CORONATION

GLOBAL MANAGED STRATEGY

INSTITUTIONAL STRATEGY FACT SHEET AS AT 31 DECEMBER 2021

CORONATION
TRUST IS EARNED™

LONG TERM OBJECTIVE

The Coronation Global Managed Strategy provides investors with access to the best investment ideas from around the world, with the aim of maximising long-term capital growth. It blends individual asset selection to reflect Coronation's view across asset classes, regions and currencies. The intent is to remain fully invested in foreign assets. The Strategy will hold its exposure to foreign assets in a variety of currencies, primarily the US dollar, British pound, euro and Japanese yen. The Strategy's objective is to outperform the global markets as measured by an equity-biased composite benchmark over a 5-year period.

INVESTMENT APPROACH

Coronation is a long-term, valuation-driven investment house. Our aim is to identify mispriced assets trading at discounts to their long-term business value (fair value) through extensive proprietary research. In calculating fair values, through our fundamental research, we focus on through-the-cycle normalised earnings and/or free cash flows using a long-term time horizon. The Portfolio is constructed on a cleanslate basis based on the relative risk-adjusted upside to fair value of each underlying security. The Portfolio is constructed with no reference to a benchmark. We do not equate risk with tracking error, or divergence from a benchmark, but rather with a permanent loss of capital.

STRATEGY RETURNS GROSS OF FEES

Period	Strategy	Benchmark	Active Return
Since Inception (cumulative)	160.1%	147.1%	13.0%
Since Inception p.a.	8.2%	7.7%	0.5%
Latest 10 years p.a.	8.6%	8.2%	0.4%
Latest 5 years p.a.	8.0%	10.2%	(2.2)%
Latest 3 years p.a.	12.7%	13.9%	(1.2)%
Latest 1 year	3.4%	8.8%	(5.4)%
Year to date	3.4%	8.8%	(5.4)%
Month	2.5%	2.3%	0.2%

PERFORMANCE & RISK STATISTICS (Since inception)

	Strategy	Benchmark
Annualised Standard Deviation	12.4%	9.2%
Maximum Drawdown	(16.1)%	(13.0)%

ASSET ALLOCATION

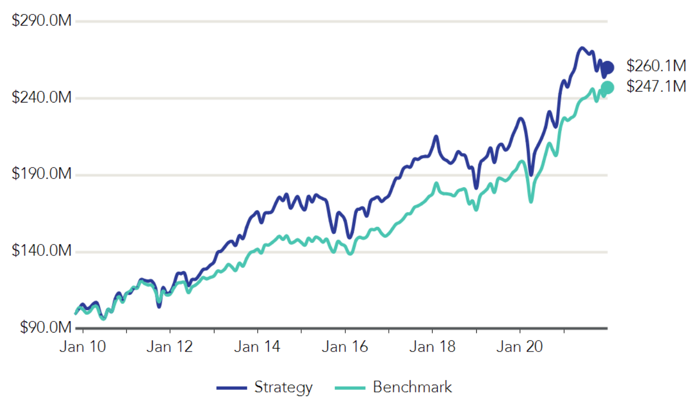
Asset Type	% Strategy
Equities	76.0%
Cash	10.9%
Bonds	8.2%
Commodities	4.2%
Property	0.7%

GENERAL INFORMATION

Inception Date	01 November 2009
Strategy Size *	$1.01 billion
Strategy Status	Open
Mandate Benchmark	60% MSCI Daily TR Net All Country World USD (NDUEACWF Index) and 40% Bloomberg Barclays Global Aggregate Bond TR Unhedged USD (LEGATRUU Index)
Redemption Terms	An anti-dilution levy will be charged
Base Currency	USD

*Strategy assets under management as at the most recent quarter end.

GROWTH OF US$100M INVESTMENT



Benchmark: 60% MSCI Daily TR Net All Country World USD (NDUEACWF Index) and 40% Bloomberg Barclays Global Aggregate Bond TR Unhedged USD (LEGATRUU Index)

TOP 10 HOLDINGS

Holding	% Strategy
ISHARES PHYSICAL GOLD ETC ETP USD (IRL)	4.2%
CHARTER COMMUNICATIONS INC-A (USA)	3.2%
ALPHABET INC-CL A (USA)	3.1%
PROSUS NA (CHN)	2.8%
CANADIAN PACIFIC RAILWAY LTD (CAN)	2.7%
JD.COM INC ADR (CHN)	2.7%
BRITISH AMERICAN TOBACCO PLC (GBR)	2.6%
VINCI SA (FRA)	2.3%
VISA INC-CLASS A SHARES (USA)	2.2%
META PLATFORMS INC (USA)	2.1%

CORONATION

GLOBAL MANAGED STRATEGY

INSTITUTIONAL STRATEGY FACT SHEET AS AT 31 DECEMBER 2021

CORONATION TRUST IS EARNED™

GEOGRAPHIC EXPOSURE

Region	% Strategy
North America	39.0%
Europe	24.6%
CEEMEA	13.4%
Asia	12.8%
LATAM	2.4%
Japan	1.6%
Other	6.2%

CURRENCY EXPOSURE

Currency	% Strategy
USD	70.9%
EUR	16.5%
GBP	7.4%
JPY	1.6%
ZAR	1.2%
TWD	1.1%
CNY	(2.1)%
Other	3.4%

PORTFOLIO MANAGERS

Louis Stassen - BSc, BCom (Hons), CFA

Louis is a founding member and former chief investment officer of Coronation, with 31 years' investment experience. He is a key decision maker within the global investment team and co-manager across all Global Multi-Asset Class strategies.

