CORONATION

GLOBAL STRATEGIC INCOME STRATEGY

INSTITUTIONAL STRATEGY FACT SHEET AS AT 30 JUNE 2025

CORONATION TRUST IS EARNED™

LONG TERM OBJECTIVE

The Coronation Global Strategic USD Income Strategy is an asset allocation strategy that invests across different fixed interest securities. It aims to achieve capital growth and a competitive annual yield, while preserving capital over rolling 12-month periods. Its benchmark is 110% of the Secured Overnight Financing Rate (SOFR). The strategy has a flexible mandate with no restriction on duration (interest rate sensitivity) and term. However, duration is unlikely to be more than three years. The strategy invests mainly in a combination of fixed, floating-rate and inflation linked securities of varying maturities, denominated in a spread of currencies and listed on recognised exchanges worldwide. Debt securities in which the strategy invests may be issued by governments, government agencies, supranational institutions, banks, credit institutions and other companies. Up to 30% of the strategy may be invested in debt securities with credit ratings between BBB+ and BBB- (or equivalent) and up to 10% may be invested in debt securities that are unrated or rated below BBB- (or equivalent). A maximum allocation of 10% to listed property is allowed. The strategy may make use of derivatives for efficient portfolio management.

INVESTMENT APPROACH

Coronation is a long-term, valuation-driven investment house. Our aim is to identify mispriced assets trading at discounts to their fair value through extensive proprietary research. The fixed income portfolios are positioned on a long term strategic market view, but this is balanced by taking advantage of shorter-term tactical opportunities when the market lags or runs ahead of that strategic view. As active managers, we consider investment decisions across the full spectrum of potential return enhancers. These include duration and yield curve positions, inflation-linked assets as well as yield enhancement through credit enhanced assets. We aim to maximise returns by actively combining both a top-down and a bottom-up approach to portfolio construction.

STRATEGY RETURNS GROSS OF FEES

Period	Strategy	Benchmark	Active Return
Since Inception (cumulative)	58.5%	28.6%	29.9%
Since Inception p.a.	3.5%	1.9%	1.6%
Latest 10 years p.a.	3.1%	2.4%	0.7%
Latest 5 years p.a.	4.0%	3.2%	0.8%
Latest 3 years p.a.	6.0%	5.2%	0.8%
Latest 1 year	6.5%	5.4%	1.1%
Year to date	3.1%	2.4%	0.7%
Month	0.6%	0.4%	0.2%

CURRENCY EXPOSURE

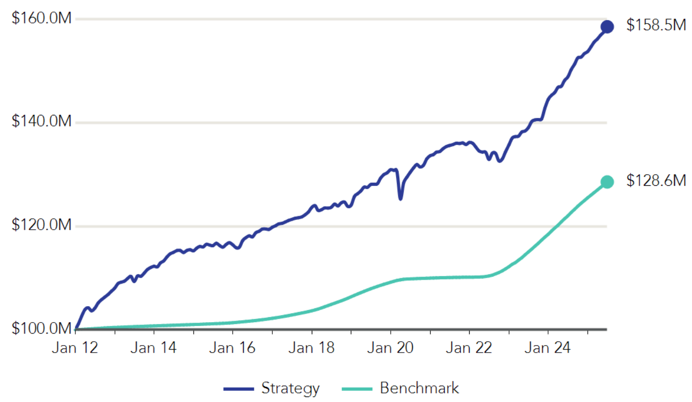
Currency	% Strategy
USD	100.0%

GENERAL INFORMATION

Inception Date	31 January 2012
Strategy Size *	$790.0 million
Strategy Status	Open
Mandate Benchmark	110% of Secured Overnight Financing Rate (SOFRINDX) Index
Redemption Terms	N/A
Base Currency	USD

