GEMCAP INVESTMENT FUNDS (IRELAND) PLC

Fifth Addendum to the Prospectus (the "Addendum")

This Fifth Addendum is supplemental to, forms part of and should be read in conjunction with the prospectus for GemCap Investment Funds (Ireland) plc (the "Company") dated 4 October, 2017 and the addenda thereto dated 21 December, 2018, 19 December, 2019, 13 March, 2020 and 1 December, 2020 (the "Prospectus").

Distribution of this Addendum is not authorised unless accompanied by a copy of the Prospectus. Words and expressions defined in the Prospectus shall; unless the context otherwise requires, have the same meaning when used in this Addendum.

The Directors whose names appear under the heading "Directors of the Company" in the Prospectus accept responsibility for the information contained in the Prospectus and this Addendum. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this 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.

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.

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

Amendments to the Prospectus

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1. AMENDMENTS TO THE PROSPECTUS

1.1 A new paragraph is inserted at the end of the section entitled "RISK WARNINGS" as follows: -

"**Sustainability Risk Warning**

A Fund may be exposed to the risk of an environmental, social or governance event or condition (an **"ESG Event"**) which, if it occurs, could cause an actual or a potential material negative impact on the value of its investments (**"Sustainability Risks**"). A Fund may integrate Sustainability Risks into its investment decisions in order to attempt to mitigate such risks, however, regardless of whether or not such risks are integrated into investment decisions, an investment shall remain exposed to such risks and if a Sustainability Risk associated with an investment materialises, it could lead to the loss in value of that investment.

The manner in which Sustainability Risks are integrated into investment decisions of a Fund or confirmation that they are not and the results of the assessment of the likely impact of Sustainability Risks on the returns of a Fund, will be set out in the relevant Supplement."

2. AMENDMENTS TO THE SUPPLEMENTS

2.1 **Supplement for Atlantic House Defined Returns Fund**

A new paragraph is inserted at the end of the section entitled **"Investment Policy"** as follows:-

“Sustainability Risks

The Investment Manager does not integrate Sustainability Risks into its discretionary investment decisions in relation to the Fund. The Investment Manager has determined that an ESG Event is not likely to cause an actual or potential material negative impact on the returns of the Fund as the Fund is based on major financial indices and derivatives structured around major financial indices.”

2.2 **Supplement for Atlantic House Total Return Fund**

A new paragraph is inserted at the end of the section entitled **“Investment Policy”** as follows:-

“Sustainability Risks

The Investment Manager does not integrate Sustainability Risks into its discretionary investment decisions in relation to the Fund. The Investment Manager has determined that an ESG Event is not likely to cause an actual or potential material negative impact on the returns of the Fund as the Fund is exposed to gold, short dated bonds and equity exposure through the use of derivatives and, as such, Sustainability Risks would not be materially relevant to the Fund.”

2.3 **Supplement for Atlantic House US Enhanced Equity Fund**

A new paragraph is inserted at the end of the section entitled **“Investment Policy”** as follows:-

“Sustainability Risks

The Investment Manager does not integrate Sustainability Risks into its discretionary investment decisions in relation to the Fund. The Investment Manager has determined that an ESG Event is not likely to cause an actual or potential material negative impact on the returns of the Fund as the Fund is based on major financial indices and derivatives structured around major financial indices.”

2.4 **Supplement for Causeway Defined Growth Fund**

A new paragraph is inserted at the end of the section entitled **“Investment Policy”** as follows:-

“Sustainability Risks

The Investment Manager does not integrate Sustainability Risks into its discretionary investment decisions in relation to the Fund. The Investment Manager has determined that an ESG Event is not likely to cause an actual or potential material negative impact on the returns of the Fund as the Fund is based on major financial indices and derivatives structured around major financial indices.”