Neil Padoa - BEconSc, FFA

Neil is a portfolio manager and head of Global Developed Markets. He joined Coronation in May 2012 and has 13 years' investment experience.

Humaira Surve - BScEng, MBA, CFA

Humaira is a portfolio manager within the Global Developed Markets team, responsible for co-managing the Coronation Global Equity Select, Active Global Equity and Global Managed strategies. She joined Coronation in 2012 as a global developed markets analyst. Humaira has nine years investment experience.

FUND MANAGERS

Please contact Coronation for further information

Gus Robertson

International Client Service Fund Manager
tel: +27 21 680 2443
email: grobertson@coronation.com

Liesl Abrahams

International Client Service Fund Manager
tel: +27 21 680 2849
email: labrahams@coronation.com

REGULATORY DISCLOSURE AND DISCLAIMER

The Prospectus of Coronation Global Opportunities Fund and Fund KIID can be sourced on the following link: https://www.coronation.com/en/institutional/strategy-information/literature/ucits-fund-library/umbrella-fund and a Summary of Investor Rights can be sourced on the following link: https://www.coronation.com/en/institutional/about-us/ucits-v-disclosure/.

Coronation Investment Management International (Pty) Limited is an investment adviser registered with the United States Securities and Exchange Commission ("SEC"). An investment adviser's registration with the SEC does not imply a certain level of skill or training. Additional information about Coronation Investment Management International (Pty) Limited is also available on the SEC's website at https://www.adviserinfo.sec.gov. The information in this document has not been approved or verified by the SEC or by any state securities authority. Coronation Asset Management (Pty) Limited, Coronation Investment Management International (Pty) Limited and Coronation Alternative Investment Managers (Pty) Limited are also regulated by the Financial Sector Conduct Authority of South Africa.

This material is for information only and does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe for or purchase an investment in the Strategy, nor shall it or the fact of its distribution form the basis of, or be relied upon in connection with, any contract for investment in the Strategy. Any such offer shall only be made pursuant to the provision of further information/prospectus in relation to the Strategy. The Strategy is subject to management, administration and performance fees. Past performance is not necessarily a guide to future performance. Investors may not receive back the full amount invested and may suffer capital loss. Investments in the Strategy may not be readily realisable. Opinions expressed in this document may be changed without notice at any time after publication. Nothing in this document shall constitute advice on the merits of buying and selling an investment. All income, capital gains and other tax liabilities that may arise as a result of investing in the Strategy, remain that of the investor.

The volatility of the Benchmark represented in the growth chart above may be materially different from that of the Strategy. In addition, the holdings in the accounts comprising the Strategy may differ significantly from the securities that comprise the Benchmark. The Benchmark has not been selected to represent an appropriate benchmark to compare the Strategy's performance, but rather is disclosed to allow for comparison of the Strategy's performance to that of a well-known and widely recognized Benchmark.

The information contained herein is not approved for use by the public and must be read together with our Disclaimer that contains important information. If you are in possession of a physical copy of this document and you are unable to access our Disclaimer online, kindly contact us at cib@coronation.com and a copy will be sent to you via email.

REVIEW FOR THE QUARTER

Global equity markets ended the year on a high note, advancing 6.7%, bringing the gain for 2021 to 18.5%. Within equity markets, the S&P500 Index bested the rest of the world by the largest margin in two decades. A specific sub-set highlights the gap: the S&P500 Index returned 28.7% in 2021 compared to the MSCI Emerging Markets Index, which declined 2.5%. As a result of sustained outperformance, the US now represents over 60% of the MSCI All Country World Index, up from 45% in the early 2010s. Global bond markets fared less well than equities as inflation fears picked up and investors began to price in a series of rate hikes. The bond index (Bloomberg Barclays Global Aggregate Index) was negative for the quarter, bringing the full-year decline to -4.7%. According to LPL research, 2021 ranked the third-worst year for US bonds in four and a half decades.

For the Strategy, 2021 was a story of two halves: a solid first six months followed by a weak second half. Despite being well positioned from an asset allocation point of view, with an overweight position in equities, no exposure to longer duration developed market government bonds, and a healthy allocation to commodities, stock selection disappointed. The Strategy returned 0.8% for the quarter and 3.4% for the year. This is the second-worst relative performance versus the benchmark since the Strategy's inception over 10 years ago. We're disappointed with these returns and would like to apologise to investors for this underperformance. We remain encouraged by the Strategy's long-term track record, with returns well ahead of its benchmark since its inception in 2009, and attractive in absolute terms too.