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

GROWTH OF US$100M INVESTMENT



Benchmark: 110% of Secured Overnight Financing Rate (SOFRINDX) Index

ASSET ALLOCATION

Asset Type	% Strategy
Fixed Rate Corporate Bonds	43.7%
Floating Rate Corporate Bonds	13.9%
Floating Rate Government Bonds	13.5%
Government ILBs	11.3%
Fixed Rate Government Bonds	8.9%
Cash	6.5%
Property	1.7%
Other	0.5%

EFFECTIVE MATURITY PROFILE

Term	% Strategy
0 to 1 year	43.6%
1 to 3 years	39.2%
3 to 7 years	12.5%
7 to 12 years	3.0%

STRATEGY STATISTICS

Modified Duration (incl. inflation-linked bonds)	1.2
Modified Duration (excl. inflation-linked bonds)	0.8

PORTFOLIO MANAGERS

Nishan Maharaj - BSc (Hons), MBA

Nishan is Head of Fixed Interest at Coronation and a portfolio manager across all fixed interest strategies. He joined Coronation in 2012 has 21 years' investment experience.

Seamus Vasey - BCom (Hons), MSc, CFA

Seamus is a portfolio manager and analyst within the Fixed Interest investment unit with more than 20 years' investment experience. He manages assets within Coronation's specialist bond strategies. He also co-manages the Coronation Global Bond and Granite Hedge funds as well as the Global Strategic USD and Bond unit trust funds.

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/.

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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.

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REVIEW FOR THE QUARTER

The second quarter of 2025 may prove to be a pivotal moment in global financial markets — one where the United States, historically seen as a haven in times of instability, became a persistent source of volatility and policy uncertainty. While it's too early to determine the long-term implications, the unpredictability of US policy has begun to alter the global risk landscape meaningfully.

A defining feature of the current US administration has been its tendency to reverse or dilute policy decisions soon after implementation. While this reflects a sensitivity to financial market reactions, it undermines policy credibility and consistency. The unpredictable and often experimental nature of these interventions has introduced the need for higher risk premia across a broad spectrum of assets linked to US growth and regulatory outcomes.

Against this backdrop, the Strategy delivered performance in line with its benchmark for the quarter and continues to outperform over more meaningful periods.

The US Federal Reserve faced heightened complexity during Q2. The announcement of sweeping trade tariffs on "Liberation Day" marked a sharp escalation in trade tensions. Although many of the initial tariffs were rolled back or delayed by mid-April, their erratic introduction clouded the monetary policy outlook. The Fed rightly adopted a cautious stance, holding the Federal Funds Rate steady at 4.25–4.50%.

US economic data for the quarter was mixed. The labour market remained resilient, but inflation—while moderated—remained above the Fed's comfort zone, with core PCE at 2.7% y/y in May. Consumer inflation expectations rose sharply amid tariff-related uncertainty. While pricing pass-through remained inconsistent, the Fed maintained guidance for two additional rate cuts in 2025.

Short-dated US yields remained anchored, but longer maturities rose due to mounting fiscal concerns. The administration's policy trajectory signalled persistent, large-scale deficits. Market scepticism grew, particularly after the rapid disbandment of the Department of Government Efficiency and details emerging from the costly "One Big Beautiful Bill." These developments prompted a bear steepening of the US yield curve and led to the loss of the US's final triple-A credit rating from a major agency.

Global bond markets reacted to developments in the United States with varying degrees of sensitivity across regions. In the Euro Area, the German yield curve saw a modest pivot, as shorter-dated yields declined following a 25 basis point cut in the European Central Bank's policy rate to 2.40%, alongside expectations for further monetary easing. However, longer-dated yields remained unchanged, weighed down by ongoing fiscal concerns. The United Kingdom displayed a similar pattern: the Bank of England reduced its base rate from 4.5% to 4.25%, prompting a decline in short-term yields, while longer maturities remained steady amid continued unease over fiscal policy direction. Meanwhile, Japan's bond market was notably more volatile. Short-term yields edged lower, but very long-dated bonds came under significant pressure due to rising political calls for tax cuts and fiscal stimulus, as well as currency-related uncertainties. The Bank of Japan maintained its policy rate at 0.5%, opting to extend its gradual approach to policy normalization.

