

## **PROSPECTUS**

**If you are in doubt about the contents of this Prospectus, you should consult your stockbroker, accountant, solicitor or other independent financial adviser.**

### **Coronation Investment Funds**

**(an open-ended umbrella unit trust with segregated liability between sub-funds established pursuant to the provisions of the Unit Trusts Act, 1990 and any regulations made thereunder and authorised by the Central Bank as a Qualifying Investor AIF pursuant to the AIF Rulebook)**

### **AIFM**

**CORONATION GLOBAL FUND MANAGERS (IRELAND) LIMITED**

**Dated: 16 April 2025**

The Fund is an open-ended umbrella unit trust established pursuant to the provisions of the Unit Trusts Act, 1990 and any regulations made thereunder and authorised by the Central Bank as a qualifying investor AIF pursuant to the AIF Rulebook. This however does not imply approval by any Irish authority of the contents of this Prospectus or the portfolio of securities held by any Portfolio. Any representation to the contrary is unauthorised and unlawful.

Authorisation of the Fund by the Central Bank is not an endorsement or guarantee of the Fund or any of its Portfolios by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus. The Central Bank shall not be liable by virtue of its authorisation of the Fund or by reason of its exercise of the functions conferred on it by legislation in relation to this Fund for any default of the Fund. Authorisation of the Fund does not constitute a warranty by the Central Bank as to the credit worthiness or financial standing of the various parties to the Fund.

The Fund is authorised by the Central Bank for marketing solely to Qualifying Investors. The minimum subscription amount for each applicant in the Fund shall be €100,000 or its foreign currency equivalent. Accordingly, while the Fund is authorised by the Central Bank, the Central Bank has not set any limits or other restrictions on the investment objectives, the investment policies or on the degree of leverage which may be employed by the Fund.

Where there is a Subscription Charge and/or a Redemption Charge payable on the issue and repurchase of Units, an investment in Units should be viewed as medium to long term.

The Directors of the AIFM of the Fund, whose names appear under the heading "**Management of the Fund**", accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, subscription or sale of Units, other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the AIFM. Neither the delivery of this Prospectus nor the placing, allotment or issue of any of the Units shall under any circumstances create any implication or constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date hereof.

The Administrator is a service provider to the Fund and is not an investment or other advisor to the Fund and will not participate in the investment decision-making process. Save for the description of the Administrator and the services it provides as set out in the section of the Prospectus entitled "**Administration of the Fund**" herein, the Administrator is not responsible for the contents of this Prospectus.

Subject to the provisions of the AIF Rulebook, the AIFM may, at its discretion, distribute capital gains/losses and income to Unitholders relative to their participation in the relevant Class of Units and/or accrue such capital gain/losses and income to the relevant Portfolio.

## RESTRICTIONS ON DISTRIBUTION

**UNITED STATES:** The Units have not been and will not be registered under the Securities Act of 1933 of the United States (as amended) (the "**1933 Act**") or the securities laws of any of the states or territories of the United States. The Units may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any "**US Person**" except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state laws. Any re-offer or resale of any of the Units in the United States or to US Persons may constitute a violation of US law. There is no public market for the Units and no such market is expected to develop in the future. The Units offered hereby are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Trust Deed, the 1933 Act and applicable state securities law pursuant to registration or exemption therefrom. The Units are being offered outside the United States pursuant to the exemption from registration under Regulation S under the 1933 Act and inside the United States in reliance on Regulation D promulgated under the 1933 Act and Section 4(2) thereof.

The Fund has not been and will not be registered under the United States Investment Company Act of 1940, as amended (the "**1940 Act**") since Units will only be sold to US Persons who are "qualified purchasers", as defined in the 1940 Act.

Each subscriber for Units that is a US Person will be required to certify that it is an "accredited investor" as defined in Regulation D promulgated under the 1933 Act and a "qualified purchaser", as defined in the 1940 Act.

While the Fund may trade commodity futures and/or commodity options contracts, the AIFM and the Investment Manager are exempt from registration with the US Commodity Futures Trading Commission ("**CFTC**") as commodity pool operators ("**CPO**") pursuant to CFTC Rule 4.13(a)(3). Therefore, unlike a registered CPO, the AIFM and the Investment Manager are not required to deliver a CFTC disclosure document to prospective Unitholders, nor are they required to provide Unitholders with certified annual reports that satisfy the requirements of CFTC rules applicable to registered CPOs.

The AIFM and the Investment Manager qualify for the exemption under CFTC Rule 4.13(a)(3) with respect to each Portfolio of the Fund on the basis that, among other things (i) each Unitholder is a non-United States person as defined under CFTC rules or is an "accredited investor" as defined under U.S. Securities and Exchange Commission ("**SEC**") rules; (ii) Units in the Fund are exempt from registration under the 1933 Act and offered and sold without marketing to the public in the United States; (iii) the Fund and each Portfolio is not marketed as a vehicle for trading commodity interests; and (iv) each Portfolio of the Fund will (a) commit no more than five percent of the liquidation value of its portfolio to establish commodity interest trading positions or (b) maintain the aggregate net notional value of its commodity positions at 100 percent or less of the portfolio's liquidation value. The AIFM and the Investment Manager are also relying on an exemption from registration as commodity trading advisors.

The transferability of Units will be restricted for all Unitholders by the terms of the Trust Deed of the Fund. Unitholders should be aware that they will be required to bear the financial risks of an investment in Units for an extended period of time. There will be no public market for Units, and there is no obligation on the part of any person to register the Units under any securities laws. Prospective investors are not to construe the contents of this Prospectus as legal, business, tax, ERISA (as defined below), investment or other advice. Each prospective Unitholder should consult its own advisers as to legal, business, tax, ERISA, investment and any other advice concerning an investment in Units. Under no circumstances shall the delivery of this Prospectus or any sale of

Units of the Fund create any implication that there has been no change in the facts or the affairs of the parties described in this Prospectus since the date of this Prospectus, or that the information contained herein is correct as of any time subsequent to the date of this Prospectus.

The Units have not been filed with or approved or disapproved by any regulatory authority of the United States or any state or territory thereof, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful.

There will be no public offering of the Units in the United States.

This Prospectus has been prepared solely for the information of the person to whom it has been delivered by or on behalf of the Fund, and should not be reproduced or used for any other purpose. Notwithstanding anything to the contrary herein, each investor (and each employee, representative, or other agent of such investor) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of (i) the Fund and (ii) any of its transactions described herein, and all materials of any kind (including opinions or other tax analyses) that are provided to the investor relating to such tax treatment and tax structure.

The Fund may accept investments from employee benefit plans subject to Part 4, Subtitle B of Title I of the US Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), plans or accounts subject to Section 4975 of the US Internal Revenue Code of 1986, as amended (the "**IRC**") and entities whose underlying assets include "plan assets" as defined in 29 C.F.R Section 2510.3-101 and Section 3 (42) of ERISA ("**Benefit Plan Investors**"). However it is not expected that any Portfolio's assets will be subject to the fiduciary responsibility provisions of Title I of ERISA or Section 4975 of the IRC, because the Fund intends to limit investments by Benefit Plan Investors in each Portfolio. Generally, assets of entities like the Fund will not be subject to the fiduciary responsibility provisions of Title I of ERISA or Section 4975 of the IRC, if Benefit Plan Investors own less than 25 per cent of the value of each class of equity interests of the Fund, excluding from this calculation any non-Benefit Plan Investor interests held by "controlling persons" ("**Controlling Persons**"). A Controlling Person is any person (other than a Benefit Plan Investor) who has discretionary authority or control with respect to the assets of the Fund, any person who provides investment advice for a fee (direct or indirect) with respect to Fund assets, and any affiliate of such a person (including, for example, the Investment Manager). For this purpose, an "affiliate" of a person includes any person, directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with that person, and control with respect to a person other than an individual means having the power to exercise a controlling influence over the management or policies of such person. No subscriptions for Units made by Benefit Plan Investors will be accepted and no transfers of Units or Side Pocket Units will be permitted to the extent that the investment or transfer would result in a Portfolio's assets becoming subject to Title I of ERISA or Section 4975 of the IRC. In addition, because the 25 per cent limit is to be calculated upon every subscription to or redemption from a Portfolio, the Fund has the authority to require the compulsory redemption of Units of any Class to ensure that a Portfolio is not subject to Title I of ERISA or Section 4975 of the IRC.

**JAPAN:** None of the Units has been or will be registered under the Securities and Exchange Law of Japan or with the Japan Securities Dealers Association. Accordingly the Units may not be offered or sold, directly or indirectly, in Japan or to residents of Japan except that the AIFM may arrange private placement with financial institutions as authorised by Japanese law for their investment purposes.

## OFFERING OF UNITS WITHIN THE EEA

Within the European Economic Area (the "EEA"), the Units are intended to be offered or sold to and should only be offered or sold to any investors in the EEA who constitute a Qualifying Investor.

**GENERAL:** This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Prospectus and the placing of Units in certain jurisdictions may be restricted and, accordingly, persons into whose possession this Prospectus comes are required to inform themselves about, and to observe, such restrictions. Prospective investors should inform themselves as to (a) the legal requirements within their own jurisdictions for the purchase or holding of Units, (b) any foreign exchange restrictions which may affect them, and (c) the income and other tax consequences which may apply in their own jurisdictions relevant to the purchase, holding or disposal of Units.

Distribution of this Prospectus is not authorised after the publication of the latest half-yearly report of the Fund unless it is accompanied by a copy of that report, and is not authorised after the publication of the latest annual report of the Fund unless it is accompanied by a copy of the latest annual report and any subsequent half-yearly report. Such reports will form part of this Prospectus.

## RELIANCE ON THIS PROSPECTUS

Statements made in this Prospectus and any Supplement are based on the law and practice in force in the Republic of Ireland at the date of the Prospectus or Supplement as the case may be, which may be subject to change. Neither the delivery of this Prospectus nor the offer, issue or sale of Units in the Fund shall under any circumstances constitute a representation that the affairs of the Fund have not changed since the date hereof. This Prospectus will be updated by the AIFM to take into account any material changes from time to time and any such amendments will be notified in advance to the Central Bank. Any information or representation not contained herein or given or made by any broker, salesperson or other person should be regarded as unauthorised and should accordingly not be relied upon.

Investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or other matters. You should consult your stockbroker, bank manager, accountant, solicitor, independent financial adviser or other professional adviser.

## RISK FACTORS

Investors should note that because investments in securities can be volatile and that their value may decline as well as appreciate, there can be no assurance that a Portfolio will be able to attain its objective. The price of Units as well as the income therefrom may go down as well as up to reflect changes in the Net Asset Value of a Portfolio. An investment should only be made by those persons who could sustain a loss on their investment. Attention is drawn to the section headed "Risk Factors".

## DIRECTORY

### **AIFM**

*(Registered Address)*  
 Coronation Global Fund  
 Managers (Ireland) Limited  
 33 Sir John Rogerson's Quay  
 Dublin D02 XK09  
 Ireland

### **AIFM**

*(Business Address)*  
 Coronation Global Fund  
 Managers (Ireland) Limited  
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 Macken Street  
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### **TRUSTEE**

J.P. Morgan SE - Dublin  
 Branch  
 200 Capital Dock  
 79 Sir John Rogerson's Quay  
 Dublin D02 RK57  
 Ireland

### **ADMINISTRATOR**

J.P. Morgan Administration  
 Services (Ireland) Limited  
 200 Capital Dock  
 79 Sir John Rogerson's Quay  
 Dublin D02 RK57  
 Ireland

### **DEPOSITARY**

J.P. Morgan SE - Dublin  
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 200 Capital Dock  
 79 Sir John Rogerson's Quay  
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 Ireland

### **AUDITORS**

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### **IRISH LEGAL ADVISERS**

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 Dublin D02 PR50  
 Ireland

Dillon Eustace  
 33 Sir John Rogerson's Quay  
 Dublin D02 XK09  
 Ireland

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## 1 DEFINITIONS

The following definitions apply throughout this Prospectus unless the context otherwise requires:-

|                                   |   |
|-----------------------------------|---|
| <b>"Accounting Date"</b>          | the date by reference to which the annual accounts of the Fund and each of its Portfolios shall be prepared and shall be the 30th day of September in each year or (in the case of the termination of the Fund or of a Portfolio) the date on which monies required for the final distribution shall have been paid to the Unitholders in the relevant Portfolio or Portfolios.   |
| <b>"Accounting Period"</b>        | in respect of each Portfolio, a period ending on an Accounting Date and commencing (in the case of the first such period) from and including the date of the first issue of Units of the relevant Portfolio or (in any other case) from the end of the last Accounting Period.  |
| <b>"Act"</b>                      | the Unit Trusts Act, 1990 and any regulations made or notices issued by the Central Bank thereunder and any re-enactment thereof with or without modifications.   |
| <b>"Administrator"</b>            | means J.P. Morgan Administration Services (Ireland) Limited or any successor company appointed as administrator of the Fund and of each Portfolio carrying out the administrator, registrar and transfer agency function with the prior approval of the Central Bank.   |
| <b>"Administration Agreement"</b> | means the Administration Agreement made between the AIFM and the Administrator dated 13 December 2023 and as may be further amended from time to time.  |
| <b>"Administration Expenses"</b>  | the sums payable out of the assets of the Fund necessary to provide for all costs, charges and expenses including, but not limited to couriers' fees, telecommunication costs and expenses, out-of-pocket expenses, legal and professional expenses which the AIFM incurs whether in litigation on behalf of the Fund or any of its Portfolios or in connection with the establishment of or ongoing administration of the Fund or any of its Portfolios or otherwise together with the costs, charges and expenses, including translation costs, of any notices including but not limited to reports, prospectuses, listing particulars and newspaper notices given to Unitholders in whatever manner plus value added tax (if any) on any such costs, charges and expenses and all properly vouched fees and reasonable out-of-pocket expenses of the Administrator, of |

any Investment Manager, sub-investment manager or adviser, distributor, placing agent and/or agent securities company incurred pursuant to a contract to which the AIFM, or the AIFM's delegate and such person are party plus value added tax (if any) thereon.

**"AIFM"**

means Coronation Global Fund Managers (Ireland) Limited or any successor company appointed as alternative investment fund manager of the Fund and of each Portfolio in accordance with the requirements of the Central Bank, AIFM Directive and the AIFM Regulations.

**"AIFM Directive"**

means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 as may be amended, consolidated or substituted from time to time.

**"AIFM Legislation"**

means the AIFM Regulations, the AIFM Directive, the Level 2 Regulation, the Act and any applicable rules, or any of them, as the case may be.

**"AIFM Regulations"**

means the European Communities (Alternative Investment Fund Managers) Regulations, 2013 (S.I. No. 257 of 2013) as may be amended, consolidated or substituted from time to time.

**"AIF Rulebook"**

means the rulebook and associated guidance and market updates issued by the Central Bank in respect of AIFs from time to time.

