

## NORTHILL GLOBAL FUNDS ICAV

### Addendum to the Prospectus (the "Addendum")

**This Addendum is supplemental to, forms part of and should be read in conjunction with the prospectus for Northill Global Funds ICAV (the "ICAV") dated 17 November 2017 (the "Prospectus").**

**This Addendum forms part of and may not be distributed unless accompanied by (other than to prior recipients of) the Prospectus and must be read in conjunction with the Prospectus.**

The Directors of the ICAV accept responsibility for the information contained in this Addendum. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this Addendum, when read together with the Prospectus, is in accordance with the facts as at the date of this Addendum and does not omit anything likely to affect the import of such information.

**IMPORTANT:** If you are in doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

Neither the delivery of this Addendum nor the issue or sale of Shares, under any circumstances, constitutes a representation that the information contained in this Addendum is correct as of any time subsequent to the date of this Addendum.

## Amendments to the Prospectus

**1 The "Definitions" section of the Prospectus shall be amended by the inclusion of the following additional definitions as they would appear in alphabetical order:**

**"ESG** means environmental, social and governance;

**ESG Orientated Fund** means a Fund of the ICAV that, in accordance with the criteria outlined in Article 8 of SFDR, promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics and provided that the companies that the Fund invests in follow good governance practices;

**Information Card** means an annex to a Supplement to this Prospectus, issued from time to time, specifying certain information pertaining to the relevant Fund in accordance with the requirements of SFDR;

**Mainstream Fund** means a Fund of the ICAV which does not meet the criteria to qualify as either an ESG Orientated Fund pursuant to Article 8 of SFDR or a Sustainable Investment Fund pursuant to Article 9 of SFDR;

**SFDR** or **Disclosure Regulation** 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, as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;

**Sustainable Investment** means an investment in an economic activity that contributes to an environmental objective, as measured by key resource efficiency indicators on (i) the use of energy, (ii) renewable energy, (iii) raw materials, (iv) water and land, (v) the production of waste, (vi) greenhouse gas emissions, or (vii) its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective (in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations), or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices;

**Sustainable Investment Fund** means a Fund of the ICAV that, in accordance with the criteria outlined in Article 9 of SFDR has Sustainable Investment as its objective;

**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 an investment, including but not limited to, risks stemming from climate change, natural resource depletion, environmental degradation, human rights abuses, bribery, corruption and social and employee matters;

**Taxonomy Regulation** means the Regulation on the Establishment of a Framework to Facilitate Sustainable Investment (Regulation EU/2020/852) as may be supplemented, consolidated, substituted in any form or otherwise modified from time to time;"

**2 The definition of "Supplement" in the "Definitions" section to the Prospectus shall be deleted and replaced in its entirety with the following:**

"**Supplement** means any supplement to the Prospectus issued on behalf of the ICAV specifying certain information in relation to a Fund and/or one or more Classes from time to time, noting that any such supplement may be issued with an information card, annex or addendum containing supplemental information on the relevant Fund or Class;"

**3 A new section 4.14 "Sustainable Finance Disclosures" shall be added after section 4.13 "Use of a Subscriptions/Redemptions Account" with the following:**

**"4.14 Sustainable Finance Disclosures**

The European Union has introduced a series of legal measures (the primary one being SFDR) requiring firms that manage investment funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the investment funds they manage.

This section of the Prospectus has been prepared for the purpose of meeting the specific financial product level disclosure requirements contained in SFDR.

It is noted that the regulatory technical standards to specify the details of the content and presentation of the information to be disclosed pursuant to SFDR have been delayed and will not be issued when the relevant disclosure obligations in SFDR become effective.

It is also noted in this respect that the European Commission has recommended, that from the effective date of SFDR, financial market participants seek to comply with the specific disclosure obligations in SFDR that are reliant on regulatory technical standards on a "high-level, principles-based approach".

The Manager and the ICAV therefore seek to comply on a best efforts basis with the relevant disclosure obligations and makes this disclosure as a means of achieving this objective.

It is expected that this section of the Prospectus will be reviewed and updated once the relevant regulatory technical standards come into effect, noting in particular that the regulatory technical standards are expected to contain details on the form and presentation of the information to be disclosed and this could therefore require a revised approach to how the Manager and the ICAV seek to meet the disclosure obligations in SFDR.

This section of the Prospectus may also be updated to take account of the provisions of the Taxonomy Regulation once it comes into effect (01 January 2022).

*Fund Classification*

For SFDR purposes each Fund is classified as either (i) a Mainstream Fund; (ii) an ESG Orientated Fund; or (iii) a Sustainable Investment Fund.

