India Multicap Equity Fund (the **Fund**)

a sub-fund of

India Opportunities Fund

Supplement to the Prospectus

This Supplement contains specific information in relation to India Multicap Equity Fund (the **Fund**), a sub-fund of India Opportunities Fund (the **Trust**), an open-ended umbrella unit trust with segregated liability between sub-funds governed by the laws of Ireland and authorised by the Central Bank of Ireland (the **Central Bank**) under the European Communities (Undertakings for Investment in Transferable Securities) Regulations, 2011 (as amended).

This Supplement forms part of the Prospectus of the Trust dated 8 October 2021 (the **Prospectus**) **and should be read in the context of and together with the Prospectus.**

An investment in the Fund should only be made by those persons who could sustain a loss on their investment. It should not constitute a substantial portion of an investment portfolio and may not be appropriate for all investors.

The Directors of the Manager, whose names appear under the section entitled "**Directors of the Manager"** in the Prospectus, 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.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

Dated: 16 March 2023

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1 INVESTMENT OBJECTIVE AND POLICIES

Investment Objective

The investment objective of the Fund is to achieve capital appreciation by primarily investing in a portfolio of equity / equity related instruments of companies listed (a) in India or (b) deriving a significant proportion of their revenues from India.

Investment Policy

The Fund will seek to achieve its investment objective by actively investing in equity and equity related securities in India, as further described below. The investment strategy will be focused on allocating to companies primarily from three core sectors – Financial, Information Technology and Healthcare each as further described below. The Fund may invest up to 10% of its net assets in companies which are identified in accordance with the investment process, but operate outside of these sectors.

Equity related securities include common stock, preferred stock, collective investment schemes, American Depository Receipts (ADR's) and Global Depository Receipts (GDR's).

With the exception of permitted investments in unlisted securities and over the counter derivatives, investments will be listed or traded on the Regulated Markets referred to in Schedule 2 to the Prospectus. For cash management purposes, liquidity and pending investment or re-investment of the assets, the Fund may invest, directly or indirectly, in ancillary liquid assets such as money market instruments including treasury or government securities (including treasury bonds issued in India or the United States) or hold cash. Indirect exposure to such assets may be obtained by investing in collective investment schemes including money market funds and ETFs.

Investment Process

The Fund endeavours to actively invest in companies that are primarily focused on providing services in three main sectors – Financial, Information Technology and Healthcare services in India. Companies in these sectors are identified by reference to the Global Industry Classification Standard (GICS). The Investment Manager aims to adopt an active management style to optimize returns. Within these sectors the Fund aims to deliver returns by bottom up stock picking in the following themes:

- Financials: These would include companies from the following sub sectors :
  - Banks, diversified financials, insurance
- Information Technology: These will include companies from the following sub sectors:
  - Software and services, technology hardware and equipment, semi-conductor and semiconductor equipment
- Healthcare: These will include companies from the following sub sectors:
  - Healthcare equipment and services, pharmaceuticals, biotechnology and life sciences

The Investment Manager will adopt a bottom up approach for identifying companies within each sector. The Investment Manager aims to invest in fundamentally strong companies with sustainable competitive advantages and reasonable valuations. The sector allocation will be dynamically managed using fundamental macro-economic variables (money supply growth, interest rates, inflation, etc.), investment indicators (capital expenditures, projects cleared, Government policies), sentiments (business and confidence index, flows, valuations), liquidity thresholds and corporate governance filters.

The Fund aims to invest in growth, quality and value businesses. Growth and quality businesses would be those that have a demonstrated track record of profitability, are amongst the leaders in their respective industries and those which have the potential to deliver increasing returns over time. Value businesses would comprise companies that are experiencing a temporary / cyclical underperformance relative to their long term potential.

The Investment Manager uses qualitative and quantitative screens to identify companies that would qualify for active research. These include a market cap filter (companies with a market cap of less than USD 150,000,000 market cap are excluded), liquidity, return ratios as well as qualitative filters like business model, corporate governance, management quality, future growth potential and ESG factors (as set out below). This screening process narrows down the universe of companies which are actively researched by the Investment Manager's investment team. This process helps in eliminating companies which have consistently exhibited poor performance on the above factors. The Investment Manager's screening process is periodically reviewed and updated.

Environmental, Social and Governance (**ESG**) is an integral part of the Investment Manager’s research and investment process. The Investment Manager's responsible investment policy and stewardship policy lay down the firm wide ESG framework and guidelines. The Fund adheres to the Investment Manager’s responsible investment policy and stewardship policy and does not invest in:

- companies that are involved in the development, manufacture, maintenance or dedicated research of controversial weapons;

- companies that are involved in the production or distribution of tobacco or related products; and

- companies which have a compromised governance framework and have other ESG related issues such as violations of national regulatory frameworks etc.

The Investment Manager also considers each of the following factors while evaluating companies that are expected to enter the investment universe and assigns an internal score (on a scale of 0 to 10 with 0 being the lowest score and 10 being the highest score) based on this assessment to arrive at a consolidated ESG rating for each company:

- Environmental factors include issues related to usage of energy, water consumption, waste disposal, managing toxic emissions, greenhouse emissions, carbon emissions, chemical usage and disposal, biodiversity impact and land use. These criteria help in evaluating the risks faced by the company and the strategies used by the company to mitigate these risks.