With regards to stock selection, four areas are worth highlighting:

- Chinese equities;
- US cable stocks;
- Businesses impacted by Covid-19, which should benefit from economies normalising (so-called re-opening stocks);
- Not owning certain mega-caps like Apple (current market cap $2.8 trillion) and Nvidia (current market cap $675 billion), which returned 35% and 125%, respectively for the year.

So how have we responded? To jump to the answer first, all three of the main detracting "themes" remain meaningful holdings for the Strategy today. However, the weights, and in some cases the composition, of each theme has changed as specific stocks were either bought or sold based on a reassessment of their relative risk-reward. For example, in Chinese equities, we added to JD.com while reducing Alibaba. We discussed China in depth in an *August 2021 Corospondent article* and in the *third quarter of 2021's Strategy commentary*, and US cable stocks were covered in *Q1-21's Strategy commentary*. This quarter we will focus on Airbus – the comments below are specific to Airbus, but the market seems to be focused on near-term disruptions as opposed to long-term earnings power, which is a common theme across many businesses that Covid-19 is impacting. We think this dynamic is creating an interesting opportunity in select businesses.

Q4-21 was an eventful quarter for Airbus, as tends to be the case seasonally. The stock underperformed this quarter due to the emergence of the Omicron variant and the ensuing increased travel restrictions across different regions. Some airlines revised near-term plans in an already weak late autumn flying schedule although the pace of new customer bookings was relatively resilient.

The market was also somewhat captivated by whether Airbus would make its annual delivery target of 600 aircraft in 2021. At the time of writing, the company has not yet released official figures, but it has reached the desired number for the year, according to the press. The late drive to achieve delivery targets is an annual fascination for some market participants but we view it as noise and observe it with indifference, other than for the potential buying opportunities it could present. The company has aimed to make its delivery plan less seasonal, but Covid-19 disruptions has set back that intention. Either way, demand for new aircraft is determined by long-term fundamentals while supply is affected by minor production issues which frequently occur due to the aerospace supply chain's complexity but tend to be resolved in a matter of weeks or a few months. The lumpiness of monthly deliveries is, therefore, largely irrelevant to the intrinsic value of Airbus, despite the occasional severity of share price moves.

The most important long-term debate among investors and industry participants is about whether Airbus can or should increase its very successful narrow-body aircraft (A320neo family) production rate from the current level of mid-40 units per month to a record of more than70 by around mid-decade. A320s are the company's most important models, contributing almost the entirety of the Commercial division's EBIT and even when other programmes' profitability ramps up, will be making up at least three-quarters of the total. Unnerved by naturally pessimistic views on the production ramp-up issue by lessors and aircraft engine OEMs, the market seems to be pricing a figure in the mid-50s. However, our analysis on demand and market share trends suggests that a rate close to 70 is feasible and there is further upside towards the end of the 2020s. Various pieces of anecdotal evidence support this (e.g. Allegiant Air's CEO in the US recently noted there are no free A320 production slots until 2026-28).

We continue to be bullish on Airbus's bolstered strategic position in the global duopoly coming out of the Covid-19 crisis, which combined with a strong balance sheet sets it up well for the next decade. We expect this to translate into strong earnings and free cash flow growth over several years and believe the shares remain attractively valued.

Liberty Media Corporation, which owns Formula 1, was a positive contributor. F1 is the third or fourth most-watched event on earth. So, no doubt many readers will have witnessed the dramatic season finale where the two leading drivers (Lewis Hamilton and Max Verstappen) began the final race of the year tied on points. It was a high stakes race of winner takes all, and in a turn of events resembling a Hollywood-scripted drama, it all came down to the final lap. Excitement, drama, emotion, history, and fierce rivalry such as this draws the crowds both track-side and on TV (increasingly direct to consumer on any device too) and is exactly what makes live sports valuable. We think F1 is a unique asset, and in the hands of Liberty (with John Malone as Chairman), the company has been undergoing a transformation over the last few years. While Covid-19 heavily impacted the last two seasons, if economies and societies start to normalise (as we expect), combined with the changes Liberty has been making, the value of this unique franchise should become evident. F1 has high barriers to entry, is currently under-monetised yet still exhibits fantastic economics with high margins and limited capex requirements resulting in strong cash conversion, has a dynamic new CEO Stefano Domenicali (with a background as CEO of Lamborghini and at F1 with Ferrari) and optionality from M&A and higher broadcast fees.

Looking at asset classes for the quarter, commodity holdings, infrastructure positions, and gold were the primary contributors to returns. At quarter-end, the Strategy was positioned as follows:

- 62% effective equity;
- 6% in listed infrastructure assets;
- 8% in commodity-related assets split roughly equally between gold (the metal) and diversified miners.
- 7% in high yield fixed income.
- 8% in investment-grade fixed income.

The remaining 9% is invested across a range of other assets.

Our assessment of what most businesses in this Strategy are worth, is largely unchanged, and, with many prices lower, the Strategy's price-to-value gap has widened and expected returns are now higher. In contrast, the market has increased at a rate in excess of the underlying earnings growth, and such a re-rating would usually be a headwind to future returns. We are, therefore, cautiously optimistic about the returns embedded within the Strategy.

Thank you for your continued support and interest in the Strategy.