2.5 **Supplement for Calamos Global Convertible Fund**;

2.5.1 The fifth paragraph in the section entitled ‘”**Investment Policy** - ***Investment Selection***” starting with “The Investment Manager also evaluates environmental, social and governance (“ESG”) factors” and ending with “on the rating the Investment Manager’s company reviews” shall be replaced by the following paragraphs and heading:-

“<u>ESG and Sustainable Investments Integration</u>

The Investment Manager also evaluates environmental, social and governance (“ESG”) factors and incorporates these considerations into its decision-making process. ESG analysis is included as a section of the Investment Manager’s standard review process. As part of the process, the Investment Manager reviews the ESG ratings from its third-party vendor (MSCI

ESG Manager) and incorporates commentary on the rating into the Investment Manager's company reviews.

The Investment Manager defines sustainability as the ability to leverage the Environmental, Social and Governance ("ESG") factors of business practices seeking to generate opportunities and mitigate risks that can contribute to the long-term performance of issuers. The Investment Manager believes that consideration of these factors can provide an important input into its investment process and it therefore takes into account both qualitative and quantitative material ESG risks as a part of its research process.

In addition, ESG factors and risks are also covered across the Investment Manager's broader and ongoing assessment of a company's competitive positioning; its relationship with various constituents including suppliers, customers, employees and regulators; as well as an evaluation of the risks of the businesses they are in. Governance in particular has always been core to the Investment Manager's investment process and long before it began incorporating third-party ESG services. The Investment Manager also receives ESG rating changes from MSCI ESG Manager, which alerts the Investment Manager to ESG changes in its current holdings. The Investment Manager analyses ESG related risks to determine if the Investment Manager we will be appropriately compensated. If the Investment Manager determines any risk – including those related to ESG – are too significant and could present significant downside exposure, it would typically not invest.

Unlike investment vehicles which promote ESG characteristics or with a specific sustainability or impact objective that may have a constrained investment universe, the Fund is primarily aimed at maximizing financial performance, whereby ESG aspects (including risks) are input factors within the investment process as the Investment Manager considers appropriate to pursue the Fund's investment objective and as such an ESG Event is not likely to cause an actual or potential material negative impact on the returns of the Fund."

2.5.2 A new risk warning is inserted as the final paragraph in the section entitled **"Risk Warnings**" as follows: -

"A '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. If a sustainability risk associated with an investment of the Fund materialises, it could lead to the loss in value of that investment."

2.6 **Supplement for GSI Global Sustainable Focused Value Fund**

2.6.1 A paragraph is inserted as a new fourth paragraph before the paragraph commencing with the sentence 'The ESG scoring process" in the section entitled **"Investment Strategy"** as follows: -

"Furthermore, the Investment Manager will exclude from the portfolio companies that fail to comply with the United Nations Global Compact principles for business or derive a significant part of their revenues from activities that are not aligned with the United Nations sustainable development goals. These include, but are not limited to, product involvement in adult entertainment, animal testing, controversial weapons, gambling, palm oil, pesticides, and tobacco."

2.6.2 A new paragraph is inserted at the end of the section entitled **"Investment Strategy"** as follows: -

"Sustainable Investing

The Investment Manager aims to incorporate sustainable investing into a factor-based investment process while preserving the risk and return characteristics of the investment strategy. The Investment Manager considers sustainable investing as a long-term investment strategy that incorporates ESG considerations into the investment process. The Investment Manager aims to promote ESG by means of sustainable investment on the basis of inclusion-based investing (i.e. by applying sustainability criteria to the eligible investment universe through adjusting the weights of the constituents by increasing investment in more sustainable companies and reducing investment in less sustainable investments) and exclusion-based investing (i.e. screening out firms that do not satisfy the relevant ESG criteria set out by the Investment Manager) as detailed above.

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

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

Sustainability Risks

The management of sustainability risk forms an integral part of the due diligence process implemented by the Investment Manager.

When assessing the sustainability risk associated with underlying investments, the Investment Manager is assessing the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition ("ESG Event").

The Investment Manager uses data sourced from specialist third party ESG data providers, who employ both quantitative and qualitative processes to identify and quantify sustainability risk. This data is used by the Investment Manager to manage sustainability risk in the following way:

Prior to acquiring investments on behalf of the Fund, the Investment Manager reviews the data from the third-party providers to evaluate the sustainability risks. This process begins with an exclusion policy where companies are removed from the investment universe on the basis that they pose too great a sustainability risk to the Fund. The remaining companies are deemed to have a suitable sustainability risk rating to be included in the investment universe.

