

ANIMA FUNDS PLC
FIRST ADDENDUM TO PROSPECTUS

This Addendum forms part of and should be read in the context of and in conjunction with the Prospectus for the Company dated 27 November, 2020 (the "Prospectus") and is incorporated herein. All capitalised terms herein contained shall have the same meaning in this Addendum as in the Prospectus unless otherwise indicated.

The Directors of the Company whose names appear on page 5 of the Prospectus accept responsibility for the information contained in this document. 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 document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

The Directors wish to advise Shareholders that the Prospectus is being updated to address disclosure requirements pursuant to the Sustainable Finance Disclosure Regulations (EU) 2019/2088.

1. Sustainability risk

The Prospectus is now updated to include an additional risk factor within the 'Risk Factor's section of the Prospectus, namely 'Sustainability Risks':

"Sustainability risk

Sustainability risks are defined in the Sustainable Finance Disclosure Regulation (EU) 2019/2088 (the 'SFDR') as environmental, social or governance events or conditions that, if they were to occur, could have actual or potential material negative impacts on the value of the investments of a Fund.

The Manager takes into account sustainability risks as part of its investment decision making process, both as part of its initial and ongoing due diligence on the selection of investments of a Fund. The Manager integrates sustainability risks into its investment decision making process through the use of exclusion criteria and active monitoring of the ESG profiles of each security and the whole portfolio, as described in the Manager's ESG Policy, a copy of which is available on www.animasgr.it. In this regard, it should be noted that the Funds of the Company have been classified according to an increasing level of sustainability risks, with the assumption that a greater risk is associated with a higher potential negative impact on the returns of the relevant Fund. On the basis of this scale, the following levels are applied: "Lower sustainability risks"; "Intermediate sustainability risks"; "Greater sustainability risks"; "Potentially high sustainability risks" as further detailed in the below table.

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| Class 1 | Lower sustainability risks | <i>Products for which sustainability risks are identified, measured and monitored as for class 2 below and mitigated through the application of own ESG strategies</i> |
| Class 2 | Intermediate sustainability risks | <i>Products for which the availability of ESG ratings and data is considered satisfactory and no overall incidence of low ratings is observed above a predefined maximum level, or funds of funds, fund-based asset management or other similar products where sustainability risks are mitigated by the application of own ESG approaches</i> |
| Class 3 | Greater sustainability risks | <i>Products for which the availability of ESG ratings and data reaches a level considered satisfactory, but still shows an overall incidence of low or unclassified ratings above a predefined maximum level</i> |
| Class 4 | Potentially high sustainability risks | <i>Products for which the availability of ESG ratings and data is below a predefined minimum level, or particular products for which monitoring is implemented in a limited form due to the specific characteristics and/or possible “customisation” of the products themselves</i> |

The sustainability risk classification is monitored on a periodic basis and whenever a Fund changes its sustainability risk classification, the Prospectus shall be updated.

The Funds have been classified according to the following table:*

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| ANIMA Active Selection | Potentially high sustainability risks |
| ANIMA Asia/Pacific Equity | Intermediate sustainability risks |
| ANIMA Bond Dollar | Intermediate sustainability risks |
| ANIMA Brightview IX | Intermediate sustainability risks |
| ANIMA Brightview X | Intermediate sustainability risks |
| ANIMA Brightview XI | Intermediate sustainability risks |
| ANIMA Brightview VIII | Intermediate sustainability risks |
| ANIMA Credit Opportunities | Greater sustainability risks |
| ANIMA Defensive | Intermediate sustainability risks |
| ANIMA Emerging Markets Equity | Greater sustainability risks |
| ANIMA Euro Equity | Intermediate sustainability risks |
| ANIMA Euro Government Bond | Intermediate sustainability risks |
| ANIMA Europe Equity | Intermediate sustainability risks |
| ANIMA Flexible Bond | Intermediate sustainability risks |
| ANIMA Global Bond | Intermediate sustainability risks |
| ANIMA Global Currencies | Intermediate sustainability risks |
| ANIMA Global Equity Value | Intermediate sustainability risks |
| ANIMA Global Macro | Intermediate sustainability risks |
| ANIMA Global Selection | Intermediate sustainability risks |
| ANIMA High Yield Bond | Potentially high sustainability risks |
| ANIMA Hybrid Bond | Greater sustainability risks |
| ANIMA International Bond | Intermediate sustainability risks |