**"Anti-Dilution Levy"**

means a provision for market spreads (the difference between the prices at which assets are valued and the price they can be bought or sold), duties and charges and other dealing costs relating to the acquisition or disposal of assets of a Portfolio in the event of receipt for processing of net subscription and repurchase requests (as determined at the discretion of the Directors) including subscriptions and repurchases which would be effected as a result of requests for switching from one Portfolio into another Portfolio, which shall be paid into the relevant Portfolio and become part of the assets of the relevant Portfolio;

|   |  |
|---|--|
| <b>"Application Form"</b>                 | means any subscription agreement to be completed and signed by subscribers for Units as prescribed by the AIFM from time to time.  |
| <b>"Associate"</b>                        | means in relation to a corporation a holding company or a subsidiary of such corporation or a subsidiary of the holding company of such corporation and in relation to an individual or firm or other unincorporated body, means any corporation directly or indirectly controlled by such person.   |
| <b>"Auditor"</b>                          | means the auditor appointed by the AIFM to act as the auditor of the Fund from time to time and to provide audit services to the Fund.   |
| <b>"Base Currency"</b>                    | the base currency of a Portfolio as provided for in the applicable Supplement.   |
| <b>"Beneficial Owner"</b>                 | <p>in relation to the Fund, means</p> <ul style="list-style-type: none"> <li>(a) a natural person who owns, or is ultimately entitled to control, more than 25 per cent of the Units in the Fund, or</li> <li>(b) any other natural person exercising ultimate control over the Fund by means of direct or indirect ownership or by other means,</li> </ul> <p>and shall be deemed to include any trustee under, or the settlor of, the arrangements that constitute the Fund (whether or not falling within either or both of the preceding subparagraphs).</p> |
| <b>"Beneficial Ownership Regulations"</b> | the European Union (Anti-Money Laundering: Beneficial Ownership of Trusts) Regulations 2019 and the European Union (Anti-Money Laundering: Beneficial Ownership of Corporate Entities) Regulations 2019 as amended by the European Union (Modifications of Statutory Instrument No. 110 of 2019) (Registration of Beneficial Ownership of Certain Financial Vehicles) Regulations 2020 as may be amended, consolidated or substituted from time to time.   |
| <b>"Business Day"</b>                     | any week day (Monday to Friday) on which banks are open for ordinary business in Dublin, Ireland and/or such other day or days as the Directors may from time to time determine in accordance with the requirements of the Central Bank, or as otherwise specified in the applicable Supplement, will constitute a business day.   |

|                                    |   |
|------------------------------------|---|
| <b>"Central Bank"</b>              | means the Central Bank of Ireland or any successor regulatory body thereto.   |
| <b>"Central Bank Requirements"</b> | means the AIF Rulebook and any rules, conditions, notices, requirements or guidance of the Central Bank of Ireland applicable to the Fund, the AIFM in respect of the Fund and/or the Trustee in respect of the Fund pursuant to the AIFM Legislation as same may be amended, consolidated or replaced from time to time.   |
| <b>"Class" or "Class of Units"</b> | a Class of Units of a Portfolio.  |
| <b>"CRS"</b>                       | means the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development, also known as the Common Reporting Standard, and any bilateral or multilateral competent authority agreements, intergovernmental agreements and treaties, laws, regulations, official guidance or other instrument facilitating the implementation thereof and any law implementing the Common Reporting Standard; |
| <b>"Data Protection Acts"</b>      | the Data Protection Acts, 1988-2018 as may be amended or replaced from time to time, including any statutory instruments and regulations that may be made pursuant thereto from time to time, and including any amendments to any of the foregoing and the General Data Protection Regulation (EU 2016/679) as may be amended, consolidated or substituted from time to time.   |
| <b>"Dealing Day"</b>               | the "Dealing Day" in respect of a Portfolio as provided for in the applicable Supplement.   |
| <b>"Depository"</b>                | means J.P. Morgan SE - Dublin Branch, a branch of J.P. Morgan SE or any successor company appointed as depository of all of the assets of the Fund and of each Portfolio with the prior approval of the Central Bank. References to the Trustee in this Prospectus include the Trustee in its capacity as the Depository of the Fund and the Portfolios.  |
| <b>"Depository Agreement"</b>      | means the Depository Agreement made between the AIFM and the Depository dated 13 December 2023 and as may be further amended from time to time.   |

***"Disbursements"***

includes in relation to the Trustee all disbursements properly made by the Trustee in connection with its trusteeship of the Fund under the Trust Deed including (but not limited to) couriers' fees, telecommunication costs and expenses and the fees (where applicable) and out-of-pocket expenses of any Sub-Custodian appointed by it pursuant to the provisions of the Depositary Agreement and all costs, charges and expenses of every kind which it may suffer or incur in connection with such trusteeship and the administration of the Fund and of each of its Portfolios (including the establishment thereof) and all matters attendant thereon or relative thereto and all legal and other professional expenses incurred or suffered by it in relation to or in any way arising out of the Fund and of each of its Portfolios (including the establishment thereof) and any value added tax liability incurred by the Trustee arising out of the exercise of its powers or the performance of its duties pursuant to the provisions of the Trust Deed.

***"Distribution Date"***

the date or dates by reference to which a distribution may at the option of the AIFM be declared.

***"Distribution Payment Date"***

the date upon which the AIFM shall determine to make payment of a distribution which shall be within 14 days of the AIFM declaring a distribution.

***"Distribution Period"***

any period ending on an Accounting Date or a Distribution Date as the AIFM may select and beginning on the day following the last preceding Accounting Date, or the day following the last preceding Distribution Date, or the date of the initial issue of Units of a Portfolio or Class, as the case may be.

***"Duties and Charges"***

in relation to any particular transaction, dealing or valuation, all stamp and other duties, taxes, governmental charges, valuation fees, property management fees, agent fees, brokerage fees, bank charges, transfer fees, registration fees, and other charges whether in respect of the constitution or increase of the assets of a Portfolio or the creation, exchange, sale, purchase or transfer of Units or the purchase, proposed purchase, transfer, sale or exchange of investments or in respect of the certificates representing Units of a Portfolio or otherwise which may have become or will become payable in respect of or prior to or upon the occasion of any transaction, dealing or valuation but does not mean commission payable to agents or brokers on the issue of Units.

|                                  |   |
|----------------------------------|---|
| <b>"EEA"</b>                     | being the European Economic Area (which at the date of the Prospectus comprises the EU Member States, Norway, Iceland and Liechtenstein).   |
| <b>"EMIR"</b>                    | means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories as amended inter alia by Regulation (EU) No. 2019/834 of the European Parliament and of the Council and as may be amended, consolidated or substituted from time to time;  |
| <b>"Exempt Irish Unitholder"</b> | <ul style="list-style-type: none"> <li>• a qualifying management company within the meaning of section 739B(1) TCA;</li> <li>• an investment undertaking within the meaning of section 739B(1) TCA;</li> <li>• an investment limited partnership within the meaning of section 739J TCA;</li> <li>• a pension scheme which is an exempt approved scheme within the meaning of section 774 TCA, or a retirement annuity contract or a trust scheme to which section 784 or 785 TCA applies;</li> <li>• a company carrying on life business within the meaning of section 706 TCA;</li> <li>• a special investment scheme within the meaning of section 737 TCA;</li> <li>• a unit trust to which section 731(5)(a) TCA applies;</li> <li>• a charity being a person referred to in section 739D(6)(f)(i) TCA;</li> <li>• a person who is entitled to exemption from income tax and capital gains tax by virtue of section 784A(2) TCA or section 848B TCA and the Units held are assets of an approved retirement fund or an approved minimum retirement fund;</li> <li>• a person who is entitled to exemption from income tax and capital gains tax by virtue of section 787I TCA and</li> </ul> |

the Units held are assets of a personal retirement savings account as defined in section 787A TCA;

- the National Asset Management Agency;
- the Courts Service;
- a credit union within the meaning of section 2 of the Credit Union Act 1997;
- an Irish resident company, within the charge to corporation tax under Section 739G(2) TCA, but only where the Fund is a money market fund;
- a company which is within the charge to corporation tax in accordance with section 110(2) TCA in respect of payments made to it by the Company;
- any other person as may be approved by the Directors from time to time provided the holding of Units by such person does not result in a potential liability to tax arising to the Company in respect of that Unitholder under Part 27, Chapter 1A TCA;
- the National Treasury Management Agency of Ireland, or a fund investment vehicle within the meaning of Section 739D(6)(kb) TCA; and
- a PEPP provider (within the meaning of Chapter 2D of Part 30 TCA) acting on behalf of a person who is entitled to an exemption from income tax and capital gains tax by virtue of Section 787AC TCA and the Units held are assets of a PEPP (within the meaning of Chapter 2D of Part 30 TCA);

and where necessary the Fund is in possession of a Relevant Declaration in respect of that Unitholder;

***"Extraordinary Resolution"***

means a resolution proposed and passed as such by a majority of seventy five per cent (75%) of the total number of votes cast.

***"FSCA"***

means the South African Financial Sector Conduct Authority.



**"FATCA"**

means:

- a) sections 1471 to 1474 of the U.S. Internal Revenue Code or any associated regulations or other official guidance;
- b) any intergovernmental agreement, treaty, regulation, guidance or other agreement between the Government of Ireland (or any Irish government body) and the US, or any other jurisdiction (including any government bodies in such jurisdiction), entered into in order to comply with, facilitate, supplement, implement or give effect to the legislation, regulations or guidance described in paragraph (a) above; and

any legislation, regulations or guidance in Ireland that give effect to the matters outlined in the preceding paragraphs;

**"Fund"**

means Coronation Investment Funds.

**"GDPR"**

means Regulation (EU) 2016/679 of the European Parliament and of the Council.

**"Investment Managers" and any "Investment Manager"**

any one or more persons or corporations appointed by the AIFM to manage the investment and reinvestment of the assets of any one or more of the Portfolios. Details of each Investment Manager are set out in each Supplement to this Prospectus relevant to each applicable Portfolio.

**"Ireland"**

means the Republic of Ireland.

**"Irish Resident"**

means any person resident in Ireland or ordinarily resident in Ireland (as described in the Taxation section of this Prospectus) other than an Exempt Irish Unitholder;

**"Level 2 Regulation"**

means the Commission Delegated Regulation (EU) No. 231/2013 supplementing the AIFM Directive with regard to exemptions, general operating conditions, depositaries, leverage transparency and supervision, as may be amended, consolidated or substituted from time to time.

**"Manager"**

means Coronation Global Fund Managers (Ireland) Limited as manager of the Fund or any successor entity appointed as manager of the Fund.

**"Member State"**

a member state of the European Union.

|  |   |
|--|---|
| <b>"Minimum Holding"</b>                   | in respect of a Portfolio means either a holding of Units in the relevant Portfolio or any Class the value of which by reference to the Net Asset Value per Unit is not less than such amount as may be determined by the AIFM from time to time or such other minimum number of Units as the AIFM may determine and set out in the relevant Supplement or notify to shareholders from time to time.  |
| <b>"Minimum Initial Investment Amount"</b> | means such amount (if any) the AIFM may from time to time determine as the minimum initial investment amount required by each Unitholder for Units of each Class in a Portfolio as is specified in the Supplement for the relevant Portfolio, provided that the minimum initial investment amount by an Qualifying Investor shall never be less than the minimum initial investment amount required by the Central Bank for the Fund to maintain qualifying investor AIF status (which at the date of this Prospectus is €100,000, or its currency equivalent). |
| <b>"Net Asset Value per Unit"</b>          | the net asset value per Unit calculated in accordance with the provisions of the Trust Deed, as described under "Administration of the Fund - Calculation of Net Asset Value".  |
| <b>"Ordinary Resolution"</b>               | Means a resolution proposed and passed as such by a majority of more than fifty per cent (50%) of the total number of votes cast.   |
| <b>"Portfolio"</b>                         | means each of Coronation International Core Equity Fund, Coronation Emerging Markets Ex-China Fund, Coronation Global Equity Income Fund and Coronation Emerging Markets Diversified Equity Fund and any other portfolio established as a sub-fund of the Fund from time to time.   |
| <b>"Portfolio Cash Account"</b>            | means a cash account designated in a particular currency opened in the name of the Trustee on behalf of each Portfolio into which (i) subscription monies received from investors who have subscribed for Units are deposited and held until Units are issued as of the relevant Dealing Day; or (ii) redemption monies due to investors who have redeemed Units are deposited and held until paid to the relevant investors; and (iii) any dividend payments owing to Unitholders are deposited and held until paid to such Unitholders.                       |
| <b>"Performance Fee"</b>                   | the performance fee (if any) payable to the AIFM as provided for in the applicable Supplement.  |

***"Qualifying Investor"***

has the meaning required by the AIF Rulebook which at the date of this Prospectus is (i) a professional client within the meaning of Annex II of Directive 2004/39/EC (Markets in Financial Instruments Directive) ("**MiFID**"); or (ii) an investor who receives an appraisal from an EU credit institution, a MiFID firm or a UCITS management company that the investor has the appropriate expertise, experience and knowledge to adequately understand the investment in the Fund; or (iii) an investor who certifies that it is an informed investor by providing the following: (a) confirmation (in writing) that the investor has such knowledge of and experience in financial and business matters as would enable the investor to properly evaluate the merits and risks of the prospective investment; or (b) confirmation (in writing) that the investor's business involves, whether for its own account or the account of others, the management, acquisition or disposal of property of the same kind as the property of the relevant Portfolio.

Within the EU, a Portfolio may only be marketed to professional investors as defined in AIFMD unless the Member State in question permits, under the laws of that Member State, the Portfolio to be sold to other categories of investors and this permission encompasses investors set out in categories (ii) and (iii) above.

***"Qualifying Investor AIF or QIAIF"***

means a qualifying investor alternative investment fund, being a category of non-UCITS collective investment scheme authorised by the Central Bank pursuant to chapter 2 of the AIF Rulebook;

***"Recognised Clearing System"***

means any clearing system listed in Section 246A TCA (including, but not limited to, Euroclear, Clearstream Banking AG, Clearstream Banking SA and CREST) or any other system for clearing shares which is designated for the purposes of Chapter 1A in Part 27 TCA, by the Irish Revenue Commissioners, as a recognised clearing system.

***"Recognised Exchange"***

means a recognised stock exchange or market determined by the AIFM in its discretion.

***"Relevant Declaration"***

means the declaration relevant to the Unitholder as set out in Schedule 2B TCA.

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| <b>"Relevant Period"</b>       | means a period of 8 years beginning with the acquisition of a Unit by a Unitholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.   |
| <b>"Redemption Day"</b>        | the redemption day in respect of a Portfolio as provided for in the applicable Supplement.  |
| <b>"Relevant Institution"</b>  | means a credit institution authorised in an EEA Member State or a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988, or a credit institution authorised in Australia, Guernsey, the Isle of Man, Jersey or New Zealand, or a credit institution permitted by the AIFM Legislation, Central Bank Requirements and/or the Central Bank from time to time. |
| <b>"Revenue Commissioners"</b> | means the Irish Revenue Commissioners;  |
| <b>"Securities Act"</b>        | the United States Securities Act of 1933, as amended, consolidated or substituted from time to time.  |
| <b>"Series"</b>                | means a series of Units issued in respect of a performance fee paying Class of one or more Portfolios of the Fund, as detailed in the relevant Supplement.  |
| <b>"SFT"</b>                   | means a "securities financing transaction" within the meaning of the SFT Regulation, which in summary is (a) a repurchase transaction; (b) securities or commodities lending and securities or commodities borrowing; (c) a buy-sell back transaction or sell-buy back transaction; or (d) a margin lending transaction.  |
| <b>"SFT Regulation"</b>        | means Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 as may be amended, consolidated or substituted from time to time.  |
| <b>"Side Pocket"</b>           | means any separate portfolio(s) of a Portfolio created from time to time which are allocated interests in Value Affected Investments plus such additional assets representing a reserve for contingencies, commitments and hedging as the AIFM in its discretion may determine.   |

|                                   |  |
|-----------------------------------|--|
| <b>"Side Pocket Class(es)"</b>    | means one or more Classes of Units of a Portfolio created expressly for the purpose of being allocated to Side Pockets created by the AIFM from time to time.  |
| <b>"Side Pocket Unit"</b>         | means a Unit of a Portfolio designated in one or more Side Pocket Classes.   |
| <b>"Specified U.S. Person(s)"</b> | means (i) a U.S. citizen or resident individual, (ii) a partnership or corporation organized in the United States or under the laws of the United States or any State thereof (iii) a trust if (a) a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (b) one or more US persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States <b>excluding</b> : (i) a corporation the stock of which is regularly traded on one or more established securities markets; (ii) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. Internal Revenue Code, as a corporation described in clause (i); (iii) the United States or any wholly owned agency or instrumentality thereof; (iv) any State of the United States, any U.S. Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing; (v) any organization exempt from taxation under section 501(a) or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code; (vi) any bank as defined in section 581 of the U.S. Internal Revenue Code; (vii) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code; (viii) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the Securities Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64); (ix) any common trust fund as defined in section 584(a) of the U.S. Internal Revenue Code; (x) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the U.S. Internal Revenue Code; (xi) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State; or (xii) a broker as defined in section 6045(c) of the U.S. Internal Revenue Code. |

