, and subject to acceptance of applications for Shares by the ICAV, will be issued for the first time on the first Dealing Day after expiry of the Initial Offer Period.

The Initial Offer Period may be extended or shortened by the Directors at their discretion and in accordance with the requirements of the Central Bank.

### Subsequent Offer

After closing of the Initial Offer Period for a Class, all further Shares of the Class will be issued at their Net Asset Value per Share.

After closing of the Initial Offer Period Shares in the Fund will be issued at the Net Asset Value per Share (plus any applicable duties or charges). Please see the section entitled “**Application for Shares**” for more information regarding the cost of shares.

### Minimum Initial Subscription, Minimum Holding and Minimum Transaction Size

The Directors are entitled to impose Minimum Initial Subscription, Minimum Holding and Minimum Transaction Size requirements in respect of each Class of Shares. To date the Minimum Initial Subscription, Minimum Holding and Minimum Transaction Size requirements in respect of each Class of Shares is as follows:

<b>Class of Shares</b>	<b>Minimum Initial Subscription*^</b>	<b>Minimum Holding*^</b>	<b>Minimum Transaction Size*^+</b>
Class A	USD \$5 million	USD \$1 million	USD \$100,000
Class B	USD \$10 million	USD \$1 million	USD \$100,000
Class C	USD \$5 thousand	USD \$5 thousand	USD \$5 thousand

*\* or such lesser amount as the Directors may permit particularly in the context of fluctuations of the Net Asset Value of the Fund.*

*^ or the relevant currency equivalent.*

+ *applicable to additional subscriptions requests only. There is no Minimum Transaction Size requirement with respect to redemptions or conversion requests.*

The Directors and the Manager have the right in their discretion, with respect to any investor, to waive or reduce the Initial Subscription, Minimum Holding and Minimum Transaction Size requirements outlined in the table above (if any) at any time. The Directors and the Manager have delegated the right to the Investment Manager to waive the Initial Subscription, Minimum Holding and Minimum Transaction Size outlined in the table above (if any) at any time in its sole discretion, provided that Shareholders in the same Class shall be treated equally and fairly.

#### **10. Share Class Hedging**

Investors should note that for the Class B (Hedged) Shares, it is intended to hedge the currency risk between the Base Currency and the currency exposures within the portfolio against the currency in which Class B (Hedged) Shares are designated. Class B (Hedged) Shares are designed to provide investors in that Share Class with hedged currency exposure while enabling such investors to participate to the maximum extent possible in the same performance of the common pool of assets as other investors, even though their exposure to the Fund is obtained through a different currency from the Base Currency of the Fund. Any financial derivative instruments used to implement such hedging with respect to the Class B (Hedged) Shares shall be assets or liabilities of the Fund as a whole but the gains or losses on, and the costs of the relevant financial derivative instruments, will be attributable solely to the Class B (Hedged) Shares.

It is not intended to hedge the currency risk between the Base Currency or the currency exposures within the portfolio against the currencies in which each of Class A (USD) Shares, Class A (EUR) Shares, Class A (GBP) Shares, Class B (USD) Shares, Class B (EUR) Shares, Class C (USD) Shares, Class C (EUR) Shares, and Class C (GBP) Shares are designated.

#### **11. Applications for Shares**

Applications for Shares may be made through the Administrator through the process described in the Prospectus under the heading “**Application for Shares**”.

#### **12. Redemption of Shares**

Requests for redemption of Shares may be made through the Administrator through the process described in the Prospectus under the heading “**Redemption of Shares**”.

#### **13. Conversion of Shares**

Subject to the Initial Subscription and Minimum Holding 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**”.

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

The Fund shall bear its attributable portion of the fees and operating expenses of the ICAV. The fees and operating expenses of the ICAV are set out in detail under the heading “Fees and Expenses” in the Prospectus.

##### ***Establishment Expenses***

The Fund shall bear (i) its proportion of the fees and expenses attributable to the establishment and organisation of the ICAV as detailed in the section of the Prospectus headed “Establishment Expenses” for the remainder of the period over which such fees and expenses will continue to be amortised; and (ii) its attributable portion of the fees and operating expenses of the ICAV and (iii) the fees and expenses relating to the establishment of the Fund which estimated not to exceed €40,000 and will be borne by the Fund and will be amortised over a period of up to five (5) years from the date of the launch of the Fund or such other period as the Directors may determine and in such manner as the Directors in their absolute discretion deem fair.