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| ANIMA Italian Bond | Intermediate sustainability risks |
| ANIMA Italian Equity | Greater sustainability risks |
| ANIMA Liquidity | Intermediate sustainability risks |
| ANIMA Medium Term Bond | Intermediate sustainability risks |
| ANIMA Short Strategy Bond | Intermediate sustainability risks |
| ANIMA Short Term Bond | Intermediate sustainability risks |
| ANIMA Short Term Corporate Bond | Intermediate sustainability risks |
| ANIMA Smart Dividends Europe | Intermediate sustainability risks |
| ANIMA Smart Volatility Emerging Markets | Intermediate sustainability risks |
| ANIMA Smart Volatility Europe | Intermediate sustainability risks |
| ANIMA Smart Volatility Global | Intermediate sustainability risks |
| ANIMA Smart Volatility Italy | Intermediate sustainability risks |
| ANIMA Smart Volatility USA | Intermediate sustainability risks |
| ANIMA Solution EM | Potentially high sustainability risks |
| ANIMA Star Bond | Intermediate sustainability risks |
| ANIMA Star High Potential Europe | Intermediate sustainability risks |
| ANIMA Star High Potential Italy | Intermediate sustainability risks |
| ANIMA Trading Fund | Intermediate sustainability risks |
| ANIMA U.S. Equity | Intermediate sustainability risks |
| ANIMA Variable Rate Bond | Intermediate sustainability risks |
| ANIMA Zephyr Global | Intermediate sustainability risks |
| ANIMA Zephyr Global Allocation | Intermediate sustainability risks |
| ANIMA Zephyr New | Intermediate sustainability risks |
| ANIMA Zephyr New II | Intermediate sustainability risks |
| ANIMA Zephyr Real Assets | Intermediate sustainability risks |

* Funds for which (i) the subscription period has closed, (ii) Funds which have terminated and are therefore without assets (for which an application for withdrawal of approval shall be submitted to the Central Bank in due course) and (iii) Funds which are unlaunched and will not be launched (for which an application for withdrawal of approval shall be submitted to the Central Bank in due course) are excluded from the above classification”

2. Environmental, Social and Corporate Governance Factors

The section of the Prospectus headed “**Environmental, Social and Corporate Governance Factors**” is now amended to read as follows:

“Environmental, Social and Corporate Governance Factors

The Manager is a signatory to the internationally recognised Principles for Responsible Investment (“PRI”) and, as such, has developed an internal policy for the analysis, evaluation and classification of issuers according to environmental, social and governance factors (“ESG Policy”), as further detailed below. The aforementioned PRI constitutes the basis of the integration of sustainability factors in the responsible investment process adopted by the Manager.

The Manager’s ESG Policy is based on the following elements which characterise the investment process, with the exception of the ‘Specific ESG Strategies’ element as detailed at point 3 below, as this element of the process will only apply to a Fund which has been classified by the Manager as an Article 8 (light green fund) or an Article 9 (dark green fund) Fund pursuant to the Sustainable Finance Disclosure Regulation (EU) 2088/2019 (“SFDR”):

1. *Sustainability risk monitoring*

A description of this aspect is provided in the section entitled "Risk Factors", under the heading "Sustainability Risk".

2. *Taking into account the principal adverse impacts of investment decisions on sustainability factors*

The Manager considers the principal adverse impacts of investment decisions on sustainability factors on the basis of ESG data provided by third party data providers by monitoring E, S and G scores and indicators on greenhouse gas emissions, impact on biodiversity and investments in fossil fuels, labour rights and anti-corruption policies.