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| <b><i>"Sub-Investment Manager" and "Sub-Investment Managers"</i></b> | any one or more persons or corporations appointed by an Investment Manager to manage the investment and reinvestment of the assets of any one or more of the Portfolios. Details of each Sub-Investment Manager are set out in each Supplement to this Prospectus relevant to each applicable Portfolio.               |
| <b><i>"Supplement"</i></b>   | means a Supplement to this Prospectus specifying certain information in respect of a Portfolio and/or one or more Classes.   |
| <b><i>"TCA"</i></b>  | means the Irish Taxes Consolidation Act 1997, as amended.  |
| <b><i>"Trust Deed"</i></b>   | means the trust deed dated 13 December 2023 entered into between the AIFM and the Trustee constituting the Fund and appointing the Trustee as trustee of the Trust and each Portfolio, as may be amended, supplemented, novated or consolidated from time to time.   |
| <b><i>"Trustee"</i></b>  | means J.P. Morgan SE - Dublin Branch, a branch of J.P. Morgan SE or any successor company as trustee of the Fund and of each Portfolio with the prior approval of the Central Bank. References to the Trustee in this Prospectus include the Trustee in its capacity as the Depositary of the Fund and the Portfolios. |
| <b><i>"Unit"</i></b>   | one undivided share in the assets of a Portfolio which may be differentiated into Classes of Units at the discretion of the AIFM.  |
| <b><i>"United States"</i></b>  | the United States of America (including the States and the District of Columbia), its territories, possessions and all other areas subject to its jurisdiction.  |
| <b><i>"Unitholder"</i></b>   | a person who is registered as the holder of a Unit from time to time.  |
| <b><i>"US Person"</i></b>  | a person who meets the definition of "U.S. Person" under Regulation S of the Securities Act or who is not a "non-United States person" as defined under CFTC rules (each as defined in Appendix II).   |
| <b><i>"Valuation Day"</i></b>  | Valuation Day in respect of a Portfolio, being such day as provided for in applicable Supplement.  |

|                                       |   |
|---------------------------------------|---|
| <b>"Valuation Point"</b>              | Valuation Point in respect of a Portfolio, being such time as provided for in the applicable Supplement.  |
| <b>"Value Affected Investment(s)"</b> | means investments of a Portfolio or any particular investment of a Portfolio which after their acquisition become, in the opinion of the AIFM, either not reasonably practicable to value or illiquid such that applying a value may be prejudicial to Unitholders. |
| <b>"VAT"</b>                          | value added tax.  |

In this Prospectus, unless otherwise specified, all references to:-

1. "Billion" are to 1,000,000,000 (One Thousand million);
2. "Dollars or US\$ or cents" are to the lawful currency of the United States of America;
3. "Euro or €" are to the lawful currency of the eurozone;
4. "GBP or £" are to the lawful currency of the United Kingdom;
5. "Rand or R" are to the lawful currency of the Republic of South Africa;
6. The ratings referred to are by Standard and Poor's. An **"equivalent rating"** is one which has been provided by an internationally recognised rating agency and which is deemed by the AIFM and / or the Investment Manager equivalent to the rating stipulated.



## 2 SUMMARY

The following is qualified in its entirety by the detailed information included elsewhere in this Prospectus and in the Trust Deed.

|                        |   |
|------------------------|---|
| The Fund               | The Fund is established as open-ended umbrella unit trust with segregated liability between sub-funds established pursuant to and complying with the provisions of the Act and authorised by the Central Bank as a Qualifying Investor AIF pursuant to the AIF Rulebook. The AIFM has been appointed as the Manager of the Fund.  |
| The Portfolios         | The Fund has currently established four Portfolios, namely Coronation International Core Equity Fund, Coronation Emerging Markets Ex-China Fund, Coronation Global Equity Income Fund and Coronation Emerging Markets Diversified Equity Fund. The AIFM may, from time to time, create more than one Class of Units in a Portfolio to which different levels of subscription fees and expenses (including the management fee), minimum subscription, designated currency, distribution policy and such other features as the AIFM may determine may be applicable. The proceeds from the issue of Units in a Portfolio shall be applied in the records and accounts of the Fund for that Portfolio and the assets and liabilities and income and expenditure attributable thereto shall be applied to that Portfolio subject to the provisions of the Trust Deed. The AIFM may issue Units in Series (each a " <b>Series</b> ", and unless the context indicates otherwise, the term " <b>Units</b> " includes all Series thereof) in respect of performance fee-paying Classes in one or more Portfolios as detailed in the relevant Supplement. An initial Series of Units (the " <b>Initial Series</b> ") for each relevant performance fee-paying Class as set out in the relevant Supplement will be issued on the close of the initial offer period for such Class, or at such other time as may be specified in the relevant Supplement. In the event that new sub-funds are added prior approval of the Central Bank is required. |
| Investment Objective   | The assets of a Portfolio will be invested separately in accordance with the investment objectives and policies of that Portfolio as set out in a Supplement to this Prospectus.  |
| AIFM                   | Coronation Global Fund Managers (Ireland) Limited.  |
| Administrator          | J.P. Morgan Administration Services (Ireland) Limited.  |
| Trustee                | J.P. Morgan SE - Dublin Branch.   |
| Depository             | J.P. Morgan SE – Dublin Branch.   |
| Initial Issue of Units | During the initial offer period of a Class, Units of that Class shall be issued at a given initial issue price. The initial offer period and initial  |

issue price of each Class shall be set out in the relevant Supplement to this Prospectus.

|                       |  |
|-----------------------|--|
| Redemption of Units   | Units will be redeemed at the option of Unitholders at a price per Unit equal to the Net Asset Value per Unit. A redemption charge not exceeding 5% of the Net Asset Value per Unit may be further deducted from such redemption price at the AIFM's sole discretion, it being understood that the AIFM at its sole discretion may waive such charge or differentiate between Unitholders as to the amount of such charge within the permitted limit. Such redemption charge shall be paid to the AIFM for its absolute use and benefit and shall not form part of the assets of the relevant Portfolio.   |
| Dividend Distribution | The AIFM may, at its sole discretion, distribute dividends to Unitholders out of the net income of a Portfolio.  |
| Listing               | Details of any listing or application for listing will be set out in the relevant Supplement relating to the Portfolio.  |
| Taxation              | <p>On the basis of current Irish law and practice, the Fund is not subject to Irish tax on its gains or income. However, tax can arise on the happening of a chargeable event in the Fund. No tax will arise in the Fund in respect of a chargeable event in respect of a Unitholder who is not an Irish Resident or ordinarily resident in Ireland at the time of the chargeable event provided that either (i) the Fund has satisfied and availed of the equivalent measures or (ii) such Unitholders have made Relevant Declarations in respect of which the Fund is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct. Please see the section headed "<b>TAXATION</b>".</p> <p>Unitholders should consult their own professional advisers as to their own particular tax consequences of an investment in the Fund.</p> |

### 3 THE FUND

#### 3.1 Introduction

The Fund, constituted on 13 December 2023 is established as an umbrella unit trust with segregated liability between sub-funds organised pursuant to and complying with the provisions of the Act and authorised by the Central Bank as a Qualifying Investor AIF pursuant to the AIF Rulebook. Its rules are set out in the Trust Deed which is binding upon the Trustee, the AIFM and all Unitholders. The AIFM has been appointed as the Manager of the Fund.

The Trust Deed constitutes the Fund. The AIFM may, from time to time, create more than one Class of Units in a Portfolio to which different levels of subscription fees and expenses (including the management fee), minimum subscription, designated currency, distribution policy and such other features as the AIFM may determine may be applicable. Units shall be issued to investors as Units in a Class. In respect of certain performance fee paying Classes of one or more Portfolios as detailed in the relevant Supplement, Units shall be issued in Series to facilitate the performance fee which may be charged to the relevant Class of that Portfolio. Further details are contained in the section of the Prospectus entitled "Issue of Units" and in the relevant Supplements. The proceeds from the issue of Units in a Portfolio (excluding the preliminary charge) shall be applied in the records and accounts of the Fund for that Portfolio and the assets and liabilities and income and expenditure attributable thereto shall be applied to that Portfolio subject to the provisions of the Trust Deed. The assets of a Portfolio will be invested separately in accordance with the investment objectives and policies of that Portfolio as set out in a Supplement to this Prospectus. Supplements may be added to or removed from this Prospectus as Portfolios are added to the Fund or closed, as the case may be.

The current Portfolios and the Base Currency of each Portfolio are listed below:

#### **Portfolios:**

| <b>Name</b>   | <b>Base Currency</b> |
|---|----------------------|
| Coronation International Core Equity Fund           | US Dollars           |
| Coronation Emerging Markets Ex-China Fund           | US Dollars           |
| Coronation Global Equity Income Fund                | US Dollars           |
| Coronation Emerging Markets Diversified Equity Fund | US Dollars           |

The designated currency of any Class within any Portfolio will be set out in the relevant Supplement.

The creation of further Classes will be notified in advance to the Central Bank. The AIFM shall have the power, upon notice to the Central Bank and to the Trustee, to close any Portfolio or Class in existence by serving not less than thirty days' notice on the Unitholders in that Portfolio or Class.

To invest in the Fund is to purchase Units of a certain Class or Series of a Class in a Portfolio. It is the Portfolio which accumulates the assets on behalf of the Unitholders. A Unit of a certain Class or Series of a Class in a Portfolio represents the beneficial ownership of one undivided share in the assets of the relevant Portfolio referable to that type of Unit.

Each Portfolio will be treated as bearing its own liabilities as may be determined at the discretion of the Trustee with the approval of the AIFM, provided however, that if the Trustee is of the opinion that a particular liability does not relate to any particular Portfolio or Portfolios, that liability shall be borne jointly by all Portfolios pro rata to their respective Net Asset Values at the time when the allocation is made.

The assets of each Portfolio shall belong exclusively to that Portfolio, shall be segregated from the other Portfolios, shall not be used to discharge directly or indirectly the liabilities of or claims against any other Portfolio and shall not be available for such purpose.

### **3.2 Investment Objective and Policies**

The assets of a Portfolio will be invested separately in accordance with the investment objectives and policies of that Portfolio which are set out in a Supplement to this Prospectus. Supplements may be added to or removed from this Prospectus from time to time as Portfolios are added to the Fund or closed, as the case may be.

Pending investment of the proceeds of a placing or offer of Units or where market or other factors so warrant, a Portfolio's assets may, subject to the investment restrictions set out under the heading "Investment Restrictions" below, be invested in liquid assets including but not limited to money market instruments and cash deposits denominated in Dollars or such other currency as the AIFM may determine having consulted with the relevant Investment Manager.

The AIFM, in consultation with the relevant Investment Manager, is responsible for the formulation of each Portfolio's present investment policy and any subsequent changes to that policy in the light of political and/or economic conditions. The investment objective of a Portfolio may not be altered without approval on the basis of a majority of votes cast at a meeting of the Unitholders of that Portfolio duly convened and held. In the event of a change of the investment objective and/or policy of that Portfolio, Unitholders in that Portfolio will be given reasonable notice of such change to enable them redeem their Units prior to implementation of such a change.

If and when permitted by applicable laws, a Portfolio may employ techniques and instruments such as futures, options, warrants and stock-lending (or any additional technique or instrument specified in the relevant Supplement to this Prospectus) relating to transferable securities under the conditions and within the limits laid down by the Central Bank provided that such techniques and instruments are used for efficient portfolio management such as hedging or performance enhancement, or both.

Units of a Portfolio may be designated in a currency other than the Base Currency of the relevant Portfolio as detailed in the relevant Supplement. Changes in the exchange rate between the Base Currency of the Portfolio and such designated currency may lead to a depreciation of the value of such Units as expressed in the designated currency. The Investment Manager may try to mitigate this risk by using financial instruments, such as foreign exchange forward contracts, as a hedge. If the Investment Manager enters into such transactions then such transactions will each be solely attributable to the relevant Classes and may not be combined or offset against the exposures of other Classes or specific assets. In such circumstances, Unitholders of that Class may be exposed to fluctuations in the Net Asset Value per Unit reflecting the gains/losses on and the costs of the relevant financial instruments and this strategy may substantially limit holders of the

Class from benefiting if the designated currency of the Class falls against the Base Currency of the Portfolio and/or the currency in which the assets of the scheme are denominated. Where the Investment Manager intends to enter into such hedging transactions, the relevant details of such hedging transactions, together with the applicable conditions imposed by the Central Bank will be disclosed in the Supplement to the relevant Portfolio.

### 3.3 Investment and Borrowing Restrictions

The following investment restrictions shall apply to all Portfolios, to the extent relevant and permitted by their investment objective and policies:

1. The AIFM may not acquire any shares carrying voting rights that would enable it to exercise significant influence over the management of an issuing body where such issuing body is a company that has its shares admitted to trading on a regulated market. This restriction is not applied to Portfolios structured as venture capital, development capital or private equity funds or for any investments by a Portfolio in any other collective investment schemes (provided the relevant Supplement indicates the intention regarding the exercise of legal and management control over underlying investments).
2. A Portfolio will not invest more than 50% of its Net Asset Value in any one unregulated investment fund other than in accordance with the AIF Rulebook and will not invest more than 50% of its Net Asset Value in another fund which itself invests more than 50% of its net assets in another investment fund.
3. Where a Portfolios invests in units of a collective investment scheme managed by the AIFM or an associated or related company, the manager of the scheme in which the investment is being made must waive any preliminary/initial charge which it is entitled to charge for its own account in relation to the acquisition of units.
4. Where a commission is received by the AIFM by virtue of an investment in the units of another collective investment scheme managed by the AIFM or an associated or related company, this commission must be paid into the property of the relevant Portfolio.
5. The Portfolio may invest in other Portfolios of the Fund which in turn may also invest in other Portfolios of the Fund provided that those latter Portfolios may not cross-invest within the Fund.

It is intended that the Fund shall have the power subject to the prior approval of the Central Bank to avail itself of any change in the investment and borrowing restrictions specified pursuant to the Central Bank's requirements. Any changes to the investment or borrowing restrictions will be disclosed in an updated Prospectus and/or Supplement, and if material, subject to prior Unitholder approval.

Specific additional investment restrictions applicable to particular Portfolios are set out in the Supplements to this Prospectus.

The above limits on investments, in addition to any additional investment restrictions disclosed in any Supplements hereto are deemed to apply at the time of purchase of the

investments. If those limits are subsequently exceeded for reasons beyond the control of a Portfolio or as a result of the exercise of subscription rights, the Portfolio must adopt as a priority objective the remedying of that situation taking due account of the interests of its Unitholders.

The relevant Investment Manager must have regard to the investment restrictions when considering changes in the investment portfolio of each Portfolio. The Administrator is not responsible for monitoring or reporting on the relevant Portfolio's compliance with the investment restrictions.

The Trustee in accordance with the instructions of the AIFM or the relevant Investment Manager shall have the power from time to time to borrow for the account of a Portfolio from bankers and others provided that such borrowings and any related accrued interest when aggregated with all other liabilities of the Portfolio (including margin deposited or premium paid and liabilities in respect of all derivative or other transactions) do not exceed 100% of the Net Asset Value of the Portfolio and with the prior written consent of the Trustee, to secure such borrowings by pledging, mortgaging or charging up to 100% of the assets of the Portfolio, provided that the proportion of the assets of the Portfolio pledged, mortgaged or charged to secure such borrowings shall be the minimum amount required to secure such borrowings.

Any additional investment restrictions applicable to a specific Portfolio are formulated by the AIFM, details of which will be contained in the relevant Supplement.

### **3.4 Borrowing and Leverage**

Where specified in the relevant Supplement, a Portfolio may borrow from brokers, banks and others on a secured or unsecured basis, and may employ leverage to the extent deemed appropriate by the AIFM. Leverage may take the form of loans (including trading on margin), and investments in derivative instruments that are inherently leveraged, in addition to other forms of direct or indirect borrowings. A Portfolio also may borrow for cash management purposes, including in anticipation of additional subscriptions and to fund redemptions, and may do so when deemed appropriate by the AIFM. A Portfolio will bear all of the costs and expenses incurred in connection therewith, including any interest expense charged on funds borrowed or otherwise accessed. The borrowing and leverage limit for each Portfolio will be set out in the relevant Supplement for each Portfolio. The maximum leverage to be employed by the Portfolio will be set out in the relevant Supplement, calculated in accordance with

- (i) the gross method; and
- (ii) the commitment method.

Each method will be calculated in accordance with the Level 2 Regulation.

For the purpose of providing margin or collateral in respect of a Portfolio's investment activities, the Portfolio may transfer, mortgage, charge or encumber any assets or cash forming part of the relevant Portfolio. The AIFM may also charge, pledge, mortgage or otherwise encumber its assets or any part thereof as security for its borrowings.