- Social factors would take into consideration the business relationship with internal and external stakeholders, labour management, labour strikes, employee health and safety, employee training, employee accidents/ deaths / aid policy, attrition of high skilled employees, employee social security schemes, product safety and quality checks, donations to local community for social causes, pending litigations, data protection and privacy, interest of minority shareholders, corporate social responsibility initiatives.

- Governance factors include accounting policies, management quality, board diversity, composition and independence, steps taken by management on audit issues, related party risks, legal action on directors on account of misconduct, whistle blowing policy, anti-competitive practices, corruption, conflict of interest, tax transparency, treatment of minority shareholders, disclosure practices.

The internal scores are sector specific and not comparable across different industries as the materiality of ESG factors varies from sector to sector depending on the nature, scale and complexity of a business. The internal scores form part of the stock recommendation reports which are referred to by the Investment Manager's portfolio management team while constructing the Fund's portfolio. The Investment Manager will not invest in companies which have an internal score of less than 2.

The Investment Manager engages with investee companies on ESG factors as it believes that active engagement influences management’s attention to these issues and their importance to investors. In instances where the Investment Manager has concerns about the ESG practices of the investee company, it engages with them to highlight the issue, address the concern and attempt to influence the change. Where the management response is not satisfactory or there is no material improvement, the Investment Manager may use proxy voting procedures to express its views or may divest its stake from the company.

The Investment Manager also subscribes to third party ESG data providers whose products act as guides to supplement the Investment Manager's own research, for example:

- ESG Risk Assessments & Insights (www.esgrisk.ai), a wholly owned subsidiary of Acuite Ratings and Research Limited and India's first ESG rating company with an Indian specific assessment framework;

- Bloomberg's ESG Data dataset which gives comprehensive coverage on a wide range of Indian listed companies; and

- Crisil's (an S&P Global Company) ESG data services.

Benchmark

The Fund will be an actively managed fund. The Fund intends to use the Nifty 50 India Index as a performance comparison to track the success of the Fund.

The Nifty 50 India Index is a well-diversified index, comprising the top 50 companies in terms of free-float market capitalisation that are traded on the Indian stock exchange.

Disclosure under Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the **SFDR**) **and Regulation EU 2020/852 on the establishment of a framework to facilitate sustainable investment, and amending SFDR** (the **EU Taxonomy Regulation**)

Investors should note that the Fund qualifies as a financial product subject to Article 8(1) of the SFDR. The Fund promotes environmental and social characteristics as further described above under "Investment Process" and will follow a disciplined process of incorporating ESG into its portfolio construction process. **Further information on the environmental and social characteristics promoted by the Fund is available in the annex to this Supplement in accordance with the SFDR**.

Article 6 of the SFDR requires that the Manager disclose the manner in which sustainability risks are integrated into the investment decisions of the Investment Manager with respect to the Fund and the results of the assessment of the likely impacts of sustainability risks on the returns of the Fund. A sustainability risk in this context means an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. Details of certain sustainability risks which may be applicable to the Fund's investments are set out in the section entitled **"Risk Factors"** in the Prospectus.

The assessment of Sustainability Risks through the analysis of ESG factors is part of the Fund's investment process. In the Investment Manager's view, Sustainability Risks can materially affect a company's financial performance and competitiveness. The Investment Manager incorporates ESG factors into the analysis of individual companies (including with regards to Sustainability Risk assessment), in the belief that ESG considerations are crucial in long-term investing; non-compliance can threaten the viability of the business and positive action can support its growth. Companies are reviewed based on ESG criteria which will differ from company to company but may include a company's actions to reduce carbon emissions in its operational footprint, its policy around water usage and how it works to understand and mitigate its supply chain risks, as well as management incentives or board composition.

The Investment Manager seeks to give due consideration to all applicable risks which may include sustainability risks, and in particular risks which may arise out of governance factors, when making investment decisions on behalf of the Fund. The consideration of sustainability risks and ESG factors may inform the Investment Manager's research-oriented approach used to understand the issuers in which the Fund will invest and the risks inherent in the relevant equity security offerings. Integrating the consideration of sustainability risks into the Investment Manager's research process may influence the Investment Manager's analysis of individual issuers and assists it in identifying ESG issues, and ultimately reducing risk within and preventing losses to the Fund. Apart from internal research, for assessing sustainability risk, the Investment Manager may also subscribe to third party research reports or scores which would provide guidance on assessing the risks. The Investment Manager believes that well defined and sound corporate governance structures in its investee companies is essential for delivering a superior and sustained shareholder return.

Where the Investment Manager has concerns over the ESG practices of an issuer or its industry or market sector, or considers that there is a higher likelihood of a sustainability risk materialising during the period where the Fund might be exposed to an investment than in other potential investments being considered for investment by the Fund, this may impact upon the Investment Manager's decision of whether to pursue a particular proposed investment opportunity. As part of its risk assessment, the Investment Manager may, where possible, consider factors such as management structures, track-record of the investee companies in consistent implementation of their stated policies, remuneration and employee practices, disclosures when considering any potential investment through reviewing published sustainability reports or management interaction.

If an investment of the Fund experiences an ESG event, it could result in a negative impact on the issuer including but not limited to rating downgrade, business loss, reputational risks, capital restrictions, diminished market appetite for future lending and may negatively impact the returns of the Fund.