### **Management Fee**

The Manager shall be entitled to receive out of the assets of the Fund (i) a monthly fee, exclusive of VAT (if applicable) of USD 5,000, which is accrued daily and payable monthly (the “**Fixed Component**”) plus (ii) an annual management fee as detailed in the table below, accrued and calculated at each Valuation Point (the “**Variable Component**”).

<b>Net Asset Value</b>	<b>Annual Management Fee Rate</b>
From USD 0 to USD 250 million*	0.020%
From and above USD 250 million	0.015%

The Manager is entitled to increase its annual fees up to a maximum of 0.30 percent of the Net Asset Value attributable to each Class. Shareholders will be notified in writing in advance of any proposed increase of such fees up to such maximum.

The Manager shall be further entitled to be repaid out of the assets of the Fund all of its reasonable and properly vouched out-of-pocket expenses, plus VAT, if any, thereon, incurred by it in respect of the Fund in the performance of its duties and responsibilities.

The Manager may rebate all or part of its Management Fees to any Shareholder, it being acknowledged that such rebate, if any, may differ between Shareholders and that the Manager will have ultimate discretion in this matter. A non-exhaustive list of criteria for the consideration of such rebates may be initial offer period subscriptions, size of investment and prior relationship with the Shareholder.

### **Investment Manager’s Fees**

The Investment Manager shall be entitled to receive out of the assets of the Fund the following annual fee, together with any VAT, if applicable, in respect to each Class. The fee payable to the Investment Manager will be calculated and accrued daily based on the daily Net Asset Value of the relevant Class and will be paid monthly in arrears.

<b>Class</b>	<b>Investment Management Fee</b>
Class A	0.30% of the Net Asset Value attributable to Class A Shares
Class B	0.40% of the Net Asset Value attributable to Class B Shares
Class C	0.50% of the Net Asset Value attributable to Class C Shares

The Investment Manager is entitled to increase its annual fees up to a maximum of 1 percent per annum of the Net Asset Value attributable to each Class. Shareholders will be notified in writing in advance of any proposed increase of such fees up to such maximum.

The Investment Manager may rebate all or part of its investment management fees to any Shareholder, it being acknowledged that such rebate, if any, may differ between Shareholders and that the Investment Manager will have ultimate discretion in this matter. A non-exhaustive list of criteria for the consideration of such rebates may be initial offer period subscriptions, size of investment and prior relationship with the Shareholder.

### **Administrator's Fees**

The Administrator shall be entitled to receive out of the assets of the Fund, an annual fee which (plus VAT, if any) as detailed in the table below, accrued and calculated at each Valuation Point and payable monthly in arrears.

<b>NAV of the Fund</b>	<b>Administration Fee per Annum</b>
From USD 0 to USD 250 million	0.045%
From USD 250 million to USD 500 million	0.03%
In excess of USD 500 million	0.02%

The Administrator shall also be compensated out of the assets of the Fund for other services, including inter alia transfer agency services, account maintenance, share currency hedging facilities, preparation of financial statements of the ICAV, 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 of all reasonable and vouched out-of-pocket expenses (plus any applicable taxes) it incurs out of the assets of the Fund.

### **Depositary Fees**

The Depositary shall be entitled to receive out of the assets of the Fund, an annual fee (plus VAT, if any) as detailed in the table below, accrued and calculated on each Valuation Point and payable monthly in arrears.

<b>NAV of the Fund</b>	<b>Depositary Fee per Annum</b>
From USD 0 to USD 250 million	0.015%
From and above USD 250 million	0.010%

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 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. Such custody fees shall accrue and be payable monthly in arrears.

### **Subscription Fee**

No Subscription Fee in respect of any Class will be imposed.

### **Redemption Fee**

No Redemption Fee in respect of any Class will be imposed.

### **Conversion Charge**

Shareholders may be subject to a conversion fee on the conversion of Shares in any Class of the Fund to Shares in another Fund or Class up to a maximum of 3% of the Subscription Price in the new Fund or Class. However, it is not currently intended that a conversion fee in respect of any Class will be imposed. Shareholders will be notified in advance, as appropriate, in the event that such conversion fees will be charged in the future.