If a Fund is classified as either an ESG Orientated Fund or a Sustainable Investment Fund, a clear indication of this classification (along with additional SFDR-related disclosure) will be made in the Supplement or the Information Card for the relevant Fund.

As a default, and in the absence of such clear indication, each Fund will be classified as a Mainstream Fund.

*Mainstream Funds*

The investments underlying the Mainstream Funds do not take into account the EU criteria for environmentally sustainable economic activities.

The classification of a Fund as a Mainstream Fund means that the Fund does not promote environmental or social characteristics in a way that meets the specific criteria contained in

Article 8 of SFDR or have sustainable investment as its objective in a way that meets the specific criteria contained in Article 9 of SFDR.

Accordingly, each Fund that is classified as a Mainstream Fund shall not be expected to pursue an investment approach that explicitly promotes environmental or social characteristics or to have sustainable investment as its objective.

Notwithstanding this classification, the ICAV and the Manager still consider that the Mainstream Funds are managed responsibly. The Investment Manager evaluates and integrates Sustainability Risks and other relevant ESG factors at multiple stages throughout the investment process. This is considered as an important element in contributing towards long-term investment returns and an effective risk-mitigation technique and the Investment Manager does not expect that the assessment of likely impacts of Sustainability Risks will materially impact the expected risk or return characteristics of the Mainstream Funds. The Investment Manager believes its ESG-related research capabilities can help enhance portfolio relative performance, particularly in reducing exposure to countries, industries, and securities with material negative ESG risks. For more details on how ESG factors are integrated into the investment process please refer to [www.northill.com/northill-global-fund-managers-limited/](http://www.northill.com/northill-global-fund-managers-limited/).

#### *ESG Orientated Funds and Sustainable Investment Funds*

For any Funds that are classified as ESG Orientated Funds or Sustainable Investment Funds additional disclosures required under SFDR for such Funds shall be provided in the relevant Supplement or Information Card.

#### *Consideration of Principal Adverse Impacts of Investment Decisions on Sustainability Factors*

The Manager does not currently consider the principal adverse impacts of its investment decisions on Sustainability Factors. The Manager has opted against doing so, primarily as the regulatory technical standards supplementing SFDR which will set out the content, methodology and information required in the principal adverse sustainability impact ("PASI") statement remain in draft form and have been delayed. The Manager intends to consider the principal adverse impacts of investment decisions on Sustainability Factors once the regulatory technical standards come into effect, which is expected to occur on 1 January 2022.

Further information on the Investment Manager's approach to the consideration of the principal adverse impacts of its investment decisions on Sustainability Factors may be found at [www.northill.com/northill-global-fund-managers-limited](http://www.northill.com/northill-global-fund-managers-limited)

#### *Risk Factors*

Please refer to Appendix III, entitled "Risk Factors" and the section entitled "Sustainable Finance Disclosures Risks" in respect of the risks related to sustainable finance disclosures."

**4 Appendix III entitled "Risk Factors" will be amended with a new section 2.31.22 "Sustainable Finance Disclosures Risks" which shall be added after section 2.31.21 "CRS":**

**"2.31.22 Sustainable Finance Disclosures Risks**

*SFDR - Legal risk*

The series of legal measures (including SFDR) requiring firms that manage investment funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the investment funds they manage (the EU sustainable finance action plan) is being introduced in the European Union on a phased basis and some elements (for example supporting regulatory technical standards) are subject to implementation delays.

The Manager and the ICAV seek to comply with all legal obligations applicable to it but notes there may be challenges in meeting all the requirements of these legal measures as they are introduced. The Manager and the ICAV may be required to incur costs in order to comply with these new requirements as part of the initial implementation phase and to incur further costs as the requirements change and further elements are introduced. This could be the case in particular if there are adverse political developments or changes in government policies as the implementation phase progresses. These elements could impact on the viability of the Funds and their returns.

*ESG Data reliance*

The scope of SFDR is extremely broad, covering a very wide range of financial products and financial market participants. It seeks to achieve more transparency regarding how financial market participants integrate Sustainability Risks into their investment decisions and consideration of adverse sustainability impacts in the investment process. Data constraint is one of the biggest challenges when it comes to sustainability related information to end-investors, especially in the case of principal adverse impacts of investment decisions, and there are limitations on sustainability and ESG-related data provided by market participants in relation to comparability. Disclosures in this Prospectus may develop and be subject to change due to ongoing improvements in the data provided to, and obtained from, financial market participants and financial advisers to achieve the objectives of SFDR in order to make sustainability-related information available.

*Relative performance*

An ESG Orientated Fund or a Sustainable Investment Fund may underperform or perform differently relative to other comparable funds that do not promote environmental and/or social characteristics or pursue a sustainable investment objective."

**Dated 3 March 2021**