Further details in relation to any restrictions on the use of leverage and the provision of collateral and / or asset re-use arrangements applicable to each Portfolio are described below in the section headed "Repurchase/Reverse Repurchase and Stock lending Agreements" and "Securities Financing Transactions" and will be set out in the relevant Supplement.

### 3.5 **Cross-Investment**

Unitholders should note that, subject to the requirements of the Central Bank, each of the Portfolios may invest in the other Portfolios of the Fund where such investment is appropriate to the investment objectives and policies of the relevant Portfolio and is adequately disclosed in the Supplement of the relevant Portfolio.

In order to avoid double-charging of management and/or performance fees, any Portfolio that is invested in another Portfolio may not be charged an investment management fee or performance fee in respect of that part of its assets invested in other Portfolios unless such investment in another Portfolio is made into a Class of Units that does not attract any investment management fee or performance fee. Investment may not be made by a Portfolio in a Portfolio which itself cross-invests in another Portfolio.

### 3.6 **Distribution Policy**

Any distribution in respect of a Portfolio shall be made on a Distribution Payment Date or as soon as practicable thereafter. The distribution policy of each Portfolio is set out in the relevant Supplement to this Prospectus.

The amount available for distribution from a Portfolio in respect of any Distribution Period shall be a sum equal to the aggregate of the net income received by the Trustee (whether in the form of dividends, interest or otherwise) during the Distribution Period in relation to the Portfolio subject to the following adjustments:

- (a) addition or deduction of a sum by way of adjustment to allow for the effect of sales or purchases cum or ex dividend;
- (b) addition of a sum representing any interest or dividends or other income accrued but not received by the Trustee at the end of the Distribution Period and deduction of a sum representing (to the extent that an adjustment by way of addition has been made in respect of any previous Distribution Period) interest or dividends or other income accrued at the end of the previous Distribution Period;
- (c) addition of the amount (if any) available for distribution in respect of the last preceding Distribution Period but not distributed in respect thereof;
- (d) addition of a sum representing the estimated or actual repayment of tax resulting from any claims in respect of income tax relief or double taxation relief or otherwise;
- (e) deduction of the amount of any tax or other estimated or actual liability properly payable out of the income of the relevant Portfolio;
- (f) deduction of a sum representing participation in income paid upon the cancellation of Units during the Distribution Period; and



- (g) deduction of such amount as may be necessary in respect of any expenses, remunerations or other payments (including, without limitation, Administration Expenses, Disbursements, the service charge payable to the AIFM and Duties and Charges) accrued during the Distribution Period and properly payable out of the income or capital of the relevant Portfolio.

The amount, if any, to be distributed from a Portfolio in respect of each Distribution Period shall be determined by the AIFM in consultation with the relevant Investment Manager within the amount available for distribution provided that any amount which is not distributed in respect of such Distribution Period may be carried forward to the next Distribution Period.

Distributions not claimed within six years from their due date will lapse and revert to the assets of the relevant Portfolio.

Unless otherwise requested by the payee, any distribution payable to a Unitholder will be paid in the designated currency of the relevant Class by telegraphic transfer at the expense of the Unitholder. Every such telegraphic transfer shall be made payable to the order of such Unitholder, or in the case of joint Unitholders made payable to the order of the first named joint Unitholder on the relevant register at the risk of such Unitholder or joint Unitholders or in the event of a Unitholder having or in the case of joint Unitholders all of them having given a mandate in writing to the AIFM in such form as the AIFM shall approve for payment to the bankers or other agent or nominee of the Unitholder or Unitholders then the same shall be dealt with in accordance with the instructions in such mandate contained.

### 3.7 **Liquidity Management Policy and Redemption Rights**

The AIFM has employed and maintains an appropriate liquidity management system and has adopted procedures which enable it to identify, monitor and manage the liquidity risks of the Portfolios and to ensure the liquidity profile of the investments of the Portfolios will facilitate compliance with its underlying obligations.

The AIFM's liquidity policy takes into account the investment strategy, the liquidity profile and redemption policy of the Portfolios. The liquidity management systems and procedures include appropriate escalation measures to address anticipated or actual liquidity shortages or other distressed situations of the AIFM.

The AIFM seeks to ensure that the investment strategy, the liquidity profile and the redemption policy of the Portfolios are consistent. The investment strategy, liquidity profile and redemption policy of the Portfolios will be considered to be aligned when investors have the ability to redeem their investments in a manner consistent with the fair treatment of all investors and in accordance with the AIFM's redemption policy and its obligations. In assessing the alignment of the investment strategy, liquidity profile and redemption policy, the AIFM will have regard to the impact that redemptions may have on the underlying prices or spreads of the individual assets of the Portfolios.

The AIFM conducts regular stress tests under both normal and exceptional liquidity conditions which enables it to assess the liquidity risk of the Portfolios and monitor the liquidity risks of the Portfolios in exceptional and extraordinary circumstances.

The AIFM seeks to ensure that the redemption policies of the Portfolios are disclosed to investors in the Prospectus, in sufficient detail, before they invest in the Portfolio and in the event of material changes. Details of the redemption rights of Unitholders, including redemption rights of Unitholders in normal and exceptional circumstances and existing redemption arrangements are set out in the relevant Supplement and /or the section of this Prospectus entitled "Redemption of Units".

### 3.8 **Repurchase/Reverse Repurchase and Stock lending Agreements**

Subject to the conditions and limits laid down in the relevant Supplement, a Portfolio may use repurchase agreements, reverse repurchase agreements and/or stock lending agreements for the purposes of efficient portfolio management including reduction of risk or cost or the generation of additional capital or income for a Portfolio.

### 3.9 **Collateral Policy**

1. Repurchase / reverse repurchase agreements, ("**Repo Contracts**"), stock lending and other SFTs may only be effected in accordance with normal market practice;
2. Collateral obtained under a Repo Contract or stock lending arrangement or other SFT must be in the form of one of the following:
  - (i) cash;
  - (ii) government or other public securities;
  - (iii) certificates of deposit issued by Relevant Institutions;
  - (iv) bonds/commercial paper issued by Relevant Institutions or by non-bank issuers where the issue and the issuer are rated A-1 or equivalent;
  - (v) letters of credit with a residual maturity of three months or less, which are unconditional and irrevocable and which are issued by Relevant Institutions;
  - (vi) equity securities listed or traded on a stock exchange in the EEA, the United Kingdom, Switzerland, Canada, Japan, the United States, Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
3. Until the expiry of the SFT, Repo Contract or stock lending arrangement, collateral obtained under such contracts or arrangements, including for the avoidance of doubt, SFTs:
  - (i) must be marked to market daily;
  - (ii) must equal or exceed, in value, at all times the value of the amount invested or securities loaned;
  - (iii) must be transferred to the trustee, or its agent; and
  - (iv) must be immediately available to the scheme, without recourse to the counterparty, in the event of a default by that entity.

Paragraph (iii) is not applicable in the event that a scheme uses tri-party collateral management services of International Central Securities Depositories or Relevant Institutions which are generally recognised as specialists in this type of transaction. The trustee must be a named participant to the collateral arrangements.

**Non-cash collateral:**

- (i) cannot be sold or pledged;
- (ii) must be held at the risk of the counterparty; and
- (iii) must be issued by an entity independent of the counterparty.

**Cash collateral:**

Cash may not be invested other than in the following:

- (i) deposits with Relevant Institutions;
- (ii) government or other public securities;
- (iii) certificates of deposit as set out in paragraph 2 (iii) above;
- (iv) letters of credit as set out in paragraph 2 (v) above;
- (v) repurchase agreements, subject to the provisions herein;
- (vi) daily dealing money market funds which have and maintain a rating of AAA or equivalent. If investment is made in a linked fund, (i.e. a scheme which invests in units of a collective investment scheme managed by the same management company or by an associated or related company), no subscription, switching or redemption charge can be made by the underlying money market fund. Invested cash collateral held at the risk of the scheme, other than cash collateral invested in government or other public securities or money market funds, must be invested in a diversified manner. A scheme must be satisfied, at all times, that any investment of cash collateral will enable it to meet its repayment obligations.

Invested cash collateral may not be placed on deposit with, or invested in securities issued by the counterparty or a related entity.

4. Notwithstanding the provisions of paragraph 3, a scheme may enter into stock lending programmes organised by generally recognised International Central Securities Depositories Systems provided that the programme is subject to a guarantee from the system operator;
5. The Fund must have the right to terminate the stock lending agreement at any time and demand the return of any or all of the securities loaned. The agreement must provide that, once such notice is given, the borrower is obligated to redeliver the securities within 5 business days or other period as normal market practice dictates.

### 3.10 Securities Financing Transactions

The Portfolios may engage in SFTs. Such activity shall be in accordance with normal market practice and subject to the requirements of the STF Regulation. All types of assets which may be held by the Portfolio in accordance with its investment objectives and policies may be subject to a securities financing transaction and such SFTs may be entered into for any purpose that is consistent with the investment objective of the relevant Portfolio, including generating income or profits in order to increase portfolio returns or to reduce portfolio expenses or risks.

A general description of the types of SFT, a Portfolio may engage in is set out below.

- Securities lending means transactions by which one party transfers securities to the other party subject to a commitment that the other party will return equivalent securities on a future date or when requested to do so by the party transferring the securities, that transaction being considered as securities lending for the party transferring the securities.
- Repurchase agreements are a type of securities lending transaction in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby one party purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price.

All the revenues arising from Securities Financing Transactions, such as securities lending shall be returned to the relevant Portfolio following the deduction of any direct and indirect operational costs and fees arising. Such direct and indirect operational costs and fees (which are all fully transparent), which shall not include hidden revenue, shall include fees and expenses payable to securities lending agents engaged on behalf of a Portfolio from time to time. Such fees and expenses of any securities lending agents engaged on behalf of a Portfolio, which will be at normal commercial rates together with VAT, if any, thereon, will be borne by the relevant Portfolio. Details of Portfolio revenues arising and attendant direct and indirect operational costs and fees as well as the identity of any specific securities lending agents engaged on behalf of a Portfolio from time to time shall be included in the Portfolio's annual reports.

In the context of SFTs and/or the use of derivatives for hedging or investment purposes, collateral may be received from a counterparty for the benefit of a Portfolio or posted to a counterparty by or on behalf of a Portfolio. Any receipt or posting of collateral by a Portfolio will be conducted in accordance with the requirements of the Central Bank and the terms of the AIFM's collateral policy outlined below. The level of collateral required to be posted by a counterparty may vary by counterparty. Each Portfolio will require receipt of the necessary level of collateral so as to ensure counterparty exposure limits are not breached and where the exchange of collateral relates to initial or variation margin in respect of non-centrally cleared over-the-counter ("OTC") derivatives, the level of collateral will be determined taking into account EMIR requirements.

#### *Collateral – received by the Fund*

Collateral posted by a counterparty for the benefit of a Portfolio may be taken into account as reducing the exposure to such counterparty. Counterparty risk may be reduced to the extent that the value of the collateral received corresponds with the value of the amount exposed to counterparty risk at any given time. The Portfolio may receive such collateral as is agreed with a counterparty from time to time as described further under "Collateral Policy" above which may be investing in by the Portfolio in accordance with its investment objective and policy and which satisfy the requirements of EMIR (where applicable) and the Central Bank. There are no restrictions on maturity or issuer provided the collateral is sufficiently liquid, as determined at the discretion of the AIFM.

#### *Collateral – posted for the Fund*

Collateral posted to a counterparty by or on behalf of the Portfolio must be taken into account when calculating counterparty risk exposure. Collateral posted to a counterparty and collateral received from such counterparty may be taken into account on a net basis provided the Portfolio is able to legally enforce netting arrangements with the counterparty. Collateral provided to a counterparty by the Portfolio will consist of such collateral as is agreed with the counterparty from time to time and may include cash in any currency or any or all types of assets held by the Portfolio.

#### *Safekeeping of Collateral*

Any non-cash collateral received by the Portfolio from a counterparty on a title transfer basis should be held by the Trustee or its agent on behalf of the Portfolio. The AIFM shall be free to use and re-use collateral received on a title-transfer basis on behalf of the Portfolio.

Assets provided by a Portfolio to a counterparty other than on a title transfer basis shall be held by the Trustee or a duly appointed Sub-Custodian. Such assets may be subject to a right of re-use by the counterparty. Assets provided by the Portfolio on a title transfer basis shall pass outside the Trustee's custodial network. The counterparty may use those assets at its absolute discretion.

Additional detail on SFTs, namely, acceptable collateral, the policy on sharing of returns and the associated risks, is given under the headings "Collateral Policy", "Repurchase / Reverse Repurchase and Stock-Lending Arrangements" and "Risk Factors", to include counterparty risks that may apply to a Portfolio.

Unless otherwise stated in the Portfolio Supplement, up to 25% of the net assets of the relevant Portfolio may be utilised for SFTs as relevant. However, the Investment Managers do not anticipate that a Portfolio's exposure to each of SFTs will exceed 5% of the Net Asset Value of the relevant Portfolio, respectively. The proportion of the Portfolio's assets which are subject to securities financing transactions at any given time will depend on prevailing market conditions and the value of the relevant investments. The amount of assets engaged in each type of securities financing transactions, expressed as an absolute amount and as a proportion of the Portfolio's assets, as well as other relevant information relating to the use of SFTs shall be disclosed in the annual report and half-yearly report of the Fund.

### *Counterparty Selection*

When selecting and appointing counterparties with respect to the Fund or its Portfolios, the AIFM is required to exercise due skill, care and diligence before entering into an agreement and on an ongoing basis thereafter taking into account the full range and quality of their services.

When selecting counterparties in an OTC derivatives transaction, in a securities lending or in a repurchase agreement, the AIFM is required ensure that those counterparties fulfil all of the following conditions:

- (a) they are subject to ongoing supervision by a public authority;
- (b) they are financially sound; and
- (c) they have the necessary organisational structure and resources for performing the services which are to be provided by them to the AIFM or the Fund.

Counterparties with which the Fund will trade will typically be established in an Organisation for Economic Co-operation and Development (OECD) Member Country.

When adding to the eligible counterparty list, the AIFM will normally assess if a counterparty has an appropriate credit rating based on the AIFM's internal rating process.

## **4 RISK FACTORS**

Investment in certain securities involves a greater degree of risk than usually associated with investment in the securities of other major securities markets. Potential investors should consider the following risks before investing in any of the Portfolios.

In addition to the risks set out below, particular risks specific to a particular Portfolio are set out in detail in the relevant Supplement to this Prospectus.

### **4.1 General**

An investment in the Fund involves significant risks and other considerations and, therefore, should be undertaken only by prospective investors capable of evaluating and bearing such risks and other considerations. An investor must have the financial ability to understand, and the willingness to accept, the extent of its exposure to the risks and lack of liquidity inherent in an investment in the Fund. Investors with any doubts as to the suitability of an investment in the Fund should consult their professional advisors to assist them in making their own legal, tax, accounting and financial evaluation of the merits and risks of an investment in the Fund in light of their own circumstances and financial condition. A prospective investor should only invest in the Fund as part of a broader overall investment strategy and should understand that the Fund requires a long-term commitment with no assurance that a Portfolio's investment objectives will be achieved or that there will be any return of capital. Therefore, investors should only invest in the Fund if they can withstand a total loss of their investment. Prospective investors should carefully consider, among other factors, the matters described below, each of which could have an adverse effect on the value of the Units. As a result of these factors, as well as other risks inherent in any investment or set forth elsewhere in this Prospectus, there can be no assurance that the Fund will meet its investment objectives or otherwise be able to successfully carry out its investment program. Prospective investors should make their own inquiries and investigation of the investment described herein, including the merits and risks involved and the legal and tax consequences of such an investment, and consult their own advisors as to the Trust, the offering of Units described herein and the legal, tax and related matters concerning an investment in the Trust.

Although the various risks discussed in this Prospectus are generally described separately, prospective investors should consider the potential effects of the interplay of multiple risk factors. Where more than one significant risk factor is present, the risk of loss to an investor could be significantly increased. The following list of potential risks does not purport to be a complete enumeration or explanation of the potential risks involved in an investment in the Fund.