### **Anti-Dilution Levy**

An Anti-Dilution Levy may be charged at the discretion of the Manager as outlined in the Prospectus in the section entitled “**Anti-Dilution Levy**”.

## **15. Distribution Policy**

It is not currently intended to distribute dividends to the Shareholders. The Fund currently aims to seek capital growth rather than a significant income return. In the event that the Directors determine to declare dividends, the Supplement will be updated accordingly and all Shareholders will be notified in advance.

## **16. Suspension of Dealing**

Shares may not be issued, redeemed or converted during any period when the calculation of the Net Asset Value of the Fund is suspended in the manner described in the Prospectus under the heading “**Suspension of 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.

## **17. Risk Factors**

The attention of investors is drawn to the “**Risk Factors**” section in the Section of the Prospectus entitled “**The ICAV**”.

## **18. Sustainable Finance Disclosures**

### *Integration of Sustainability Risks into investment decisions*

Sustainability Risks and opportunities are at the core of the Fund’s strategy. As stated above, the Investment Manager uses its MoRE Model to attribute Resource Efficiency Factor Scores to each company within the Fund’s investment universe. This allows the Investment Manager to select resource efficient public companies for investment. By gaining exposure to such resource efficient public companies, the Investment Manager seeks to reduce Sustainability Risks to the Fund.

The Investment Manager’s investment thesis is that companies that derive greater economic value relative to their natural resource consumption will be rewarded by the market over the long-term. It believes the Resource Efficiency Factor Scores allow it to identify target companies

who have best adapted their businesses to future Sustainability Risks and which will financially thrive relative to their same sector peers. The results of the assessment of the likely impact of Sustainability Risks on the returns of the Fund indicate that the impact on returns will be low.

**Information about the environmental characteristics that the Fund promotes is available in Annex I hereto.**

# Osmosis ICAV

## Osmosis Emerging Markets Core Equity Transition Fund (the “Fund”)

(a sub-fund of Osmosis ICAV (the “ICAV”), an open-ended umbrella type Irish collective asset-management vehicle with limited liability and with segregated liability between sub-funds authorised by the Central Bank of Ireland on 7 April 2017 as a UCITS pursuant to the UCITS Regulations

### ANNEX I TO THE SUPPLEMENT

This Annex I dated 20 May 2025 should be read in conjunction with, and forms part of, the Supplement for the Fund dated 20 May 2025. All capitalised terms herein contained shall have the same meaning in this Annex I as in the Supplement unless otherwise indicated.

The Directors of the ICAV accept responsibility for the information contained in the Prospectus and this Supplement and Annex I. 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.

**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.

**Product name:** Osmosis Emerging Markets Core Equity Transition Fund

**Legal entity identifier:** 635400AJRTSILVOAFP26

## 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

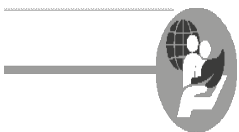
☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ 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**

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.



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

The Fund promotes the following environmental characteristics:

- Carbon emission reduction
- Water consumption reduction
- Waste creation reduction

No reference benchmark has been designated for the purpose of attaining the environmental characteristics promoted by the financial product.

The Fund does not promote any social characteristics.

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

The sustainability indicators used to measure the attainment of the environmental characteristics promoted by the Fund are as follows:

- Carbon (in tCO<sub>2</sub>e) / revenue (in million dollars) for carbon emission reduction;
- Water usage (in m<sup>3</sup>) / revenue (in million dollars) for water consumption reduction; and
- Waste generated (in metric tonne) / revenue (in million dollars) for waste generation reduction.

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

**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, anticorruption and antibribery matters.

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?

☒ Yes, the Investment Manager's evidence-based approach looks at objective and verifiable measures of sustainability, through the stripping out of subjective data such as environmental targets or policies, measuring sustainable action over intent. The Fund's principal adverse impacts (PAI) metrics are carbon emissions (in metric tonnes), water usage (in cubic metres) and waste generation (in metric tonnes). These correspond to the metrics used by the MoRE Model to score companies and choose which ones the Investment Manager chooses to invest in. This process depends on the MoRE Model to arrive at a Resource Efficiency Factor Score for each company.

☐ No



Information on the PAIs on sustainability factors will be available in the sustainability related disclosures annex to the annual reports of the Fund.