The Investment Manager is a signatory to the United Nations-supported Principles for Responsible Investment (**PRI**). The PRI is an international global network of asset managers, owners and service providers working together to put responsible investment into practice. The principles, which are voluntary, aim to provide a framework for integrating ESG considerations into investment decision-making and ownership practices.

The Manager and the Investment Manager do not currently consider the principal adverse impacts of their investment decisions regarding this Fund on sustainability factors. A sustainability factor in this context means environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters. The Manager and Investment Manager have opted against doing so, primarily as there is currently insufficient reliable data available on the Fund's underlying investments required to consider the principal adverse sustainability impact. However, this will be kept under review and the Manager or Investment Manager may determine whether to consider the principal adverse impacts of investment decisions on sustainability factors once the availability and quality of data improves.

While the Fund promotes environmental characteristics, at this point its underlying investments do not contribute to the environmental objective of climate change mitigation and/or climate change adaptation. As such, as at the date of this Supplement, the percentage of taxonomy-aligned investments that is 0%.

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

2 FINANCIAL DERIVATIVE INSTRUMENTS (FDI) & EFFICIENT PORTFOLIO MANAGEMENT

It is not the current intention to use FDI and, in addition to updating this Supplement in advance, a Risk Management Process will be submitted to the Central Bank in accordance with the Central Bank UCITS Regulations prior to any FDI being used for the Fund.

3 BORROWING

In accordance with the general provisions set out in the Prospectus under the heading "**Borrowing and Lending Powers",** the Fund may borrow up to 10% of the total Net Asset Value of the Fund on a temporary basis and not for speculative purposes. The Fund may charge its assets as security for such borrowings.

4 INVESTMENT RESTRICTIONS

The general investment restrictions applicable under the UCITS Regulations and as set out in the section of the Prospectus entitled "**Investment Restrictions"** shall apply. In addition, the below investment restrictions will also apply to the Fund in respect of such investments:

1. The Fund shall not invest more than 10% of its net assets in units of other CIS.

2. Any synthetic short selling of money market instruments by the Fund is prohibited.

With respect to investments in Indian securities, the Fund will invest in accordance with the FPI Regulations and shall comply with the applicable FPI Investment Limits for FPI, as further described in the Schedule below. It should be noted that the current available FPI Investment Limits for investments in fixed income can be viewed on the website of National Securities and Depository Limited and for Government securities can be viewed on Clearing Corporation of India for Government securities. The website links to these sites is referred below for reference:

a) Debt Utilisation Status of FPI Investment (nsdl.co.in)

b) FPI Debt (GSec) Utilisation Status : (ccilindia.com)

5 PROFILE OF A TYPICAL INVESTOR

The investments in the Fund may be appropriate for professional or retail investors who have knowledge of, and investment experience in, this particular financial product and understand and can evaluate the strategy, characteristics and risks in order to make an informed investment decision. Potential investors with a medium to long term horizon who intends to gain exposure to Indian equity markets may consider this Fund.

Investment in the Fund is not permitted by funds derived from India, from sources within India or from persons resident in India as defined under the Indian Foreign Exchange Management Act, 1999 or the Indian Income-tax Act, 1961 (**Person Resident in India**). The Fund does not accept subscriptions from Persons Resident in India and Unitholders must notify the Manager and the Administrator promptly in the event it becomes a Person Resident in India. Unless permitted by the Indian Foreign Exchange Management Act, 1999 or the Indian Income-tax Act, 1961, Unitholders will redeem their Units in the Fund in consultation with the Investment Manager, prior to the Unitholder taking up residence in India, should they do so.

Where an Applicant is an institutional investor or acts as an intermediary on behalf of one or more underlying investors, who are natural persons, the underlying investors may not be Persons Resident in India. Where an Applicant is an institutional fund or acts as an intermediary for an underlying investor other than a natural person, such indirect investors may not be Persons Resident in India.

6 RISK FACTORS

The risk factors under the section entitled "**Risk Factors**" in the Prospectus apply to this Fund. In addition the following risk factors are also relevant.

General Risks

Geographical Risk: The value of the Fund's securities may be affected by social, political and economic developments and laws relating to foreign investment in India. There is no guarantee that the rapid growth experienced by the Indian economy will continue. Investment in markets such as India may expose the Fund to more volatility than investment in more stable markets. Indian stock markets have experienced problems such as exchange closures, broker defaults, settlement delays, work stoppages and trading improprieties that, if they reoccurred, could have a negative impact on the liquidity and value of the Fund. Furthermore, accounting and auditing standards in India may be different and less stringent than in other countries.

Market and Selection Risk: Market risk is the risk that the market will go down in value, with the possibility that such changes will be sharp and unpredictable. Selection risk is the risk that the investments that a Fund's portfolio managers select will underperform the market or other funds with similar investment strategies.

Exchange rate risk: As the Fund's investments in Indian assets are unhedged, investing in assets denominated in a currency other than the Fund's Base Currency exposes the value of the investment to exchange rate fluctuations.

Operational Risk: (including safekeeping of assets): The Fund and its assets may experience material losses as a result of technology/system failures, cybersecurity breaches, human error, policy breaches, and/or incorrect valuation of units.