In respect of those Funds invested in third-party UCITS, the Manager only considers principal adverse impacts where ESG data is available for those third-party funds.

3. *Specific ESG strategies*

The Manager applies specific ESG strategies to Funds promoting, among others, social and environmental characteristics, or which have as their objective sustainable investments, as identified by Article 8 and Article 9 of SFDR. These strategies tend to reduce and control investments in securities of issuers with poor ESG ratings.

4. *Shareholder engagement*

With regard to shareholder engagement practices, in addition to adhering to the Italian Stewardship Principles issued by Assogestioni (the Italian Asset Management Association), which are based on the European Fund and Asset Management Association (EFAMA) Stewardship Code, the Manager has put in place a dedicated shareholder engagement policy which is available on its website.

The Manager's investment process is guided by its ESG Committee which provides advisory support to the Board of Directors of the Manager in defining, reviewing and ensuring the implementation of the ESG Policy, as well as advising on any recommended updates to same, and regularly monitors the Funds classification on the basis of sustainability risk (for more details please refer to the section of the Prospectus headed "Risk Factors", heading "Sustainability Risk").

The Board of Directors of the Manager periodically verifies that the ESG Policy has been correctly implemented based on checks carried out by the Manager.

The ESG Policy is assessed at least once a year to determine whether any update is required, also taking into account national and international trends in responsible investment.

Further details of the Manager's ESG Policy are available on the Manager's website: <https://www.animasgr.it/EN/PolicyESG>."

As at the date of this Addendum, none of the Funds are classified as Article 8 or Article 9 Funds pursuant to SFDR. Where a Fund is classified as an Article 8 or Article 9 Fund this will be detailed within the relevant Fund Information Card.

3. Fund Information Card Updates

The Fund Information Card for each of the following Funds, namely, ANIMA Liquidity, ANIMA Short Term Bond, ANIMA Medium Term Bond, ANIMA Bond Dollar, ANIMA Global Bond, ANIMA Life Bond, ANIMA Euro Equity, ANIMA Europe Equity, ANIMA U.S. Equity, ANIMA Asia/Pacific Equity, ANIMA Global Equity Value, ANIMA Emerging Markets Equity, ANIMA Global Selection, ANIMA Short Term Corporate Bond, ANIMA Global Currencies, ANIMA Variable Rate Bond, ANIMA Hybrid Bond, ANIMA Euro Government Bond, ANIMA Italian Bond, ANIMA Italian Equity, ANIMA High Yield Bond, ANIMA International Bond, ANIMA Star High Potential Europe, ANIMA Star Bond, ANIMA Smart Volatility Europe, ANIMA Smart Volatility Global, ANIMA Smart Volatility Italy, ANIMA Credit Opportunities, ANIMA Flexible Income, ANIMA Star High Potential Italy, ANIMA Trading Fund, ANIMA Smart Dividends Europe, ANIMA Global Macro, ANIMA Smart Volatility USA, ANIMA Smart Volatility Emerging Markets, ANIMA Infrastructure, ANIMA Flexible Bond, ANIMA Zephyr New II, ANIMA Brightview VII, ANIMA Brightview VIII, ANIMA Brightview IX, ANIMA Brightview X, shall be amended to remove the following paragraph from the '**Investment Policy**' of each Fund noting the amendments made to the section of the Prospectus headed "**Environmental, Social and Corporate Governance Factors**" and as outlined at Point 2 above.

"The Manager uses an internal procedure for the analysis, evaluation and classification of issuers according to environmental, social and governance factors (so-called ESG - "Environmental, Social and Corporate Governance factors") (hereinafter the "ESG Policy"). Details of the Manager's ESG Policy are set out in the Section of the Prospectus entitled "Environmental, Social and Corporate Governance Factors" "

Date: 4 March, 2021