Inflation-linked markets posted mixed but generally positive results for Q2. The US underperformed, returning just 0.5% as both short- and long-dated real yields moved higher—reflecting the fading of monetary easing hopes and rising fiscal risks. Conversely, Italian linkers performed strongly (+12.2%) as real yields compressed across the curve.

Emerging market (EM) hard currency bonds returned +3.3% in Q2, despite a volatile April. Spreads widened sharply following "Liberation Day," peaking near 400bps, before recovering as trade tensions eased. While the quarter offered buying opportunities, they were highly dependent on unpredictable policymaking, calling into question the quality of the risk environment. The best returns came from distressed names, such as Ecuador (+48%), driven by positive political developments and re-engagement with the IMF.

Local currency EM debt performed strongly, returning +7.6% for the quarter. Gains were supported by broad-based currency appreciation as the US dollar weakened, particularly after doubts surfaced around US fiscal credibility. Only three of 19 index constituents posted negative local capital returns.

Global credit markets broadly followed the pattern seen in other risk assets during the quarter, experiencing a sharp decline in early April followed by a steady recovery. By the end of June, most credit segments had tightened in spread terms relative to the end of March. US investment grade credit delivered an excess return of 1.1% and a total return of 1.8%, marking its strongest quarterly performance in the past six quarters. US high yield markets also performed well, generating a total return of 3.6% and an excess return of 2.2%. In Europe, investment grade credit returned 1.7% in total, with 0.5% in excess return, while European high yield achieved a total return of 2.1% and excess return of 1.1%. Overall, credit spreads across these markets remain close to the historically tight levels last seen during the peak of post-COVID monetary stimulus, although not quite as compressed as they were earlier in 2025.

Listed property experienced a sharp drawdown in early April but recovered through May. The FTSE EPRA/NAREIT Global Real Estate Index fell by ~11.2% at the peak but ended the quarter up +3.0%, bringing year-to-date returns to +4.7% and the 12-month gain to +12.4%.

During the quarter, Strategy activity was focused on recycling exposures. Assets that had become modestly expensive were trimmed, and proceeds were redeployed into relatively cheap new issues—primarily in the high-quality, short-dated investment-grade space. As always, the Strategy maintained a rolling liquidity ladder to support rebalancing and reinvestment.

The Strategy was defensively positioned heading into the trade tariff shock in April. This helped cushion the immediate sell-off and provided a platform to acquire high-quality credit at attractive valuations. In parallel, the Strategy increased exposure to short-dated US dollar instruments that benefit from monetary easing, anticipating potential rate support.

While the reversal of "Liberation Day" policies reduced the need for emergency easing and compressed some of the value in defensive rate positions, the credit opportunities added during the sell-off performed strongly. As a result, the Strategy achieved a positive return for April despite widespread risk aversion and volatility.

As markets rebounded rapidly, valuations once again moved into stretched territory across many spread and risk assets. By quarter-end, the Strategy had shifted to a more cautious stance—reducing risk rather than adding to it.

Q2 2025 was marked by an elevated degree of geopolitical and policy uncertainty, driven largely by developments in the United States. Erratic policymaking, rising fiscal pressures, and loss of policy credibility have introduced new dynamics into global financial markets, contributing to shifts in yield curves, currency markets, and credit spreads.

Despite the volatility, market resilience—particularly in emerging markets and credit—provided selective opportunities for well-positioned investors. The Strategy remained agile, balancing risk mitigation with tactical allocations to capture mispriced assets. As valuations grew more demanding toward quarter-end, we adopted a more conservative stance, positioning the Strategy for continued uncertainty while remaining ready to respond to future dislocations.