Additional risks and uncertainties not currently known to the AIFM, or that have not been noted in these risk factors, could also have a negative or adverse effect, which could be material, on the performance of the Fund and the value of the Units. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence or of their magnitude or significance. Prospective investors should read this Prospectus and consult with their own advisors in evaluating the relative risks of the offering before deciding whether to invest in a Portfolio of the Trust.



**Investors should be aware that the difference at any one time between the issue and redemption price of Units in each of the Portfolios means that an investment in the relevant Portfolio should be viewed as medium to long term.** An investment in a Portfolio should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

#### 4.2 **Political and/or Regulatory Risks**

The value of a Portfolio's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets.

#### 4.3 **Foreign Exchange/Currency Risk**

Although Units in a Portfolio or a Class may be denominated in a particular currency the Portfolio may invest its assets in securities denominated in a wide range of currencies, some of which may not be freely convertible. The Net Asset Value of the Portfolio as expressed in its Base Currency will fluctuate in accordance with the changes in the foreign exchange rate between that currency and the currencies in which the Portfolio's investments are denominated. The Portfolio may therefore be exposed to a foreign exchange/currency risk.

It may not be possible or practicable to hedge against the consequent foreign exchange/currency risk exposure. The AIFM and the relevant Investment Manager may enter into hedging transactions at their sole discretion and solely for the purposes of efficient portfolio management.

Where a Class of Units designated in a currency other than the Base Currency is not hedged against the Base Currency, the value of the Unit expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency and a currency switching will take place on the subscription, redemption, switching and distributions at prevailing exchange rates.

#### 4.4 **Credit Risk**

**There can be no assurance that issuers of the securities or other instruments in which a Portfolio invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or instruments.**

#### 4.5 **Cyber Security Risk**

The AIFM and the Fund's service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or

malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber-attacks also may be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e. efforts to make services unavailable to intended users). Cyber security incidents affecting the AIFM, Investment Managers, Administrator or Trustee or other service providers such as financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interference with the Administrator's ability to calculate the Fund's net asset value; impediments to trading for a Portfolio of the Fund; the inability of Unitholders to transact business relating to the Fund; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which the Fund invests, counterparties with which the AIFM or Investment Managers on behalf of the Fund engage in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks have not been identified.

#### 4.6 **Operation of Portfolio Cash Accounts**

The Trustee on behalf of each Portfolio has established, pursuant to an instruction from the AIFM, Portfolio Cash Accounts in the name of the Trustee through which all subscriptions, redemptions and dividends payable, if any, to or from each Portfolio will be channelled and managed. All subscriptions, redemptions and / or dividends payable to or from a Portfolio are channelled and managed through the relevant Portfolio Cash Account in respect of that Portfolio.

In circumstances where subscription monies are received from an investor in advance of a Dealing Day in respect of which an application for Units has been, or expected to be, received and are held in a Portfolio Cash Account, any such investor shall rank as an unsecured creditor of the Fund until such time as Units are issued as of the relevant Dealing Day. Therefore in the event that such monies are lost prior to the issue of Units as of the relevant Dealing Day to the relevant investor, the Portfolio may be obliged to make good any losses which the Portfolio incurs in connection with the loss of such monies to the investor (in its capacity as a creditor of the relevant Portfolio), in which case such loss will need to be discharged out of the assets of the Portfolio and therefore will represent a diminution in the Net Asset Value per Unit for existing Unitholders of the relevant Portfolio.

Similarly in circumstances where redemption monies are payable to an investor subsequent to a Dealing Day of a Portfolio as of which Units of that investor were redeemed or dividend monies are payable to an investor and such redemption / dividend monies are held in a Portfolio Cash Account, any such investor / Unitholder shall rank as an unsecured creditor of the Portfolio until such time as such redemption/ dividend monies are paid to the investor/ Unitholder. Therefore in the event that such monies are lost prior to payment to the relevant investor / Unitholder, the Portfolio may be obliged to make good any losses which the Portfolio incurs in connection with the loss of such monies to the investor / Unitholder (in its capacity as an unsecured creditor of the relevant Portfolio), in which case

such loss will need to be discharged out of the assets of the relevant Portfolio and therefore will represent a diminution in the Net Asset Value per Unit for existing Unitholders of the relevant Portfolio.

#### 4.7 **Fraud Risk**

None of the Fund, the AIFM, the Investment Managers, the Administrator or the Trustee or any of their respective directors, officers, employees or agents will be responsible or liable for the authenticity of or acting upon instructions from Unitholders, including but not limited to requests for redemptions of Units, reasonably believed to be genuine, and shall not in any event be liable for any losses, costs or expenses arising out of or in conjunction with any unauthorised or fraudulent instructions. Although, the Administrator shall employ reasonable procedures to seek to establish that instructions are genuine and that the subscription, redemption and switching procedures of the Fund are adhered to, as appropriate. In the event that a Portfolio suffers a loss due to the payment of redemption monies to, for example, a fraudster who has successfully redeemed a Unitholder's holding or part thereof, the Net Asset Value of that Portfolio shall be reduced accordingly and in the absence of any negligence, fraud, bad faith, recklessness or wilful default on the part of the AIFM, the Investment Manager, the Administrator or in the case of the Trustee its unjustifiable failure to perform its obligations or its improper performance of them, the Fund or a Portfolio will not be compensated for any such loss which will therefore be absorbed by the relevant Unitholders equally.

#### 4.8 **Ad Hoc Payments, Windfalls or Nominal Amounts**

In the event that the Fund or a Portfolio receives a settlement, tax reclaim, class action award, other ad hoc payment, windfall or similar payment (each a "**payment**"), the payment shall be deemed to be for to the benefit of the Fund or relevant Portfolio as a whole, rather than to any particular class of investor, as at the date of receipt of such payment. It is possible, therefore, that those investors who were invested in the relevant Portfolio at the time of the underlying event from which the payment arose, or when the Fund or relevant Portfolio incurred costs relating to the event from which the payment arose, may not benefit from the payment; for example, if they have redeemed prior to the date of receipt of the payment.

In the event that a payment is received following the termination of a Portfolio, and after reasonable efforts by the Directors or their delegate it is neither practical nor feasible to make such payments to the Unitholder(s) on the register for the relevant Portfolio at the time of termination of such Portfolio, such payments will be paid into and for the benefit of the Fund as a whole, as at the date of receipt of such payment.

#### 4.9 **Derivatives and Techniques and Instruments Risk**

##### (a) **General**

The prices of derivative instruments, including futures and options prices, are highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, and national and international political and economic events, changes in local laws and policies. In addition, governments from time to

time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The use of techniques and instruments also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates, (2) imperfect correlation between the hedging instruments and the securities or market sectors being hedged, (3) the fact that skills needed to use these instruments are different from those needed to select the Portfolio's securities and (4) the possible absence of a liquid market for any particular instrument at any particular time, and (5) possible impediments to effective portfolio management or the ability to meet redemption.

**(b) Correlation Risk**

The prices of financial derivative instruments may be imperfectly correlated to the prices of the underlying securities, for example, because of transaction costs and interest rate movements. The prices of exchange traded financial derivative instruments may also be subject to changes in price due to supply and demand factors.

**(c) Legal Risk**

The use of OTC derivatives, such as forward contracts, swap agreements and contracts for difference, will expose the Portfolios to the risk that the legal documentation of the contract may not accurately reflect the intention of the parties.

**(d) Liquidity of Futures Contracts**

Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a Portfolio from liquidating unfavourable positions.

**(e) Forward Trading**

Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. Market illiquidity or disruption could result in major losses to a Portfolio.

(f) **Foreign Exchange Transactions**

Where a Portfolio utilises derivatives which alter the currency exposure characteristics of transferable securities held by the Portfolio the performance of the Portfolio may be strongly influenced by movements in foreign exchange rates because currency positions held by the Portfolio may not correspond with the securities positions held.

**4.10 Risks Associated with Securities Financing Transactions**

*General*

Transactions relating to repurchase agreements, reverse repurchase agreements and stock-lending agreements create several risks for the Fund and its investors, including counterparty risk if the counterparty to a securities financing transaction defaults on its obligation to return assets equivalent to the ones provided to it by the relevant Portfolio. The relevant Portfolio is also subject to liquidity risk if it is unable to liquidate collateral provided to it to cover a counterparty default. Such transactions may also carry legal risk in that the use of standard contracts to effect securities financing transactions may expose a Portfolio to legal risks such as the contract may not accurately reflect the intention of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation. Such transactions may also involve operational risks in that the use of securities financing transactions and management of collateral are subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Risks may also arise with respect to any counterparty's right of re-use of any collateral as outlined below under '*Re-Investment of Cash Collateral*'.

**4.11 Risks Associated with Collateral Management**

Where a Portfolio enters into an OTC derivative contract or a SFT, it may be required to pass collateral to the relevant counterparty or broker. Collateral that a Portfolio posts to a counterparty or a broker that is not segregated with a third-party custodian may not have the benefit of customer-protected "segregation" of such assets. Therefore in the event of the insolvency of a counterparty or broker, the Portfolio may become subject to the risk that it may not receive the return of its collateral or that the collateral may take some time to return if the collateral becomes available to the creditors of the relevant counterparty or broker. In addition the Portfolio is subject to the risk that it will be unable to liquidate collateral provided to it to cover a counterparty default. The Portfolio is also subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

Where cash collateral received by a Portfolio is re-invested, a Portfolio will be exposed to the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested.

Where collateral is posted to a counterparty or broker by way of a title transfer collateral arrangement or where the Fund on behalf of a Portfolio grants a right of re-use under a security collateral arrangement which is subsequently exercised by the counterparty, the Fund on behalf of a Portfolio will only have an unsecured contractual claim for the return of equivalent assets. In the event of the insolvency of a counterparty, the Portfolio shall rank as an unsecured creditor and may not receive equivalent assets or recover the full

value of the assets. Investors should assume that the insolvency of any counterparty would result in a loss to the relevant Portfolio, which could be material. In addition, assets subject to a right of re-use by a counterparty may form part of a complex chain of transactions over which the AIFM or its delegates will not have any visibility or control.

Because the passing of collateral is effected through the use of standard contracts, a Portfolio may be exposed to legal risks such as the contract may not accurately reflect the intentions of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation.

#### **4.12 Re-Investment of Cash Collateral**

Where cash collateral is re-invested, in accordance with the conditions imposed by the Central Bank, a Portfolio will be exposed to the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested.

#### **4.13 OTC Markets Risk**

Where any Portfolio acquires securities on OTC markets, there is no guarantee that the Portfolio will be able to realise the fair value of such securities due to their tendency to have limited liquidity and comparatively high price volatility.

#### **4.14 Counterparty Risk**

Each Portfolio will have credit exposure to counterparties by virtue of positions in swaps, repurchase transactions, forward exchange rate and other financial or derivative contracts held by the Portfolio. To the extent that a counterparty defaults on its obligation and the Portfolio is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights.

The Portfolios will also be exposed to a credit risk on parties with whom it trades securities, and may also bear the risk of settlement default, in particular in relation to debt securities such as bonds, notes and similar debt obligations or instruments.

#### **4.15 Absence of Regulation; Counterparty Default**

In general, there is less government regulation and supervision of transactions in the OTC markets (in which currencies spot and option contracts, certain options on currencies and swaps are generally traded) than of transactions entered into on Recognised Exchanges. In addition, many of the protections afforded to participants on some Recognised Exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with OTC transactions. OTC options are not regulated. OTC options are non-exchange traded option agreements, which are specifically tailored to the needs of an individual investor. These options enable the user to structure precisely the date, market level and amount of a given position. The counterparty for these agreements will be the specific firm involved in the transaction rather than a Recognised Exchange and accordingly the bankruptcy or default of a counterparty with which the Portfolio trades OTC options could result in substantial losses to the Portfolio. In addition, a counterparty may not settle a transaction in accordance with its terms and conditions because the contract is not legally enforceable or because it does not accurately reflect the intention of the



parties or because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Portfolio to suffer a loss. To the extent that a counterparty defaults on its obligation and the Portfolio is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Counterparty exposure will be in accordance with the Portfolio's investment restrictions. Regardless of the measures the Portfolio may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Portfolio will not sustain losses on the transactions as a result.

#### **4.16 Necessity for Counterparty Trading Relationships**

Participants in the OTC currency market typically enter into transactions only with those counterparties which they believe to be sufficiently creditworthy, unless the counterparty provides margin, collateral, letters of credit or other credit enhancements. While the Fund believes that it will be able to establish the necessary counterparty business relationships to permit a Portfolio to effect transactions in the OTC currency market and other counterparty markets, including the swaps market, there can be no assurance that it will be able to do so. An inability to establish such relationships would limit a Portfolio's activities and could require a Portfolio to conduct a more substantial portion of such activities in the futures markets. Moreover, the counterparties with which a Portfolio expects to establish such relationships will not be obligated to maintain the credit lines extended to a Portfolio, and such counterparties could decide to reduce or terminate such credit lines at their discretion.

#### **4.17 Futures and Options Trading is Speculative and Volatile**

Substantial risks are involved in trading futures, forward and option contracts and various other instruments in which the Portfolio intends to trade. Certain of the instruments in which the Portfolio may invest are interest and foreign exchange rate sensitive, which means that their value and, consequently, the Net Asset Value, will fluctuate as interest and/or foreign exchange rates fluctuate. The Portfolio's performance, therefore, will depend in part on its ability to anticipate and respond to such fluctuations in market interest rates, and to utilise appropriate strategies to maximize returns to the Portfolio, while attempting to minimize the associated risks to its investment capital. Variance in the degree of volatility of the market from the Portfolio's expectations may produce significant losses to the Portfolio.

#### **4.18 Unit Currency Designation Risk**

Units of a Portfolio may be designated in a currency other than the Base Currency of the Portfolio. Changes in the exchange rate between the Base Currency of the Portfolio and such designated currency may lead to a depreciation of the value of such Units as expressed in the designated currency. The Investment Manager may or may not try to mitigate this risk by using financial instruments (such as forward foreign exchange contracts) as a hedge. Investors should be aware that this strategy may substantially limit Unitholders of the relevant Class from benefiting if the designated currency falls against the Base Currency of the Portfolio and/or the currency/currencies in which the assets of the Portfolio are denominated. In such circumstances Unitholders may be exposed to fluctuations in the Net Asset Value per Unit reflecting the gains/losses on and the costs of the relevant financial instruments. Where hedging strategies are Class specific the gains/losses on and the costs of the relevant financial instruments will accrue solely to the



relevant Class. Where an Investment Manager intends to enter into such hedging transactions, it will be disclosed in the Supplement to the relevant Portfolio.

#### **4.19 Market Risk**

Some of the Recognised Exchanges on which a Portfolio may invest may prove to be illiquid, insufficiently liquid or highly volatile from time to time. This may affect the price at which a Portfolio may liquidate positions to meet redemption requests or other funding requirements.

#### **4.20 Settlement Risk**

The trading and settlement practices on some of the Recognised Exchanges on which a Portfolio may invest may not be the same as those in more developed markets. That may increase settlement risk and/or result in delays in realising investments made by the relevant Portfolio.

#### **4.21 Custody Risk**

Local custody services in some of the market countries in which a Portfolio may invest may not be the same as those in more developed market countries and there is a transaction and custody risk involved in dealing in such markets.

#### **4.22 Taxation**

Potential investors' attention is drawn to the taxation risks associated with investing in a Portfolio. Further details are given under the heading "TAXATION" below.

#### **4.23 Premium Risk**

Where a Portfolio acquires or values securities in the over-the-counter market there is no guarantee that the Portfolio will be able to realise such securities at a premium due to the nature of the over-the-counter market.

#### **4.24 Valuation Risk**

Where an Investment Manager of a Portfolio, at the request of the AIFM, values investments which are not listed, quoted or dealt in on a Recognised Exchange, there is an inherent conflict of interest between the involvement of the Investment Manager in determining the valuation price of the Portfolio's investments and the Investment Manager's other responsibilities.

Where the counterparty valuation of an over-the-counter derivative is approved or verified by an independent unit within the counterparty's group there is no assurance that complete pricing models and procedures are in place for the purposes of producing an accurate verification of the counterparty valuation or that any such pricing models and procedures will be adhered hereto. In addition, where the independent unit does have pricing models and procedures for the purposes of approving or verifying the counterparty valuation those pricing models and procedures may not be sufficiently different from those employed by the counterparty itself so as to guarantee a wholly independent verification of the counterparty valuation.