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

The Fund promotes the environmental characteristics outlined above by investing in portfolio companies that exhibit improved sustainability characteristics focused on reduction of carbon emissions, water consumption and waste creation which are selected by the Investment Manager through the application of the MoRE Model. The MoRE Model allows the Investment Manager to score and select portfolio companies which exhibit such sustainability characteristics.

Specifically, the Investment Manager utilises its MoRE Model to arrive at a Resource Efficiency Factor Score for each company. The Resource Efficiency Factor Score is used to select companies in order to build a portfolio of those companies which have improved sustainability characteristics focused on carbon emission, water consumption and waste creation and which target an excess performance derived from the tilts to such sustainability factors.

The Investment Manager, through its MoRE Model, maximises the Fund's sustainability exposure within the risk tolerance of investors, notwithstanding the broad nature of the Benchmark. In this way, the Fund seeks to achieve its sustainability objectives. The Investment Manager's portfolio construction and investment selection process is focused on selecting and taking overweight positions in resource efficient portfolio companies, and accordingly maximises the Fund's exposure to resource efficient public companies

In tandem, the Investment Manager also has ethical exclusions such that companies that are in breach of the UN Global Compact principles (the "**UNGC Principles**") are automatically excluded from any investment, in addition to companies in the tobacco sector. In the context of the UNGC Principles, the Investment Manager relies upon its own proprietary approach to the environmental principles. Whilst there is much debate with regards to the fossil fuel divestment vs transition, mandates which include fossil fuels naturally target the most efficient within the sector.

The Investment Manager has established an ESG Advisory Council who is responsible for keeping ESG criteria under review to assess the applicability and/or relevance of exclusions in the context of the developing economy and how companies are approaching their transition towards zero carbon production. The ESG Advisory Council includes employees of the Investment Manager as well as external parties who have expertise in and working knowledge of Environmental, Social and Governance principles.

The investment universe of the Fund comprises the world's largest public companies listed or traded in, or with substantial operations in, Emerging Markets. The Resource Efficiency Factor Score is generated through the Investment Manager's MoRE Model which calculates scores on a systematic basis using a proprietary resource efficiency valuation metric derived from observed amounts of energy consumed, water use, and waste created relative to revenue generated for each company in the global large cap Emerging Markets universe. The Resource Efficiency Factor Score is used to maximise the Fund's exposure to resource efficient public companies.

The MoRE Model will analyse the disclosing universe of public companies contained within the Benchmark that disclose sufficiently on their GHG Equivalent Emissions, waste creation and water consumption, in the public domain through their annual reports and sustainability reports; this data is checked for completeness and accuracy and then entered into the MoRE Model database making it part of the disclosing universe of stocks). The specialist research team at the Investment Manager assesses, corrects, normalises and collates resource efficiency data from large corporates as its core function. Data runs through a statistical check on both absolute quantities and intensities. Significant data variations and anomalies with respect to previous years are automatically selected for manual analysis: annual and semi-

annual sustainability reports are then researched to validate or correct the original source information.

Only companies which disclose on GHG Equivalent Emissions, water consumption and waste generation will be scored. These factors are combined and calculated into a Resource Efficiency Factor Score, i.e. for each stock within the universe of companies disclosing environmental and resource efficiency data a unique multi-factor score is calculated. The multi-factor score is generated by combining the individual factors of greenhouse gas emissions, water use, and waste generated which are used to quantify a company's resource efficiency. The Fund's investment portfolio is deliberately biased towards companies with higher scores thereby increasing the portfolio weights towards public companies exhibiting greater resource efficiency.

The Resource Efficiency Factor Scores are analysed within their sector and re-calculated in respect of each company upon publication of its annual financials (including its environmental report). When new data is released for a company, then the Resource Efficiency Factor Score will change for that company. A company that either does not disclose sufficiently on the three resource consumption factors (energy, water and waste) receives a zero-factor score.

As outlined in the Supplement, the Fund may temporarily on an exceptional basis during its initial ramp-up period invest up to 20% of its NAV in UCITS including UCITS ETF providing indirect exposure to Indian equity securities pending the completion of initial operational set-up items in respect of the Fund including account openings which will enable the Fund to invest directly in Indian equities. Following the completion of these initial operational set-up items during the initial ramp-up period of the Fund, the Supplement and this Annex will be updated to reflect that Indian equity exposure will be obtained directly by the Fund. Due to the limited availability of ESG and sustainability data in respect of the underlying issuers of the Indian equities in which such UCITS including UCITS ETF invest, the Fund's indirect investment in Indian equities during this temporary initial ramp-up period will not be subject to the MoRE Model.