Liquidity Risk*:* The Fund may invest in securities which may, due to negative market conditions, become difficult to sell or may need to be sold at an unfavourable price. This may affect the overall value of the Fund. Attention is drawn to the risk that the value of the principal invested in the Fund may fluctuate.

Sector Concentration Risk: As the Fund's investments may be concentrated in a narrow range of sectors of the economy, it is more likely to be impacted by events or conditions affecting those sectors. The performance of the Fund may not reflect changes in broad equity markets. Furthermore, the Fund is likely to be more susceptible to greater price volatility when compared to a more diverse fund as it only has exposure to a limited number of sectors. This could lead to a greater risk of loss to the value of your investment.

7 DIVIDEND POLICY

No declarations or distributions shall be made in respect of the Accumulating Units. The net income earned per Accumulating Unit will be accumulated and reinvested in the Accumulating Units. Any dividends payable on the Distributing Units will be declared on the last Business Day of March and September of each year and paid within 1 month of the declaration date.

8 KEY INFORMATION FOR SUBSCRIPTIONS AND REDEMPTIONS

Base Currency

The Base Currency of the Fund is USD.

Available Unit Classes

The Fund may issue Units in each of the Unit Classes set out in the table below.

Unit Class	Denominated Currency	Minimum Unitholding	Minimum Initial Investment Amount	Minimum Additional Investment Amount
Institutional	USD	USD 100,000	USD 500,000	USD 50,000
Institutional	Euro	Euro 100,000	Euro 500,000	Euro 50,000
Retail	USD	USD 5,000	USD 5,000	USD 1,000

Each of the Unit Classes listed in the table above may be offered as Accumulating Unit Classes and Distributing Unit Classes.

The Manager (upon written confirmation to the Administrator) reserves the right to differentiate between Unitholders and to waive or reduce the Minimum Unitholding and Minimum Initial Investment Amount of the relevant Unit Class for any such Unitholders (subject to the principle of equal treatment of Unitholders) or to refuse an application for any such Units in their absolute discretion.

Additional classes of Units may be created in accordance with the requirements of the Central Bank.

Initial Offer Period & Issue Price

During the Initial Offer Period, Units will be issued at an Initial Issue Price of 10 in the relevant Unit Class currency denomination.

The Initial Offer Period for Units in the Unit Classes will commence at 9.00am (Dublin time) on 20 March 2023 and end at 5.00pm (Dublin time) on 15 September 2023 or such earlier or later time as the Manager may decide and notify the Central Bank. After the Initial Offer Period, Units in the Unit Classes will be continuously open for subscriptions at the Issue Price of the relevant Unit Class on the relevant Dealing Day.

Currency of Payment

Subscription and redemption monies are payable in the denominated currency of the Unit Class in respect of which Units are being subscribed for or redeemed as set out in the table above.

Subscription Charge

A Subscription Charge of up to 5% of the Initial Issue Price or Subscription Price for the Retail Unit Classes and up to 3% of the Initial Issue Price or Subscription Price for the Institutional Unit Classes, as applicable, may be imposed on the issue of Units at the discretion of the Manager for payment to such sub-distributors as may be appointed by the Manager, as shall be provided for and agreed under the Application Form.

Redemption Charge

A Redemption Charge of up to 2% of the Redemption Price may be charged at the discretion of the Directors for payment to the Fund.

Exchange Charge

Subject to compliance with the relevant exchange provisions contained in the Prospectus, an Exchange Charge of up to 3% may be imposed at the discretion of the Directors on all applications to exchange Units from one Unit Class to another Unit Class within the Fund or, where applicable, to a Unit Class within another Fund of the Trust.

Business Day

A day on which banks are open for business in Ireland and India or such other day as the Directors may, with the approval of the Trustee, determine.

Dealing Day

The Dealing Days for the Fund are each Business Day.

Dealing Deadline

The Dealing Deadline by which applications for subscription, redemption or exchange of Units must be received by the Administrator is 11:30 a.m. (Irish time) on the Dealing Day.

Valuation Point

The Valuation Point is 3:00 p.m. (Irish time) on the Dealing Day.

Settlement Date

The Settlement Date for the receipt of monies for subscription for Units shall be the relevant Dealing Day. Payment of Redemption Proceeds will normally be made by electronic transfer to the account of the redeeming investor within five (5) Business Days of the relevant Dealing Day (and in any event should not exceed ten (10) Business Days from the relevant Dealing Deadline) provided that all the required documentation has been furnished to and received by Administrator.

9 HOW TO SUBSCRIBE FOR SHARES

Requests for the subscription for Units should be made in accordance with the provisions set out in the section entitled "**Subscription for Units"** in the Prospectus.

10 HOW TO REDEEM SHARES

Requests for the redemption of Units should be made in accordance with the provisions set out in the section entitled "**Redemption of Units**" in the Prospectus.

11 FEES AND EXPENSES

The following section on fees and expenses should be read in conjunction with the section entitled "**Fees and Expenses"** in the Prospectus.

Manager Fee

The Manager shall be entitled to receive out of the assets of the Fund an annual fee, accrued on each Dealing Day and payable quarterly in arrears, at an annual rate of up to and not exceeding 0.0175% of the Net Asset Value of the Fund subject to a minimum fee of up to €50,000 per annum for the Fund and €25,000 per annum for each additional Fund. The Manager is also entitled to be reimbursed out of the assets of the Fund for the reasonable out-of-pocket costs and expenses incurred by the Manager in the performance of its duties (plus VAT thereon, if any).