#### 4.25 **Fund of Funds Risk**

A Portfolio established as a fund-of-funds may be subject to valuation risk due to the manner and timing of valuations of the relevant Portfolio's investments. Underlying funds may be valued by fund administrators affiliated to fund managers, or by the fund managers themselves, resulting in valuations which are not verified by an independent third party on a regular or timely basis. Accordingly, there is a risk that (i) the valuations of Portfolios may not reflect the true value of underlying fund holdings at a specific time which could result in significant losses or inaccurate pricing for these Portfolios and/or (ii) valuation may not be available as at the relevant Valuation Point for a Portfolio so that some or all of the assets of the Portfolios may be valued on an estimated basis. In instances where the AIFM deems a value or estimate as being insufficiently timely the value of such investments will be the value calculated with care and in good faith, based on information reasonably available at that time. There is no assurance that the estimates resulting from the valuation process used by the AIFM will reflect the actual value of such securities.

While the AIFM or its delegate will exercise reasonable care to comply with the investment restrictions applicable to a particular Portfolio, the manager of and/or service providers to the underlying funds are not obliged to comply with such investment restrictions in the management/administration of underlying funds. No assurance is given that the investment restrictions of a Portfolio with respect to individual issuers or other exposures will be adhered to by underlying funds or that, when aggregated, exposure by underlying funds to individual issuers or counterparties will not exceed the investment restrictions applicable to a particular Portfolio. If the investment restrictions applicable to the investments directly made by a Portfolio are exceeded for reasons beyond the control of the Fund or as a result of the exercise of subscription rights, the AIFM shall adopt as a priority objective the remedying of that situation, taking due account of the interests of the Unitholders of the relevant Portfolio or Portfolios.

A Portfolio established as a fund-of-funds may invest in other mutual funds and other regulated and unregulated collective investment schemes. As a result, the Portfolio, and indirectly an investor in the Fund, may bear multiple investment management fees, which may include performance fees or incentive allocations that in the aggregate will exceed the fees that would typically be incurred by an investment with a single fund. In addition, investing in funds, and particularly in feeder funds and funds of funds, results in a lack of transparency of information concerning the underlying investments of such funds, which will not generally be available to the AIFM (except to the extent that it invests in funds managed by itself or an associated or related company).

#### 4.26 **Leverage Risk**

A Portfolio may invest in other collective investment schemes which may from time to time employ leverage in the course of normal trade and business. Use of leverage by underlying funds may take the form of direct borrowing, margining, short selling and the use of futures, warrants, options and other derivative products etc. Generally, leverage is used to increase the overall level of investment in a collective investment scheme. Higher investment levels may offer the potential for higher returns. This exposes investors to increased risk as leverage can increase the collective investment scheme's market exposure and volatility; the risk of leverage in futures contracts and investing in warrants is that small price

movements can result in large losses or profits. No assurance can be given that a liquid market will exist for any particular futures contract at any particular time.

#### 4.27 **Emerging Markets Risk**

Investment in emerging markets involves risk factors and special considerations which may not be typically associated with investing in more developed markets. Political or economic change and instability may be more likely to occur and have a greater effect on the economies and markets of emerging countries. Adverse government policies, taxation, restrictions on foreign investment and on currency convertibility and repatriation, currency fluctuations and other developments in the laws and regulations of emerging countries in which investment may be made, including expropriation, nationalisation or other confiscation could result in loss to a Portfolio.

By comparison with more developed securities markets, most emerging countries' securities markets are comparatively small, less liquid and more volatile. This may result in greater volatility in the Net Asset Value per Unit (and consequently subscription and redemption prices for Units) than would be the case in relation to Portfolios invested in more developed markets. In addition, if a large number of securities have to be realised at short notice to meet substantial redemption requests for Units in a Portfolio such sales may have to be effected at unfavourable prices which may in turn have an adverse effect on the Net Asset Value per Unit.

In addition, settlement, clearing, safe custody and registration procedures in emerging markets may be underdeveloped, increasing the risks of error, fraud or default. Furthermore, the legal infrastructure and accounting, auditing and reporting standards may not provide the same degree of investor information or protection as would generally apply in more developed markets. Investments in certain emerging markets may require consents or be subject to restrictions which may limit the availability of attractive investment opportunities to a Portfolio.

Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally and so transactions may need to be made on a neighbouring exchange. Emerging markets securities may incur brokerage or stock transfer taxes levied by foreign governments which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such securities at the time of the sale of same. The issues of emerging markets securities, such as banks and other financial institutions may be subject to less stringent regulation than would be the case for issuers in developed countries, and therefore potentially carry greater risk. In addition, custodial expenses for emerging market securities are generally higher than for developed market securities. Dividend and interest payments from, and capital gains in respect of, emerging markets securities may be subject to foreign taxes that may or may not be reclaimable.

Laws governing foreign investment and securities transactions in emerging markets may be less sophisticated than in developed countries. Accordingly, a Portfolio may be subject to additional risks, including inadequate investor protection, unclear or contradictory legislation or regulations and lack of enforcement thereof, ignorance or breach of legislation or regulations on the part of other market participants, lack of legal redress and breaches of confidentiality. It may be difficult to obtain and enforce a judgment in certain emerging markets in which assets of the Portfolio are invested. Furthermore, the standard

of corporate governance and investor protection in emerging markets may not be equivalent to that provided in other jurisdictions.

#### 4.28 **US Tax-Exempt Investors**

Certain prospective investors may be subject to US federal and state laws, rules and regulations which may regulate their participation in the Fund, or their engaging indirectly through the Fund, in investment strategies of the types which the Fund may utilise from time to time. While the Fund believes that its investment programme is generally appropriate for US tax-exempt investors for which an investment in the Fund would otherwise be suitable, each type of such investor may be subject to different laws, rules and regulations and should consult with their own advisors as to the advisability and tax consequences of an investment in the Fund. Investment in the Fund by entities subject to ERISA and other tax-exempt investors requires special consideration. Depositories or administrators of such investors are urged carefully to review the matters discussed in this Prospectus.

#### 4.29 **U.S. Foreign Account Tax Compliance Act ("FATCA")**

The United States and Ireland have entered into an intergovernmental agreement to implement FATCA (the "IGA"). Under the IGA, an entity classified as a Foreign Financial Institution (an "FFI") that is treated as resident in Ireland is expected to provide the Revenue Commissioners with certain information in respect of its "account" holders (i.e. Unitholders). The IGA further provides for the automatic reporting and exchange of information between the Revenue Commissioners and the IRS in relation to accounts held in Irish FFIs by U.S. persons, and the reciprocal exchange of information regarding U.S. financial accounts held by Irish residents. Provided the Fund complies with the requirements of the IGA and the Irish legislation, it should not be subject to FATCA withholding on any payments it receives and should not be required to impose FATCA withholding on payments which it makes.

Although the Fund will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Fund will be able to satisfy these obligations. In order to satisfy its FATCA obligations, the Fund will require certain information from investors in respect of their FATCA status. If the Fund becomes subject to a withholding tax as a result of the FATCA regime, the value of the Units held by all Unitholders may be materially affected.

All prospective investors / unitholders should consult with their own tax advisors regarding the possible FATCA implications of an investment in the Fund.

#### 4.30 **Recent and Anticipated Legislative and Regulatory Activities**

The U.S. Congress, the SEC, the U.S. Commodity Futures Trading Commission ("CFTC") and other regulators have taken or represented that they may take action to increase or otherwise modify the laws, rules and regulations applicable to short sales, derivatives and other techniques and instruments (including, without limitation, credit default swaps) in which a Portfolio may invest. New or modified laws, rules and regulations may not allow, or may significantly limit the ability of, the Investment Manager to use certain such instruments or to engage in such transactions. This may impair the ability of the Investment Manager to carry out a Portfolio's investment strategy and may otherwise have an adverse

impact on the Portfolio's returns. Compliance with such new or modified laws, rules and regulations may also increase a Portfolio's expenses and therefore may adversely affect the Portfolio's performance. For example, Section 619 of the recently-enacted Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") imposed the so-called "Volcker Rule". In general, the Volcker Rule prohibits, or significantly restricts, "banking entities" and "non-bank financial companies" from engaging in certain activities, such as proprietary trading and investing in, sponsoring, or holding interests in private investment funds such as a Fund.

In addition, Title VII of the Dodd-Frank Act has and will impose a number of new regulations governing OTC swaps and derivative transactions. Under the Dodd-Frank Act, swaps will generally be required to be submitted for clearing by a regulated clearing organization. With respect to uncleared swaps, the CFTC has also recently proposed rules that would require that margin be posted by "financial entities," including a Portfolio, for uncleared swap positions. New regulations will also likely limit the ability of bank holding companies and other entities from engaging in proprietary trading of swaps and other derivatives, which will likely reduce the number of potential counterparties and liquidity for swaps and other derivatives. These and other similar rules and regulations are likely to increase the costs and expenses to a Portfolio of utilizing swaps and other derivatives. As a result, a Portfolio may engage in fewer derivatives transactions than it would have otherwise, experience higher costs in connection with using derivatives for hedging or other purposes or may utilize higher leverage than it would have otherwise to achieve the same level of returns. Although various regulatory agencies (e.g., the SEC, the CFTC and the U.S. Federal banking agencies) are in the process of developing regulations to implement the provisions of the Dodd-Frank Act, and accordingly it is not possible at this time to predict with certainty what, if any, impact the Dodd-Frank Act and such implementing regulations will have on the Investment Manager or a Portfolio, it is possible that such impact could be adverse and material.

#### 4.31 **CRS**

Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the "**CRS Regulations**").

The CRS is a global OECD tax information exchange initiative which is aimed at encouraging a coordinated approach to disclosure of income earned by individuals and organisations.

The Fund is a Reporting Financial Institution for CRS purposes and will be required to comply with the Irish CRS obligations. In order to satisfy its CRS obligations, the Fund will require its investors to provide certain information in respect of their tax residence and may, in some cases, require information in relation to the tax residence of the beneficial owners of the investor. The Fund, or a person appointed by the Fund, will report the information required to the Revenue Commissioners by 30 June in the year following the year of assessment for which a return is due. The Revenue Commissioners will share the appropriate information with the relevant tax authorities in participating jurisdictions.

All prospective investors / unitholders should consult with their own tax advisors regarding the possible CRS implications of an investment in the Fund.

#### 4.32 **EMIR**

EMIR establish certain requirements for over-the-counter derivatives contracts, including mandatory clearing obligations for certain classes of contracts as well as bilateral risk management requirements and reporting requirements with more general application. In addition there are mandatory margin requirements for un-cleared OTC derivatives with respect to the exchange of collateral between financial counterparties ("**FCs**") and non-financial counterparties ("**NFCs**") within the meaning of EMIR. These mandatory margin requirements for un-cleared OTC derivatives require the exchange of both initial margin (designed to protect against default or credit exposure to a counterparty) and variation margin (designed to protect against changes to the market value of the relevant contracts). The requirement to exchange variation margin is already in effect with the requirement to exchange initial margin being introduced on a phased basis with the final implementation phase due to come into effect on 1 September 2022, at which point covered entities with an aggregate average notional amount of non-centrally cleared derivatives greater than €8 billion will be subject to the requirement to exchange initial margin.

#### 4.33 **MIFID II**

The European regulatory framework and legal regime relating to derivatives is set not only by EMIR but also by a new Directive and Regulation containing a package of reforms to the existing Markets in Financial Instruments Directive (Directive 2004/39/EC), collectively referred to as ("**MiFID II**"). The majority of MiFID II's provisions became effective on 3 January 2018. In particular, MiFID II requires transactions between Financial Counterparties ("**FCs**") and Non-Financial Counterparties ("**NFCs**") in sufficiently liquid OTC derivatives to be executed on a trading venue which meets the requirements of the MiFID II regime. This trading obligation will also extend to FCs and NFCs which trade with non-EU counterparties that would be classed as FCs or NFCs if they were established in the EU.

#### 4.34 **U.K. Withdrawal from the European Union**

The United Kingdom (the "U.K.") withdrew from the European Union (the "EU") and the European Economic Area (the "EEA") on January 31, 2020.

Following withdrawal from the EU, the U.K. entered a transition period lasting until December 31, 2020, during which EU law continued to apply in the U.K. New EU legislation that took effect before the end of the transition period also applies to the U.K. The U.K. and the EU have agreed to a framework for trading arrangements. Under the agreed arrangements, U.K. goods will continue to have tariff free access to the EU but other barriers will apply.

These new arrangements could, at any stage, adversely affect the Investment Manager and the assets of the Trust. There could be detrimental implications for the value of the assets of the Trust and/or the ability of the Investment Managers to carry out risk or portfolio management of the Trust. This may be due to, among other things:

- (i) (increased uncertainty and volatility in U.K., EU and other financial markets;
- (ii) fluctuations in asset values;
- (iii) fluctuations in exchange rates;



- (iv) increased illiquidity of investments located, listed or traded within the U.K., the EU or elsewhere; and
- (v) changes in the willingness or ability of financial and other counterparties to enter into transactions, or the price at which and terms on which they are prepared to transact.

The U.K.'s vote to leave the EU has created a degree of political uncertainty, as well as uncertainty in monetary and fiscal policy, which is expected to continue for some time. It may have a destabilizing effect on some of the remaining members of the EU, the effects of which may be felt particularly acutely by Member States within the Eurozone.

#### 4.35 **Ongoing Crisis in Ukraine**

On February 24, 2022, Russia launched a large-scale invasion of Ukraine marking the largest escalation of crisis in Ukraine to date. Although the Russian invasion and the conflict in Ukraine is ongoing and its long-term effects remain to be seen, the 2022 Russian invasion of Ukraine is likely to cause significant economic disruption and further calls from other countries for a severe sanctions regime that would seek to further isolate Russia from the world economy. In response to the Russian invasion of Ukraine in February 2022, the EU, the U.S., the U.K. and other governmental entities have passed a variety of severe economic sanctions and export controls against Russia, including imposition of sanctions against Russia's Central Bank and largest financial institutions. In addition, a number of businesses have curtailed or suspended activities in Russia or dealings with Russian counterparts for reputational reasons.

Overall, the situation in Ukraine remains uncertain and how it will unfold or impact the Manager and the Trust's business or results of operations cannot be predicted. The potential further repercussions surrounding the situation in Ukraine are unknown and no assurance can be given regarding the future of relations between Russia and other countries. Any or all of the above factors could have a material adverse effect on the Manager and the Trust's business, financial condition, results of operations and prospects.

#### 4.36 **Inflation**

Certain non-U.S. countries experienced substantial, and in some periods extremely high, rates of inflation for many years. In addition, in the U.S. and other developed economies, there are growing concerns regarding rising inflation rates and the long-term effects of accommodative monetary, which could have a destabilising effect on the economic recovery and lead to distortions in certain segments of the market. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets (both public and private) of certain countries in which the Trust may invest. There can be no assurance that high rates of inflation within or outside the United States will not have a material adverse effect on the investments of the Trust.

Issuers may have revenues linked to some extent to inflation, including, without limitation, by government regulations and contractual arrangement. Typically, as inflation rises, a company will earn more revenue, but will incur higher expenses; as inflation declines, a company may not be able to reduce expenses in line with any resulting reduction in revenue. While certain assets may rely on concessions to mitigate the inflation risk to cash



flows through escalation provisions linked to the inflation rate, these provisions do not protect against the risk of a rise in real interest rates.

#### 4.37 **GDPR**

Under GDPR, data controllers are subject to additional obligations including, amongst others, accountability and transparency requirements whereby the data controller is responsible for, and must be able to demonstrate compliance with the rules set down in the GDPR relating to data processing and must provide data subjects with more detailed information regarding the processing of their personal data. Other obligations imposed on data controllers include more enhanced data consent requirements and the obligation to report any personal data breach to the relevant supervisory authority without undue delay. Under the GDPR, data subjects are afforded additional rights, including the right to rectify inaccurate personal information, the right to have personal data held by a data controller erased in certain circumstances and the right to restrict or object to processing in a number of circumstances. The implementation of GDPR may result in increased operational and compliance costs being borne directly or indirectly by the Fund. If there are breaches of these measures by the AIFM on behalf of the Fund or any of its service providers, the AIFM on behalf of the Fund or its service providers could face significant administrative fines and/or be required to compensate any data subject who has suffered material or non-material damage as a result as well as the Fund or the AIFM suffering reputational damage which may have a material adverse effect on its operations and financial conditions.