In the next stage of the process, the Investment Manager's integrates the sustainability risk scores with the fundamental company data, as described in section headed "Investment Strategy". The resulting information from this process is used by the Investment Manager to determine whether to acquire a holding in an issuer and the amount to acquire.

During the life of the investment, sustainability risk is monitored through review of ESG data sourced from specialist third party ESG data providers to determine whether the level of sustainability risk has changed for the investment. Generally, each investment is subject to review no less than once a year but typically quarterly. Where the sustainability risk associated with a particular investment has changed significantly, the Investment Manager may consider changing the Fund's exposure to the relevant investment, taking into account the best interests of the Shareholders of the Fund.

The Investment Manager has determined that the Sustainability Risk (being the risk that the value of the Fund could be materially negatively impacted by an ESG Event) faced by the Fund is low.

2.6.3 A new risk warning is inserted as the final paragraph in the section entitled **"Risk Warnings**" as follows: -

"**Sustainability Risk Warning**

The Fund may be exposed to the risk of an environmental, social or governance event or condition (an "**ESG Event**") which, if it occurs in relation to an investment of the Fund, could cause an actual or a potential material negative impact on the value of that investment ("**Sustainability Risks**")."

2.7 **Supplement for GSI Global Sustainable Value Fund**

2.7.1 A paragraph is inserted as a new fourth paragraph before the paragraph commencing with the sentence 'The ESG scoring process" in the section entitled **"Investment Strategy"** as follows: -

"Furthermore, the Investment Manager will exclude from the portfolio companies that fail to comply with the United Nations Global Compact principles for business or derive a significant part of their revenues from activities that are not aligned with the United Nations sustainable development goals. These include, but are not limited to, product involvement in adult entertainment, animal testing, controversial weapons, gambling, palm oil, pesticides, and tobacco."

2.7.2 A new paragraph is inserted at the end of the section entitled **"Investment Strategy"** as follows: -

"Sustainable Investing

The Investment Manager aims to incorporate sustainable investing into a factor-based investment process while preserving the risk and return characteristics of the investment strategy. The Investment Manager considers sustainable investing as a long-term investment strategy that incorporates ESG considerations into the investment process. The Investment Manager aims to promote ESG by means of sustainable investment on the basis of inclusion-based investing (i.e. by applying sustainability criteria to the eligible investment universe through adjusting the weights of the constituents by increasing investment in more sustainable companies and reducing investment in less sustainable investments) and exclusion-based investing (i.e. screening out firms that do not satisfy the relevant ESG criteria set out by the Investment Manager) as detailed above.

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

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

Sustainability Risks

The management of sustainability risk forms an integral part of the due diligence process implemented by the Investment Manager.

When assessing the sustainability risk associated with underlying investments, the Investment Manager is assessing the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition ("ESG Event").

The Investment Manager uses data sourced from specialist third party ESG data providers, who employ both quantitative and qualitative processes to identify and quantify sustainability risk. This data is used by the Investment Manager to manage sustainability risk in the following way:

Prior to acquiring investments on behalf of the Fund, the Investment Manager reviews the data from the third-party providers to evaluate the sustainability risks. This process begins with an exclusion policy where companies are removed from the investment universe on the basis that they pose too great a sustainability risk to the Fund. The remaining companies are deemed to have a suitable sustainability risk rating to be included in the investment universe.

In the next stage of the process, the Investment Manager's integrates the sustainability risk scores with the fundamental company data, as described in section headed "Investment Strategy". The resulting information from this process is used by the Investment Manager to determine whether to acquire a holding in an issuer and the amount to acquire.

During the life of the investment, sustainability risk is monitored through review of ESG data sourced from specialist third party ESG data providers to determine whether the level of sustainability risk has changed for the investment. Generally, each investment is subject to review no less than once a year but typically quarterly. Where the sustainability risk associated with a particular investment has changed significantly, the Investment Manager may consider changing the Fund's exposure to the relevant investment, taking into account the best interests of the Shareholders of the Fund.