Investment Management Fee

The Investment Manager shall be entitled to receive out of the assets of the Fund an annual fee, accrued on each Dealing Day and payable quarterly in arrears, at an annual rate of up to and not exceeding 2.00% of the Net Asset Value of the Retail Unit Classes and 1.25% of the Net Asset Value of the Institutional Unit Classes. The Investment Manager is also entitled to be reimbursed out of the assets of the Fund for the reasonable out-of-pocket costs and expenses incurred by the Investment Manager in the performance of its duties (plus VAT thereon, if any).

Administration Fee

The Administrator shall be entitled to receive out of the assets of the Fund an annual fee, accrued on each Dealing Day and calculated and payable monthly in arrears, at an annual rate of up to and not exceeding 0.0335% of the Net Asset Value of the Fund (plus VAT thereon, if any) subject to a minimum fee of USD2,100 per month. The Administrator is also entitled to be repaid all of its reasonable agreed upon transaction and other charges (which will be at normal commercial rates) and other out-of-pocket expenses out of the assets of the Fund (plus VAT thereon, if any).

Trustee Fee

The Trustee shall be entitled to receive out of the assets of the Fund an annual fee, accrued on each Dealing Day and calculated and payable monthly in arrears, at an annual rate of up to 0.02% of the Net Asset Value of the Fund (plus VAT thereon, if any) subject to a minimum monthly fee of USD1,650 per month. The Trustee shall also be entitled to be reimbursed for the fees paid by the Trustee to any sub-custodian and agreed upon transactions charges (which in all cases shall be charged at normal commercial rates) and other out-of-pocket expenses out of the assets of the Fund (plus VAT thereon, if any).

Distribution Fee

The Global Distributor shall be entitled to receive out of the assets of the Fund an annual fee, accrued on each Dealing Day and calculated and payable monthly in arrears, at an annual rate of up to 0.03% of the Net Asset Value of the Fund (plus VAT thereon, if any). The Global Distributor is also entitled to be repaid all of its reasonable agreed upon transaction and other charges (which will be at normal commercial rates) and other out-of-pocket expenses out of the assets of the Fund (plus VAT thereon, if any).

Establishment Costs

The cost of establishing the Fund, obtaining approval from any authority, filing fees, the preparation and printing of this Supplement, marketing costs and the fees of all professionals relating to the Trust and the Fund are estimated not to exceed USD100,000 and will be borne by the Trust and will be amortised over the following five years of the Trust's operation.

12 MISCELLANEOUS

At the date of this Supplement, there is one other Fund of the Trust currently in existence, namely:

- India Dynamic Fixed Income Fund.

SCHEDULE

Indian Considerations

THE FOLLOWING DESCRIPTION IS A SUMMARY OF CERTAIN ASPECTS OF THE RELEVANT LEGAL REGIME APPLICABLE TO INVESTMENTS AND OPERATIONS IN INDIA. THE DESCRIPTION SET OUT BELOW IS NOT INTENDED TO BE COMPREHENSIVE OR EXHAUSTIVE, IS ONLY INTENDED TO PROVIDE GENERAL INFORMATION TO THE INVESTORS AND IS NEITHER DESIGNED NOR INTENDED TO BE A SUBSTITUTE FOR PROFESSIONAL LEGAL ADVICE. INVESTORS INTERESTED IN SUBSCRIBING FOR UNITS ARE ADVISED TO REVIEW ANY LEGAL RESTRICTIONS WHICH MAY BE RELEVANT TO THEIR PARTICULAR CIRCUMSTANCES IN CONNECTION WITH THE ACQUISITION, HOLDING OR DISPOSITION OF SUCH UNITS.

Foreign investment in securities issued by Indian companies is regulated under the Foreign Exchange Management Act, 1999 (**FEMA**) and by the Reserve Bank of India (**RBI**). The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 (the **Securities Regulations**) issued under the FEMA establish various investment routes available to persons resident outside India (a **Non-Resident**), such as the Fund, seeking to make investments in securities issued by Indian companies.

Any investment made by a Non-Resident shall be subject to the entry routes, sectoral caps or the investment limits, as the case may be, and the attendant conditionalities for such investment as laid down under the Securities Regulations. A Non-Resident may invest in an Indian company under the Foreign Direct Investment (**FDI**) regime, Foreign Portfolio Investment (**FPI**) regime and Foreign Venture Capital Investor regime.

It is anticipated that the Fund will invest in India under the FPI regime. Set out below is a brief summary of the regulatory framework that would apply to the Fund in that regard.

The SEBI (Foreign Portfolio Investors) Regulations, 2019 (**FPI Regulations**) were notified by SEBI on 23 September, 2019. An FPI has been defined as a person who satisfies the eligibility criteria prescribed under Regulation 4 of the FPI Regulations and has been registered under Chapter II of the FPI Regulations.

FPIs are categorized into 2 (two) categories as defined in the FPI Regulations viz – Category I and Category II.

An entity proposing to register as an FPI must make an application to the designated depository participant in a form prescribed under the FPI Regulations for one of the 2 (two) categories mentioned above. An FPI is required to satisfy certain conditions in order to be eligible for a registration including good track record, professional competency and various criteria linked to residency status.