#### 4.38 **Side Pockets**

The AIFM may in exceptional circumstances create and issue Side Pocket Units in respect of a Portfolio to which will be attributed interests in Value Affected Investments. Side Pocket Units will be redeemable by the AIFM and/or by the holders thereof only when so determined by the AIFM.

Unitholders may be required to maintain their Side Pocket Units for a significant period of time as they are likely to be able to redeem Side Pocket Units only when the assets attributable to the Side Pocket Units are capable of being properly valued or realised. In the event that the assets within a Side Pocket have no value and/or are not admitted to trading or otherwise increase in value and/or liquidity as anticipated, the AIFM reserves the right to transfer such assets in specie to the Unitholders of the Side Pocket Class pro rata to their interest in that Class or, where the assets within the Side Pocket have no value and/or are not admitted to trading, to write off such assets and cancel the relevant Side Pocket Units. Valuations of Side Pocket Units from time to time may not reflect the actual amount that would be realised by the AIFM upon the disposition of such investments.

A Side Pocket may contain cash for the purposes of meeting ongoing commitments and contingencies relating to the Value Affected Investments including any proposed hedging transactions. The AIFM in respect of a Portfolio may be unable to increase the amount of cash contained in a Side Pocket following the creation of that Side Pocket, and accordingly the cash contained in that Side Pocket may in certain circumstances be insufficient to allow the AIFM to appropriately implement hedging transactions in respect of that Side Pocket.

#### 4.39 **Qualifying Investor Risk**

Should a potential investor not be (or not continue to be) a Qualifying Investor, that investor may be liable to the Fund for any actions, proceedings, claims, costs, demands, charges, losses, damages or expenses and tax arising as a result of misrepresentation made to the AIFM or its delegate or may, under the terms of the Trust Deed, be called upon to indemnify the Fund for all actions, proceedings, claims, costs, demands, charges, losses, damages or expenses as a result of such misrepresentation.

## 5 MANAGEMENT OF THE FUND

### 5.1 The AIFM

The AIFM is a private company limited by shares and was incorporated with limited liability in Ireland on 2nd September, 1997. The AIFM has an authorised share capital of \$20,000,000 divided into 20,000,000 ordinary shares of US\$1 each. The AIFM has US\$1,826,755 in issued and fully paid up share capital divided into 1,826,755 ordinary shares of US\$1 each and is ultimately a wholly owned subsidiary of Coronation Fund Managers Limited. The AIFM also acts as manager of Coronation Global Opportunities Fund which is a UCITS umbrella fund and Coronation Common Contractual Fund, which is an Alternative Investment Fund ("AIF").

The AIFM is responsible, under the Trust Deed, for the general management and administration of the Fund's affairs including the investment and re-investment of each Portfolios' assets having regard to the investment objective and policies of each Portfolio. However the AIFM has appointed Investment Managers to manage the investment and re-investment of the assets of one or more Portfolios. The AIFM is also responsible for preparing accounts, executing redemption of Units, making distributions and calculating the Net Asset Value per Unit. However, the AIFM has appointed the Administrator to act as administrator, registrar and transfer agent to the Portfolios.

The Directors of the AIFM are:

#### **Mr. Bryan Melville (Irish)**

Mr. Melville joined Coronation Fund Managers Limited in South Africa from KPMG, Cape Town in July 1997. In January 1999 he was appointed as Operations Manager of Coronation Global Limited (now Coronation Global Fund Managers (Ireland) Limited). Mr. Melville was appointed to the post of Chief Operations and Financial Officer in Coronation International Limited in January 2001. He joined the AIFM in January 2004 where he held the position of Managing Director until February 2006. At that time he moved to Coronation International Limited to act as a research analyst for their fund of fund products and now fulfils the role of Managing Director of Coronation International Limited.

#### **Mr. David Dillon (Irish)**

Mr. Dillon was admitted to practice as a solicitor in 1978. A graduate of University College Dublin with an MBA from Trinity College Dublin, David was one of the founding partners of Dillon Eustace where he worked principally in the areas of financial services. He is also a director of a number of Irish based investment and management companies. He has served as a member of a number of committees and sub-committees established by the Irish Law Society relating to commercial law and financial services and is former chair of the Investment Funds Committee (Committee I) of the International Bar Association and a past chairman of the government's IFSC Funds Working Group. He is currently a member of the IFSC Funds Working Group. David is now a consultant to Dillon Eustace.

#### **Mr. Clinton Martin (South African)**

Mr. Martin joined Coronation International Limited (United Kingdom) in January 2003. In January 2005 Mr Martin was appointed to the post of Chief Financial Officer of Coronation

International Limited. He transferred to Coronation Fund Managers Limited (South Africa) in November 2008 to take up the role of Group Financial Manager. Prior to Coronation Mr Martin was with Deloitte South Africa in Cape Town where he qualified as a Chartered Accountant.

#### **Mr. Anton Pillay (South African)**

Mr. Pillay was appointed chief executive officer of Coronation Fund Managers Limited in February 2013. He joined Coronation Fund Managers Limited from BoE (Pty) Limited in January 2006 as Chief Operating Officer. During his almost nine-year career with BoE/Nedbank he held a number of key positions and directorships, including assistant general manager of the private bank, general manager of investments and head of banking.

#### **Mr. Shane Coman (Irish)**

Mr. Coman is an Independent Director and Industry Consultant operating in the regulated funds sector in Ireland and is an active member of the Irish Fund Directors Association. Mr. Coman is a founding partner of Nexus Governance Limited which is focused on providing operational risk and governance advisory services to clients in the international funds industry. Mr. Coman has extensive experience in fund service operations having performed executive roles at both JP Morgan and BNY Mellon. While at BNY Mellon Mr. Coman was responsible for the delivery of fund accounting and administration services in EMEA and was also a board member of BNY Mellon Fund Services Ireland DAC. Mr. Coman holds an MBA from the University of Melbourne and a BSc Finance from University College Cork.

#### **Mr. Damien Dooris (Irish)**

Mr. Dooris joined the AIFM in January 2013 as Head of Compliance, later adding Head of Risk responsibilities, fulfilling these responsibilities until the end of 2017. From this role he joined Guggenheim Partners establishing their AIFM and UCITS Management Company in Ireland. Mr. Dooris returned to the AIFM in August 2022 taking up the role of Managing Director. Prior to first joining the AIFM, Mr. Dooris was employed by State Street and was responsible for the set up and development of their Compliance and Regulatory Reporting Services team, and Ernst & Young where he was responsible for the audit of investment funds and asset managers. Mr. Dooris holds a B.A. (Hons.) in Accounting from the University of Ulster and is a Fellow of Chartered Accountants Ireland. In addition, he holds a Professional Diploma in Compliance, the CFA's Claritas Investment Certificate and a Practitioners Certificate in Operational Risk Management.

The address of the Directors of the AIFM, all of whom aside from Bryan Melville are considered non-executive Directors, is the registered office of the AIFM; 33 Sir John Rogerson's Quay, Dublin DO2 XK09, Ireland. A non-executive Director is defined in the Irish Funds' Corporate Governance Code as a director not involved in the day-to-day discretionary investment management of the Fund.

David Dillon is the Chairman of the Board of Directors of the AIFM.

None of the Directors have had any convictions in relation to indictable offences, been involved in any bankruptcies, individual voluntary arrangements, receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company or partnership voluntary arrangements, any composition or arrangements with creditors

generally or any class of creditors of any company where they were a director or partner with an executive function, nor have any had any public criticisms by statutory or regulatory authorities (including recognised professional bodies) nor has any Director ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

Tudor Trust Limited acts as company secretary to the AIFM.

## 5.2 Administrator

The AIFM has appointed J.P. Morgan Administration Services (Ireland) Limited as Administrator of the Fund and each Portfolio pursuant to the Administration Agreement. The responsibilities of the Administrator include administration of the Portfolios, maintaining the accounting records of the Portfolios, calculating the Net Asset Value of the Portfolios, the Net Asset Value per Unit and serving as registrar and as transfer agent of the Portfolios.

The Administrator is a wholly owned subsidiary company of J.P. Morgan International Finance Limited, which is a supplier of processing and administration services to financial institutions.

The duties and functions of the Administrator include, inter alia, the calculation of the Net Asset Value and the Net Asset Value per Unit, the keeping of all relevant records in relation to the Fund as may be required with respect to the obligations assumed by it pursuant to the Administration Agreement, the preparation and maintenance of the Fund's books and accounts, liaising with the Auditor in relation to the audit of the financial statements of the Fund and the provision of certain registration and transfer agency services in respect of units in the Fund.

## 5.3 Trustee

The Trustee is J.P. Morgan SE - Dublin Branch which is the Irish branch of J.P. Morgan SE a European public company registered with the local court of Frankfurt am Main, Germany HRB number: 126056 with its registered office at TaunusTurm, Taunustor 1, Frankfurt am Main, 60310, Germany. J.P. Morgan SE is authorised and regulated by BaFin and is jointly supervised by the European Central Bank, BaFin and Deutsche Bundesbank. When acting as the Trustee of the Fund through J.P. Morgan SE – Dublin Branch, J.P. Morgan SE is also subject to regulation by the Central Bank. The ultimate parent company of the Trustee is J.P. Morgan Chase & Co. incorporated in Delaware, USA.

Operating through a network of sub-custodian banks, the Trustee offers clearing settlement and custody services world-wide. These agent banks are selected on a standard set of selection criteria taking into account credit rating, settlement and clearing expertise, communications sophistication, membership of local depositories and clearing agencies and price. All relationships are governed by written legal agreements and monitored against agreed service level accords. Services provided include safe keeping and registration, clearance and settlement income collection, corporate actions collection, trustee and compliance services and treasury.

The duty of the Trustee is to provide safekeeping/custody, in respect of financial instruments required to be held in custody of the Fund in accordance with the provisions

of the AIFM Legislation and the Trust Deed and the verification of assets. The Trustee will also provide cashflow monitoring and oversight services in respect of the Fund's cash flows and subscriptions.

The Trustee will be obliged, inter alia, to ensure that the issue and repurchase of Units in the Fund is carried out in accordance with the relevant legislation and the Trust Deed. The Trustee will carry out the instructions of the Directors unless they conflict with the AIFM Legislation or the Trust Deed. The Trustee is also obliged to enquire into the conduct of the Fund in each financial year and report thereon to the Unitholders.

The Trustee has power to delegate the whole or any part of its custodial functions but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. In order for the Trustee to discharge its responsibility for assets entrusted to a third party, the Trustee must exercise care and diligence in the selection of such third parties as safekeeping agents so as to ensure they have and maintain the expertise, competence and standing appropriate to discharge their responsibilities as Sub-Custodian. The Trustee must maintain an appropriate level of supervision over third parties and make appropriate enquiries, periodically, to confirm that their obligations continue to be competently discharged.

The Trustee is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the Fund and is responsible and liable only for the trustee services that it provides to the Fund pursuant to the Trust Deed and the custodian and depositary services that it provides pursuant to the Depositary Agreement.

As each Portfolio may invest in markets where custodial and/or settlement systems are not fully developed, the assets of that Portfolio which are listed or traded in such markets and which have been entrusted to Sub-Custodians, in circumstances where the use of such Sub-Custodians is necessary, may be exposed to risk in circumstances whereby the Trustee will have no liability. Prospective investors are referred to the section "Risk Factors" in the Prospectus.

A summary of the terms of the Trust Deed is set out in APPENDIX 1 "GENERAL INFORMATION" under the heading "Material Contracts". The AIFM will disclose to investors before they invest in the Fund any arrangement made by the Trustee to contractually discharge itself of liability. The Trustee shall inform the AIFM, who shall inform Unitholders, of any changes with respect to Trustee liability without delay. Currently, it is not envisaged that the Trustee will seek to contractually discharge itself of liability under any circumstances, and so it is not expected that this requirement will be applicable.

#### 5.4 **Conflicts of Interest**

The AIFM, the Investment Managers, the Sub-Investment Managers, the Administrator, the Trustee, and their respective affiliates, officers and shareholders (collectively the "**Parties**") are or may be involved in other financial, investment and professional activities which may on occasion cause conflict of interest with the management of a Portfolio. These include management of other funds, purchases and sales of securities, investment and management counselling, brokerage services, trustee and Trustee services and serving as directors, officers, advisers or agents of other funds or other companies, including companies in which the Portfolio may invest. In particular, it is envisaged that the Investment Managers and the Sub-Investment Managers may be involved in managing or

advising on the investments of other investment funds which may have similar or overlapping investment objectives to or with the Portfolio. Each of the Parties will respectively ensure that the performance of their respective duties will not be impaired by any such involvement that they might have. In the event that a conflict of interest does arise, the Directors of the AIFM shall endeavour to ensure that it is resolved fairly and in the interests of Unitholders.

There is no prohibition on dealings in the assets of a Portfolio by the Parties. The Parties may engage in transactions with a Portfolio where any one or more of the Parties is acting in the capacity as broker, intermediary, principal, or counterparty provided that such transactions are carried out on terms similar to those which would apply in a like transaction between parties not connected with the Parties or any one of them and that such transactions are negotiated at arm's length and in the best interests of the Unitholders, and that such transaction complies with ERISA (if the Portfolio involved is subject to ERISA); and

- (i) a person approved by the Trustee (or in the case of a transaction involving the Trustee, the AIFM) as independent and competent shall certify in writing the price at which such transaction is effected; or
- (ii) such transaction shall be executed on best terms on organised investment exchanges under their rules; and
- (iii) where these rules are not practical, such transactions shall be executed on any terms which the Trustee (or in the case of a transaction involving the Trustee, the AIFM) is satisfied conform with the principle that the transactions are negotiated at arm's length.

The AIFM operates a conflicts of interest policy that describes how it takes reasonable steps to identify and, wherever practicable, mitigate conflicts of interest that arise as a result of such business dealings.

## 5.5 Fair Treatment of Investors

In all of its decisions the AIFM shall ensure fair treatment of investors in the Fund and that any preferential treatment accorded by the AIFM to one or more investors does not result in an overall material disadvantage to other investors.

The principles of treating investors fairly include, but are not limited to:

- (a) Acting in the best interests of the Portfolios and of the investors;
- (b) Executing the investment decisions taken for the account of the Portfolios in accordance with the objectives, the investment policy and the risk profile of the Portfolios;
- (c) Ensuring that the interests of any group of investors are not placed above the interests of any other group of investors;
- (d) Ensuring that fair, correct and transparent pricing models and valuation systems are used for the Portfolios managed;



- (e) Preventing undue costs being charged to the Portfolios and investors;
- (f) Taking all reasonable steps to avoid conflicts of interests and, when they cannot be avoided, identifying, managing, monitoring and, where applicable, disclosing those conflicts of interest to prevent them from adversely affecting the interests of Unitholders; and
- (g) Recognising and dealing with complaints fairly.

The AIFM maintains and operates organisational, procedural and administrative arrangements and Implements policies and procedures designed to manage actual and potential conflicts of interest, please see "Conflicts of Interest" above.

## 5.6 Legal implications of an investment in the Fund

The main legal implications of the contractual relationship which an investor would enter into by investing in a Portfolio are as follows:

- (i) By completing and submitting the Application Form, an investor will have made an offer to subscribe for Units which, once it is accepted by the AIFM and Units are issued, has the effect of a binding contract.
- (ii) The applicant will be obliged to make representations, warranties, declarations and certifications in the Application Form relating to its eligibility to invest in the Portfolio and its compliance with the applicable anti-money laundering laws and regulations.
- (iii) Upon the issue of Units, an investor will become a Unitholder in the relevant Portfolio and the Trust Deed will take effect as a contract between the Unitholder and the AIFM on behalf of the Fund.
- (iv) The Trust Deed is governed by, and construed in accordance with, the laws of Ireland. The Application Form is governed by, and construed in accordance with, the laws of Ireland.
- (v) Any judgement for a definite sum obtained against the Fund in the courts of a foreign (non-Irish) jurisdiction (a "**Foreign Judgement**") should generally be recognised and enforced by the courts of Ireland without a retrial or examination of the case where Council Regulation EC No.44/2001 on the Jurisdiction and the Recognition of Judgments in Civil and Commercial Matters (the "**2001 Brussels Regulation**") or where Regulation (EU) No. 1215/2012 of the European Parliament and of the Council of 12 December 2012 on the Jurisdiction and the Recognition of Enforcement of Judgments in Civil and Commercial Matters (Regulation EU No. 1215/2012) applies. Where the 2001 Brussels Regulation or Regulation EU No. 1215/2012 does not apply, the Foreign Judgement would not automatically be enforced in Ireland and it would be necessary to initiate legal proceedings before a court of competent jurisdiction in Ireland. In such circumstance, an Irish court would generally recognise and enforce such a Foreign Judgement without retrial or examination of the merits of the case provided certain common law principles are complied with.