The Investment Manager has determined that the Sustainability Risk (being the risk that the value of the Fund could be materially negatively impacted by an ESG Event) faced by the Fund is low.

2.7.3 A new risk warning is inserted as the final paragraph in the section entitled **"Risk Warnings**" as follows: -

"**Sustainability Risk Warning**

The Fund may be exposed to the risk of an environmental, social or governance event or condition (an "**ESG Event**") which, if it occurs in relation to an investment of the Fund, could cause an actual or a potential material negative impact on the value of that investment ("**Sustainability Risks**")."

2.8 **Supplement for:**

- **London & Capital Global Balanced Fixed Income Fund;**
- **London & Capital Global Conservative Fixed Income Fund; and**
- **London & Capital Global Growth Fixed Income Fund;**
- **London & Capital Global Growth Fund;**
- **London & Capital Global Star Equity Fund; and**
- **London & Capital Global Balanced Fund**

A paragraph is inserted in the section entitled **"Investment Process"** in the Supplement for each of the above sub-funds as follows: -

<u>"ESG Analysis:</u>

A long-term approach to investing is central to the Investment Manager's investment philosophy. ESG-aware investing is fundamentally aligned with this key thesis - investing for the long-term in assets with a sustainability and resilience where risks can be actively managed. The Investment Manager incorporates an ESG analysis into the Fund's investment decision making process. The Investment Manager has developed an in-house ESG scoring methodology, using data from external providers in conjunction with its own analysis, incorporating the key qualitative and quantitative attributes (including Sustainability Risks) behind a company's ESG standards. The Investment Manager applies its own proprietorial weightings to each company's E, S, and G score based on the sector in which it belongs; by applying these factor weightings, companies are put onto a more level playing field. The process ends up with a single rating per company, on a scale of 0 to 100, and the Investment Manager aims to invest in companies with a score over 50. It is important to note that the Investment Manager's aim for the Fund is not to construct a portfolio that maximises ESG scoring, but to complement the proven investment process by incorporating ESG factors into the investment analysis. The Investment Manager also applies a level of ethical screening that aims to reject companies that gain a significant portion of their revenue from sources such as adult entertainment, gambling and tobacco.

Sustainability Risks

The Investment Manager integrates sustainability/ESG considerations including Sustainability Risks as set out above. The Investment Manager has determined that an ESG Event is not likely to cause an actual or potential material negative impact on the returns of the Fund given that the investment strategy is not driven by ESG analysis, but is ESG aware. Should an ESG event occur it would typically be at a security/investment level, and because the Fund adopt portfolio diversification significantly wider than the minimum UCITS requirements (including sector diversification), the negative impact at the portfolio level would not be material."

2.9 **Supplement for Principal Asset Allocation Fund**

A paragraph is inserted in the section entitled **"Investment Objective and Policy"** directly after the paragraph starting with 'The Investment Manager selects its investments and allocate' in the Supplement for the Fund as follows: -

The Investment Manager systematically incorporates ESG considerations (including Sustainability Risks) into its investment decision making process. The starting point is the concept of universal ownership whereby we employ a dynamic restricted issuer list. Practically this means excluding issuers based on their ESG score. The scores are continually updated and so companies that improve performance become eligible for capital allocation. Conversely, poorer performing companies will be excluded from the Fund's investment universe.

The Investment Manager measures companies on an absolute basis (as opposed to only selecting from percentile rankings). In practical terms companies with a score above 0.5 (as provided by ASSET4, a Refinitiv service) are eligible for inclusion in fixed income or equity investment universes. For equity there is a 1-2-1 mapping between company and ESG coverage. For fixed income issuers, who are often not listed, the Investment Manager traces subsidiaries through company trees and bases its assessment on the list parent. Were this is not possible (for example a private company) the Investment Manager conduct further analysis via other database providers (MSCI, Sustain Analytics, ISS, S&P) to define eligibility.

Sustainability Risks

The Investment Manager integrates sustainability/ESG considerations including Sustainability Risks as set out above. The Investment Manager has determined that an ESG Event is not likely to cause an actual or potential material negative impact on the returns of the Fund."