An FPI registration once granted is permanent unless cancelled or suspended by SEBI or surrendered by the FPI.

Know Your Client requirements for Foreign Portfolio Investors (FPIs)

By way of Operational Guidelines for Foreign Portfolio Investors, Designated Depository Participants And Eligible Foreign Investors, SEBI laid down the requirements for identification and verification of beneficial owners of Category II FPI & Category III FPI. The requirements *inter alia* are as follows:

a) Beneficial owners are the natural persons who ultimately own or control an FPI and shall be identified in accordance with Rule 9 of the Prevention of Money-laundering (Maintenance of Records) Rules, 2005 (**PMLA Rules**). FPIs are required to maintain a list of beneficial owners and should provide such list of their beneficial owners to SEBI in prescribed form. Beneficial owners of FPIs having general partner/limited partnership structure shall be identified on ownership or entitlement basis and control basis;

b) In terms of Rule 9(3) of the PMLA Rules, a beneficial owner shall be any person owning 25% interest (in the case of a company) or 15% interest (in the case of a partnership or body of individuals). Where a beneficial owner cannot be identified based on foregoing thresholds, the senior managing official of the FPI shall be the beneficial owner;

c) However, in respect of FPIs coming from "**high risk jurisdictions**" the domestic depository participants may apply lower materiality threshold of 10% for identification of beneficial owner (and not 25% / 15% as stated above) For category I FPIs (other than registered under regulation 5(a)(i)[1]) from high risk jurisdictions KYC documentation as applicable for category II FPIs need to be collected;

d) The materiality threshold to identify the beneficial owner shall be first applied at the level of FPI and next look through basis shall be applied to identify the beneficial owner of the intermediate Unitholder / owner entity. Beneficial owner and intermediate Unitholder / owner entity with holdings equal & above the materiality thresholds (as noted in (b) above) in the FPI need to be identified through the look through basis. For intermediate material Unitholder / owner entity/ies, name and percentage holding shall also be disclosed to SEBI. In case the intermediate Unitholder / owner entity is eligible for registration as Category I FPI, under Regulation 5(a)(i)[1] there shall be no need for identification and verification of beneficial owner of said entity eligible as Category I FPI;

e) No foreign company shall be entitled to exemption under Rule 9(3)(f) of PMLA Rules which exempts identification of a beneficial owner of a listed company, or subsidiary of a listed company, which is a beneficial owner of the FPI; and

f) ODI issuing FPIs shall identify and verify the beneficial owners in the ODI subscriber entities as applicable to FPIs.

Securities Law Considerations

The Fund proposes to make investments in securities issued in India or issued by companies incorporated in India or by companies deriving a significant portion of their business from India. Accordingly, the investments will be subject to regulations governing Indian financial markets including but not limited to, the Companies Act, 2013, SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 (**ICDR Regulations**), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the stock exchange rules and regulations, the listing agreements of the various stock exchanges and directives issued by Reserve Bank of India on time to time.

Requirements under Takeover Code

On 23 September, 2011, SEBI announced its new takeover code, the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**Takeover Code**"), which came into effect on 22 October, 2011 and replaced the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Under the provisions of the Takeover Code, any acquirer (meaning a person who, directly or indirectly, acquires or agrees to acquire shares or voting rights in a company or acquires or agrees to acquire control over a company, either by himself, or through, or with any person acting in concert) who acquires shares aggregating to 5% or more of the shares of a listed public Indian company is required to notify to the company at its registered office and each of the stock exchanges on which the shares of such company are listed about its aggregate shareholdings and voting rights within two (2) days of (i) the receipt of intimation of allotment of shares or (ii) the acquisition of shares or voting rights. Furthermore, any person holding 5% or more of the shares or voting rights in a company is required to inform the company at its registered office and the stock exchange about the number of shares or voting rights held and change in its shareholding or voting rights (even if such change results in shareholding falling below 5%) representing 2% or more of the shares or voting rights of the company within two days of (i) the receipt of intimation of allotment of shares or (ii) the acquisition or disposal of shares or voting rights.

[1] Government and Government related investors such as central banks, sovereign wealth funds, international or multilateral organizations or agencies including entities controlled or at least 75% directly or indirectly owned by such Government and Government related investor(s)

Requirements under prohibition of Insider Trading Regulations

The SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Regulations") primarily seeks to prohibit trading in securities based on unpublished price-sensitive information. The Insider Trading Regulations have been recently amended by SEBI vide SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, which is effective from April 1, 2019. The Insider Trading Regulations (as amended) prohibits an "insider" and a "connected person" from dealing, either on his/her own behalf or on behalf of any other persons, in the securities of a company listed on any stock exchange or securities of the company which are proposed to be listed when in possession of "unpublished price sensitive information" which is distinguished from "generally available information". The terms "insider", "connected person", "unpublished price-sensitive information", "proposed to be listed" and "generally available information" are defined in the Insider Trading Regulations.

The insider is prohibited from communicating, counselling, causing or procuring, directly or indirectly, any unpublished price-sensitive information relating to a company or securities listed or proposed to be listed, to any other person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations and in furtherance in the interest of the company.

In the case of connected persons the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons and in other cases, the onus would be on the SEBI.