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

● **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?**

Investments to attain the environmental characteristics need to be made using the process outlined above, incorporating MoRE and its multi-factor score ranking.

The specific binding elements are:

- Investments must be based on the Resource Efficiency Factor Score based on carbon, water and waste disclosure, where available;
- The Investment Manager will apply the Climate Transition Benchmark Exclusions;
- No investments may be made in companies flagged by the UNGC exclusion list; and
- No investments in tobacco companies.

**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 has in place a policy to assess the good governance practices of the investee companies of the Fund whereby prospective investee companies are screened and assessed and removed from the investment universe where their practices fail to meet the standards of the policy. In particular, companies flagged by the UNGC exclusion list will be excluded entirely from the Fund. The Investment Manager's policy to assess good governance practices of investee companies focuses on an assessment of data provided by third-party data service providers that the Investment Manager uses to identify investee companies that may

be in breach of the UNGC Principles, including companies in breach of human rights principles, in breach of fundamental labour issues such as barring freedom of association, eliminating forced and compulsory labour, abolition of child labour and workplace discrimination, as well as environmental and anti-corruption issues. The Investment Manager's proxy voting policy also incorporates governance-related considerations to be taken into account by the Investment Manager.

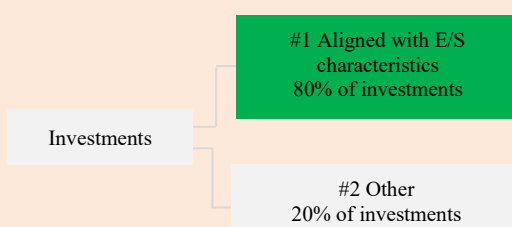
## What is the asset allocation planned for this financial product?

The Fund commits to a minimum proportion of 80% of investments to attain the characteristics promoted by the Fund. The remaining portion of the investment of the Fund consists of temporary investments in UCITS and UCITS ETFs providing exposure to Indian equities, cash or ancillary liquid assets and FDI for efficient portfolio management purposes or for investment purposes related to achieving the Fund's investment objective.

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

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.



**#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.

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.



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

The minimum extent to which the Fund's investments are aligned with the EU Taxonomy is 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

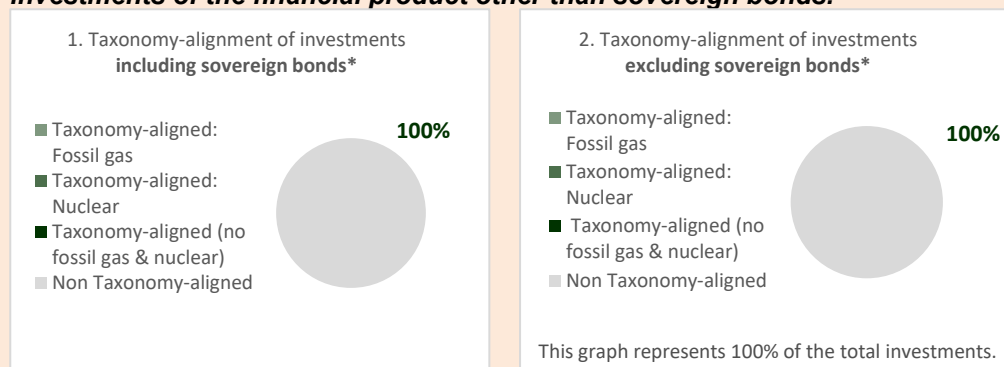
No

X

<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. M-76150597-7

**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.

**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

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

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

The minimum share of investments in transitional and enabling activities is 0%.

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

0%. The Fund does not commit to making any sustainable investments.

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

The investments included under "#2 Other" are the FDIs listed in the Supplement used for investment and/or EPM purposes (including hedging purposes), or cash or ancillary liquid assets for liquidity purposes.

No minimum environmental or social safeguards are implemented in respect of these exposures.

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

**More product-specific information can be found on the website:**  
<https://www.osmosisim.com/uk>

To access the information, investors should select the applicable geographic location and investor type and navigate to the applicable strategy in the list provided.