2.10 **Supplement for Semper Total Return Fund**

A paragraph is inserted at the end of the section entitled **"investment Policy"** as follows: -

"ESG analysis and Sustainability Risks

The Investment Manager is a very socially aware firm, and has begun including environmental, social, and governance analyses as a part of its credit and quantitative analyses that it performs in the determination of appropriate investments. Environmental considerations include the location and concentration of homes securing each bond's underlying loans and the type of loan being provided, for example loans clearly designated as Green by sponsors like Fannie Mae or Freddie Mac or for home improvement related to Green initiatives. Social considerations include positive characteristics of the pools of underlying loans, for example the percentage of first-time home buyers, lower income borrowers, the percentage of high loan-to-value borrowers, and conversely negative characteristics such as the percentage of loans with teaser rates or balloon payments. Governance considerations include the practices of originators to ensure comprehensive borrowers underwriting practices and of servicers to provide ample information to bondholders and offer appropriate modification options to financially impaired borrowers.

Over time the Investment Manager may ascertain some relevance to portfolio performance, either positive or negative, and will continue to follow developments in this sector.

The Investment Manager does not integrate Sustainability Risks into its discretionary investment decision making in relation to the Fund and has determined that an ESG Event is not likely to cause an actual or potential material negative impact on the returns of the Fund given that the Fund invests in U.S. domestic securitized debt, including Agency MBS, non-Agency MBS, CMBS, and ABS. Potential ESG considerations are different for these securities than they are for equities or corporate bonds. While environment, social, and governance considerations are present in MBS investing, mortgage underwriting, servicing, etc., the Investment Management has not determined that ESG-related risks impact MBS performance."

2.11 **Supplement for Team International Equity Fund**

A paragraph is inserted at the end of the section entitled **"Investment Policy –** *Investment Selection*" as follows: -

"Sustainability Risks

The Investment Manager does not integrate Sustainability Risks into its discretionary investment decision making in relation to the Fund and has determined that an ESG Event is not likely to cause an actual or potential material negative impact on the returns of the Fund."

2.12 **Supplement for Third Avenue Real Estate Value Fund**

A paragraph is inserted at the end of the section entitled **"Investment Policy –** Investment Manager Philosophy" as follows: -

"*Sustainability Risk*

The management of Sustainability Risk forms an important part of the due diligence process implemented by the Investment Manager.

When assessing the Sustainability Risk associated with underlying investments, the Investment Manager is assessing the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition ("ESG Event").

Using both quantitative and qualitative processes, Sustainability Risk is identified, monitored and managed by the Investment Manager in the following manner:

Prior to acquiring investments on behalf of a Fund, the Investment Manager review publicly available data from third-party providers, as well as data published by issuers, to evaluate the relevant investment against Sustainability Risk and to identify whether it is vulnerable to such risk. This process incorporates applying both an exclusion policy (whereby potential investments are removed from the investment universe on the basis that they pose too great a Sustainability Risk to the Fund) and positive screening whereby those investments which have a suitable sustainability risk rating are included in the investment universe. The Investment Manager's assessment is based on fundamental analysis on each potential investment in order to allow it to assess the adequacy of the ESG programs and practices of an issuer to manage the sustainability risk it faces. The information gathered from this analysis is taken into account by the Investment Manager in deciding whether to acquire a holding in an issuer and may, in certain circumstances, result in the Investment Manager investing in an issuer which has a lower ESG rating than other investors or third-parties may recognize as the Investment Manager believes that the relevant issuer may have implemented or be in the process of implementing positive sustainability-related changes.

During the life of the investment, Sustainability Risk is monitored through review of ESG data published by the issuer (where relevant) or selected Data Providers to determine whether the level of sustainability risk has changed since the initial assessment has been conducted. Generally, each investment is subject to reviews no less than once a year. Where the Sustainability Risk associated with a particular investment has increased beyond the ESG risk appetite for the relevant Fund, the Investment Manager will consider selling the Fund's exposure to the relevant investment, taking into account the best interests of the Shareholders of the Fund.

The Investment Manager has determined that the sustainability risk (being the risk that the value of the Fund could be materially negatively impacted by an ESG Event) faced by the Fund is moderate."

Dated 10 March, 2021