The Insider Trading Regulations make it compulsory for listed companies, intermediaries and fiduciaries to establish an internal code of conduct to prevent insider-trading deals and also to regulate disclosure of unpublished price-sensitive information within such entities so as to minimize misuse of such information. To this end, the Insider Trading Regulations provide a model code of conduct for listed companies, intermediaries and fiduciaries to regulate, monitor and report trading by designated persons. Further, the Insider Trading Regulations specify a code of fair disclosure practices to prevent insider trading, which must be implemented by all listed companies and proposed to be listed companies. The Insider Trading Regulations requires appointment of a compliance officer to administer the code of conduct and other requirements under the Insider Trading Regulations. Further, the Insider Trading Regulations lay down criteria for identifying employees of listed companies, intermediaries and fiduciaries who shall be designated persons to be covered by the code of conduct on the basis of their role and function in the organisation and the access that such role and function would provide to unpublished price-sensitive information in addition to their seniority and professional designation.

Prevention of Money Laundering

The Prevention of Money-Laundering Act, 2002 (**PMLA**), embodies India's legislative commitment to the elimination and prevention of money laundering. The main objects of PMLA are (i) the prevention and control of activities concerning money laundering and (ii) the confiscation of property derived or involved in money laundering.

For the purpose of complying with the obligations under the PMLA and rules made thereunder, an investor may be required to provide certain information and / or documents to the Fund (in its capacity as an FPI) for the purpose of verifying the identity of the investor, the source of funds and obtain confirmation that the application monies do not represent directly or indirectly, the proceeds of any crime and other confirmations regarding the source of funds as may be relevant for complying with the provisions of the PMLA and rules made thereunder.

In this context a procedure for the identification of investors has been established by the Fund and/or its Manager. The application form of an investor shall therefore, be accompanied by such documents as determined from time to time. Investors may also be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under PMLA and its rules.

The prospective investor must understand that by investing in the Fund, the prospective investor irrevocably and unconditionally agrees and authorises the Fund and / or its Manager/ other authorised representatives to disclose, share, remit in any form, mode or manner, all / any of the information provided by the prospective investor, including all changes, updates to such information as and when provided by the investor to the Fund, Manager, their respective employees or any Indian or foreign governmental or statutory or judicial authorities/agencies including but not limited to SEBI, the Financial Intelligence Unit-India, the tax/revenue authorities in India or outside India and other such regulatory/ investigation agencies or such other third party, on a need to know basis, without any obligation of the investor of the same.

ANNEX II

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: India Multicap Equity Fund (the **Fund**)

Legal entity identifier: TBC

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**

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.

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

The Fund's investment manager, ICICI Prudential Asset Management Company Limited (the **Investment Manager**) incorporates environmental, social and governance (**ESG**) factors into the analysis of individual companies in the belief that ESG factors are crucial in long-term investing. Companies are reviewed based on ESG criteria which differs from company to company but may include a company’s actions to reduce carbon emissions in its operational footprint, its policy around water usage and how it works to understand and mitigate its supply chain risks, as well as management incentives or board composition.

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

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

The Investment Manager will use the following ESG indicators to measure the attainment of the environmental or social characteristics promoted by the Fund.

- Environmental factors include issues related to usage of energy, water consumption, waste disposal, managing toxic emissions, greenhouse emissions, carbon emissions, chemical usage and disposal, biodiversity impact and land use. These criteria help in evaluating the risks faced by the company and mitigation strategies used.

- Social factors take into consideration the business relationship with internal and external stakeholders, labour management, labour strikes, employee health and safety, employee training, employee accidents/ deaths / aid policy, attrition of high skilled employees, employee social security schemes, product safety and quality checks, donations to local community for social causes, pending litigations, data protection and privacy, corporate social responsibility (CSR) initiatives.

- Governance factors include accounting policies, management quality, board diversity, composition and independence, steps taken by management on audit issues, related party risks, legal action on directors on account of misconduct, whistle blower policy, anti-competitive practices, corruption, conflict of interest, tax transparency, treatment of minority shareholders, disclosure practices.

Only the relevant ESG factors will be taken into consideration based on the nature, scale and complexity of business of the investee company.

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

N/A – The Fund does not seek to make sustainable investments.

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

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

N/A

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

N/A

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

N/A

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, ______

☒ No

What investment strategy does this financial product follow?

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

The Fund primarily invests in a portfolio of equity / equity related instruments of companies listed (a) in India or (b) deriving a significant proportion of their revenues from India. The Fund aims to invest in growth, quality and value businesses from the financial, information technology and healthcare sectors. Growth and quality businesses would be those that have a demonstrated track record of profitability, are amongst the leaders in their respective industries and those which have the potential to deliver increasing returns over time. Value businesses would comprise companies that are experiencing a temporary / cyclical underperformance relative to their long term potential.

The Investment Manager will adopt a bottom up approach for identifying companies within each sector. The sector allocation will be dynamically managed using fundamental macro-economic variables (money supply growth, interest rates, inflation, etc.), investment indicators (capital expenditures, projects cleared, government policies), sentiments (business and confidence index, flows, valuations), liquidity thresholds and corporate governance filters.

The Investment Manager's responsible investment policy and stewardship policy lay down the firm wide ESG framework and guidelines. The Investment Manager considers each of the factors while evaluating companies that are expected to enter the investment universe and assigns an internal score (on a scale of 0 to 10 with 0 being the lowest score and 10 being the highest score) based on this assessment to arrive at a consolidated ESG rating for each company. The Investment Manager also subscribes to third party ESG research which acts as a guide to supplement their own research. Materiality of ESG factors vary from sector to sector depending on the nature of business, product, controversies etc. The Investment Manager engages with investee companies on material ESG issues as it believes that active engagement influences management's attention to these issues and their importance to investors.

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

  The Investment Manager applies the following criteria to the entire investment portfolio of the Fund:

1. Negative Exclusions:

The Fund will not invest in:

- Companies that are involved in the development, manufacture, maintenance or dedicated research of controversial weapons
- Companies that are involved in the production or distribution of tobacco or related products
- Companies which have a compromised governance framework and have other ESG related issues such as violations of national regulatory frameworks etc.

2. ESG integration: ESG criteria are integrated into the entire investment process by the Investment Manager and applied to all investments of the Fund as further described in this Annex and under the section entitled "Investment Process" above. The Investment Manager will not invest in companies which have an internal score of less than 2, based on its internal ESG scoring system

These binding elements are documented and monitored on an ongoing basis.

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

There is no minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy.

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 as part of its investment process regularly engages with investee companies on various matters including performance (operational, financial, etc.), business strategy, corporate governance (including board structure, remuneration), ESG factors, capital structure, etc. While meeting with investee companies, the Investment Manager's emphasis is on understanding how management is using their capital while conducting business and dealing with core issues that are likely to present a potential material risk to a company's financial and ESG performance. Through active engagement, the endeavour is to encourage investee companies to enhance their perspective on issues that are likely to help them have an impact on their ESG scores. The Investment Manager also engages with various stakeholders including investors, regulatory bodies, suppliers, customers, ex-employees to gain an understanding of identified ESG issues during the research process.

Asset allocation describes the share of investments in specific assets.

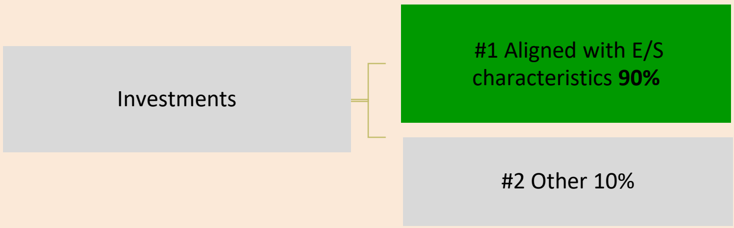
What is the asset allocation planned for this financial product?

Owing to the binding application of negative exclusions and the Investment Manager's ESG integration process, except for holdings in liquidity assets such as money market instruments, treasury or government securities or cash (which may amount to 10% of the Fund's net assets (#2Other)), all investments made by the Fund will meet the environmental and/or social characteristics promoted by the Fund. The Investment Manager will also monitor and/or engage with all investee companies and therefore it is expected that, except for the liquidity holdings previously mentioned previously, 90% of the Fund's investments will also qualify as "#1

Aligned with E/S characteristics".

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.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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

The Fund does not invest in derivatives and accordingly does not use derivatives to attain the environmental or social characteristics promoted by the Fund.

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

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

0%. The Fund has no minimum share of sustainable investments with an environmental objective that are aligned with the EU Taxonomy Regulation.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[2]?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

✖ No

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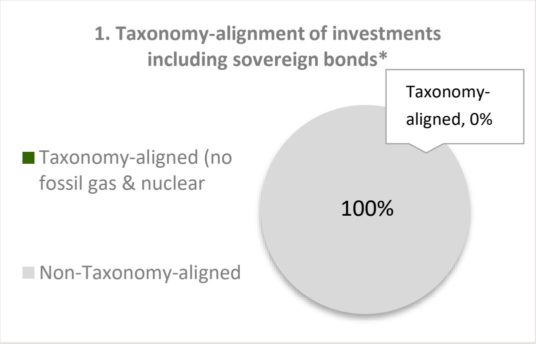
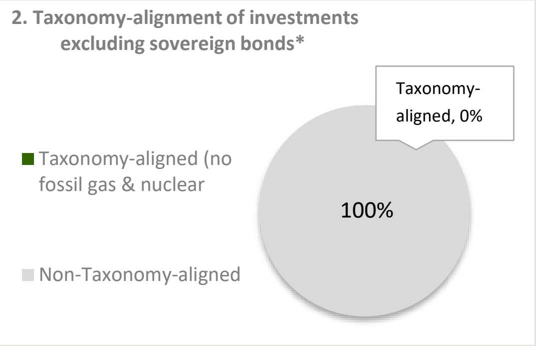
[2] *Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas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

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.

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.*





This graph represents 100% of the total investments

* *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?***

  There is no minimum share of investments in transitional and enabling activities.

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 sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

There is no minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy

What is the minimum share of socially sustainable investments?

There is no minimum share of socially sustainable investments.

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

The Fund may invest, directly or indirectly, in ancillary liquid assets such as money market instruments including treasury or government securities or hold cash for liquidity purposes, pending investment or re-investment of assets. There are no minimum environmental or social safeguards in respect of such assets.

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?

An index has not been designated as a reference benchmark to meet the environmental or social characteristics promoted by the Fund.

Where can I find more product specific information online?

More product-specific information can be found on the website:
https://www.iciciaminternational.com