## 5.7 Investors Rights Against the Service Providers

Absent a direct contractual relationship between a Unitholder and a service provider to the Fund, a Unitholder will generally have no direct rights against the service provider, and there are only limited circumstances in which a Unitholder could potentially bring a claim against a service provider. Instead, the proper plaintiff in an action in respect of which a wrongdoing is alleged to have been committed against the Fund or the AIFM by the relevant service provider is the AIFM.

## 5.8 Side Letters

The AIFM may, at its sole and absolute discretion, agree with any existing or prospective investor, whether by means of a side letter or other agreement, to waive or modify the application of any of the terms described herein in this Prospectus or in the Application Form or to agree any specific terms with an investor ("**Side Letter**"). Such investors may include entities or persons who are affiliated with the AIFM and/or investors who hold a majority or substantial interest in the Fund or a Portfolio. Any such Side Letter may be agreed in accordance with the requirements of the Central Bank and the AIFM Legislation in relation to (but is not limited to) the application or calculation of fees provisions, indemnification obligations and/or additional representations, warranties and covenants. For the avoidance of doubt, the AIFM will not agree any Side Letter which provides an investor with different rights of access to portfolio information, disclosure of market sensitive events, or alter the liquidity provisions, redemption rights or voting rights of any investor and in this regard, will ensure that investors are treated fairly. The AIFM is not obligated to disclose the existence or specific terms of any Side Letter agreed with an investor to any other investors.

The provisions detailed under "*Legal implications of an investment in the Fund*" apply to the recognition and enforcement of a Foreign Judgement obtained against the Fund in relation to a Side Letter.

## 5.9 Soft Commissions

Save where otherwise set out in a supplement, subject to applicable law, any non-MiFID authorised Investment Manager or its delegate may effect transactions on behalf of any Portfolio with or through the agency of any third party who provides services under a soft commission agreement under which that third party will, from time to time, provide to or procure for the non-MiFID authorised Investment Manager or its delegate and/or their respective Associates goods, services or other benefits such as research and advisory services or research measures and performance measures etc., the nature of which is such that their provision can reasonably be expected to benefit the Portfolio and may contribute to an improvement in the performance of the Portfolio and of that Investment Manager or any entity related to that Investment Manager in providing services to a Portfolio and for which no direct payment is made but instead that Investment Manager and any entity related to that Investment Manager undertake to place business with that third party, provided that:

- (i) such transactions are effected on a best execution basis, disregarding any benefit which might ensue directly, or indirectly to the non-MiFID authorised Investment Manager or its delegate or their respective Associates or the relevant Portfolio from the services or benefits provided under such soft commission agreement;

(Best execution basis shall be taken to mean the best price available in the market, exclusive of any charges but taking account of any other exceptional circumstances such as counterparty risk, order size or client instructions);

- (ii) the services provided are of a type which assist the non-MiFID authorised Investment Manager in the provision of investment services to the relevant Portfolio;
- (iii) the non-MiFID authorised Investment Manager shall provide the AIFM with such information with respect to soft commissions as the AIFM may reasonably require to enable inclusion of a report in the annual and half yearly reports of the Fund describing the non-MiFID authorised Investment Manager's or its delegates' soft commission practices; and
- (iv) the soft commission agreement is in compliance with ERISA, if the Portfolio involved is subject to ERISA.

#### *MiFID Authorised Investment Managers*

In accordance with its obligations under MiFID II, any MiFID authorised Investment Manager shall pay to the relevant Portfolio, as soon as reasonably possible after receipt, any fees, commissions or other monetary benefits paid or provided by a third party in relation to the investment management services provided by the MiFID authorised Investment Manager to a Portfolio.

The MiFID authorised Investment Manager shall however be permitted to retain minor non-monetary benefits received from third parties where the benefits are such that they could not impair the MiFID authorised Investment Manager from complying with its obligation to act in the best interests of the Portfolio and provided such minor non-monetary benefits are disclosed to the Fund prior to the provision of investment management services by that entity.

Investment research will not constitute an inducement under MiFID II where it is paid for by the MiFID authorised Investment Manager itself out of its own resources or out of a research payment account ("**RPA**") funded by a specific research charge to the applicable Portfolio.

#### **5.10 Cash/Commission Rebates and Fee Sharing**

Where the Investment Manager, or any of its delegates, successfully negotiates the recapture of a portion of the commissions charged by brokers or dealers in connection with the purchase and/or sale of investments including without limitation permitted derivatives and techniques and instruments, for the account of the relevant Portfolio, the rebated commission shall be paid to the Trustee for the account of the relevant Portfolio. The Investment Manager or its delegates may be reimbursed out of the management fee payable to the AIFM for reasonable properly vouched costs and expenses directly incurred by the Investment Manager or its delegates in this regard.

## 5.11 Remuneration Policy of the AIFM

The AIFM's policy is to design and implement a remuneration policy which is consistent with and promotes sound and effective risk management by having a business model which by its nature does not promote excessive risk taking that is inconsistent with the risk profile or the Trust Deed nor impair compliance with the AIFM's duty to act in the best interests of the Trust and the Unitholders. The AIFM's remuneration policy is consistent with its business strategy, objectives, values and interests of the AIFM, the Fund and the Unitholders and includes measures to try to avoid any conflicts of interest which may arise. In line with the AIFM Regulations, the guidelines issued by the European Securities and Markets Authority ("**ESMA**") and the requirements of the Central Bank, all of which may be amended from time to time, the AIFM applies its remuneration policy in a manner which is proportionate to its size and that of the Fund, its internal organisation and the nature, scope and complexity of its activities.

The AIFM will ensure that the remuneration policy is reviewed internally and independently on an annual basis.

When delegating portfolio management or risk management activities according to the AIFM Regulations, the AIFM shall use its best efforts to ensure that:

- (a) the entities to which portfolio management or risk management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the relevant remuneration rules applicable to the AIFM; or
- (b) appropriate contractual arrangements are put in place with entities to which portfolio management have been delegated in order to ensure that there is no circumvention of the remuneration rules applicable to the AIFM.

Details of the remuneration policy of the AIFM including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits including the composition of the remuneration committee, where such a committee exists, will be available at [www.coronation.com](http://www.coronation.com) and a paper copy will be made available free of charge upon request.

## 6 ADMINISTRATION OF THE FUND

### 6.1 Description of Units

Units of each Class are all freely transferable and are all entitled to participate equally in the profits and distributions of that Class and in the assets of a Portfolio attributable to that Class in the event of termination. The Units, which are of no par value and which must be fully paid for upon issue, carry no preferential or pre-emptive rights, subject to any differences between Units of different classes within a Portfolio as outlined in the relevant Supplement in relation to that Portfolio.

Each Unit represents an undivided co-ownership interest with other Unitholders in the Assets of a Portfolio. No Unit shall confer any interest or share in any particular part of the Assets of a Portfolio. Units in the Unit Trust are not shares but serve to determine the proportion of the underlying Assets of the Unit Trust which each Unitholder is beneficially entitled to.

The Trustee has established Portfolio Cash Accounts in the name of the Trustee on behalf of each Portfolio pursuant to an instruction from the AIFM, through which subscription and redemption monies or dividends may be paid by and to Unitholders. Such accounts shall not be subject to the protections of the Investor Money Regulations, 2015 nor any equivalent protections under Irish law relating to "client money" nor does the AIFM or the Trustee or the financial institution with which such accounts have been opened hold such monies in trust for the investor. Prior to the issue of Units to the investor, the investor is not a Unitholder and is an unsecured creditor with respect to the amount subscribed and held by the relevant Fund until such Units are issued as of the relevant Dealing Day. On redemption, an investor is no longer a Unitholder and is an unsecured creditor with respect to the redemption amount held by the Fund until paid to the investor. Investors will therefore be exposed as unsecured creditors to the creditworthiness of the institution with which such accounts have been opened. In relation to subscription monies paid to such accounts prior to the Dealing Day as of which Units are issued to the investor, the investor will also bear a credit risk against the relevant Portfolio.

In the event that an investor defaults on its obligation to settle its subscription proceeds on time, the AIFM shall cancel any Units that have been issued to the investor and charge the investor interest and other expenses incurred by the Fund. In the event that the AIFM is unable to recoup such amounts from the defaulted investor, the Fund may incur losses or expenses in anticipation of receiving such amounts, for which the Fund, and consequently its Unitholders, may be liable.

Your attention is drawn to the section of the Prospectus entitled "*Risk Factors*" – "*Operation of Portfolio Cash Accounts*".

### 6.2 Issue of Units

#### *Minimum Initial Investment Amount*

The Minimum Initial Investment Amount for Units of each Portfolio may be subscribed for by each investor on initial application and the Minimum Holding for Units of each Portfolio is set out in the Supplement for the relevant Portfolio.

The AIFM may waive the minimum subscription requirement in its entirety in accordance with the requirements of the Central Bank in respect of the categories of investor listed below:-

- (i) the AIFM;
- (ii) a company appointed to provide investment management or advisory services to the Fund;
- (iii) a director of the AIFM or a director of a company appointed to provide investment management or advisory services to the Fund;
- (iv) an employee of the AIFM or an employee of a company appointed to provide investment management or advisory services to the Fund, where the employee:
  - is directly involved in the investment activities of the Fund; or
  - is a senior employee of such company and has experience in the provision of investment management or advisory services; and
- (v) trustees of pension plans provided such trustees commit to invest the minimum subscription amount within a period of 12 months from subscription.

In the case of investments by employees, as set out in (iv) above, the AIFM must be satisfied that prospective investors fall within the criteria outlined in (iv).

Applicants meeting the relevant criteria for waiver of the minimum subscription provided for above must certify that they are availing of the exemption provided for and are aware that the Fund is marketed solely to Qualifying Investors who are normally subject to a minimum subscription in the Fund of not less than the Central Bank's minimum subscription requirement of €100,000 in respect of a new investor in the Fund).

#### *Ineligible Applicants*

The Application Form requires each prospective applicant for Units to represent and warrant that, among other things, it is able to acquire and hold Units without violating applicable laws.

The Units may not be offered, issued or transferred to any person in circumstances which, in the opinion of the AIFM, might result in the Fund incurring any liability to taxation or suffering any other pecuniary disadvantage which the Fund might not otherwise incur or suffer, or would result in the Fund being required to register under any applicable US securities laws.

Units may generally not be issued or transferred to any US Person, except that the AIFM may authorise the issue or transfer of Units to or for the account of a US Person provided that:

- (a) such US Person certifies that it is an "accredited investor" and a "qualified purchaser", in each case as defined under US federal securities laws;

- (b) such issue or transfer does not result in a violation of the 1933 Act or the securities laws of any US state;
- (c) such issue or transfer will not require the Fund to register under the 1940 Act or to file a prospectus with the US Commodity Futures Trading Commission or the US National Futures Association pursuant to regulations under the CEA;
- (d) such issue or transfer will not cause any assets of the Fund to be "plan assets" for the purposes of ERISA; and
- (e) such issue or transfer will not result in any adverse regulatory or tax consequences to the Fund or its Unitholders.

Each applicant for, and transferee of, Units who is a US Person will be required to provide such representations, warranties and documentation as may be required to ensure that these requirements are met prior to the issue or transfer of Units.

Investors must certify on the relevant Application Form that they have the knowledge, expertise and experience in financial matters to evaluate the risks of investing in the Fund, are aware of the risks inherent in investment in the assets in which the Fund will invest and the method by which these assets will be held and/or traded, and can bear the loss of their entire investment in the Fund. Any transferee of Units will be required to certify in like terms before any transfer is registered.

Subject as mentioned above and under "General and Statutory Information" below, Units are freely transferable.

#### *Initial Issues*

The AIFM shall, before the initial issue of any Units in a Class, determine the time at which, the terms upon which and the initial issue price per Unit at which the initial allotment of Units of that Class shall be made. The time at which, the terms upon which and the initial issue price per Unit of the initial issue of Units of any Class shall be specified in the relevant Supplement relating to the Portfolio.

In order to facilitate the equitable application of any performance fee which may be charged by the AIFM in respect of performance fee-paying Classes of one or more Portfolios as detailed in the relevant Supplement, an initial Series of Units (the "**Initial Series**") for each relevant performance fee-paying Class will be issued on the close of the initial offer period for such Class, or at such other time as may be specified in the relevant Supplement. A description of the method of calculation of any such performance fee shall be set out in the relevant Supplement.

#### *Subsequent Issues*

Thereafter, Units shall be issued on a Dealing Day at a price equal to the Net Asset Value per Unit calculated as of the Valuation Point in relation to that Dealing Day. A preliminary charge not exceeding five per cent. (5%) of the Net Asset Value per Unit may be added to the subscription price per Unit. Such preliminary charges shall be paid to the AIFM for its absolute use and benefit and shall not form part of the assets of the relevant Portfolio. The AIFM may at its sole discretion waive such charge or charges or differentiate between applicants as to the amount of such charge or charges within the permitted limits.



In relation to each of the Portfolios, fractions of Units may be issued, at the discretion of the AIFM, where any part of the subscription monies for Units represents less than the subscription price for one Unit, provided however, that fractions shall not be less than .01 of a Unit. Subscription monies, representing less than .01 of a Unit will not be returned to the investor but will be retained for the benefit of the relevant Portfolio in order to defray administration costs.

In order to facilitate the equitable application of any performance fee which may be charged by the AIFM in respect of performance fee paying Classes of one or more Portfolios as detailed in the relevant Supplement, a new Series of Units shall be issued on each Dealing Day on which Units in any performance fee paying Class are sold, unless otherwise specified in the relevant Supplement. A description of the method of calculation of any such performance fee shall be set out in the relevant Supplement.

At the end of each Calculation Period (as defined in the relevant Supplement), each Series is consolidated or rolled-up into its associated Initial Series (or other Series, if appropriate) by the Portfolio redeeming without notice each Unit of that Series at its then current Net Asset Value (after the payment of any investment management fees and performance fees), and applying the redemption proceeds to purchase Units (and fractional Units where necessary) in the associated Initial Series (or other Series if appropriate) at its then current Net Asset Value. This mechanism may not apply in certain circumstances, as detailed in the relevant Supplement.

A description of any alternative methodology will be described in the relevant Supplement.

Assets of a Portfolio may be valued on an estimated probable realisation value basis. Notwithstanding that such estimated probable realisation value may be lower or higher than the final valuation of such assets, any subscription price based on an estimated probable realisation value of such assets shall be final and not subsequently adjusted when the final valuation of such assets becomes available. Unitholders shall have no recourse to the Fund, the AIFM, the Administrator and/or the Investment Manager in the event that the estimated probable realisation value of such assets taken into account in the calculation of the subscription price is higher than the final valuation of such assets.

Any person applying for Units of a Class shall complete an Application Form in such form as the AIFM may from time to time prescribe and shall comply with such conditions as may be prescribed by the AIFM. All applications and subscription monies must be received by the relevant Administrator prior to such time as specified in the relevant Supplement relating to the Portfolio. Any applications received after the dealing deadline for a particular Dealing Day will be processed on the following Dealing Day unless the AIFM in its absolute discretion otherwise determines to accept one or more applications received after the dealing deadline for processing on that Dealing Day provided that such application(s) have been received prior to the Valuation Point for the particular Dealing Day.

Units shall not be issued to any new investor subscribing for Units in a Class where such Units (when aggregated with all other Units subscribed by the new investor in the Fund), have an aggregate value less than the Central Bank's minimum subscription requirement of €100,000 in respect of a new investor in the Fund (or any higher minimum subscription amount in relation to any given Portfolio or Class as set out in the Supplement of any Portfolio). Units shall not be issued in any manner which would result in any person

appearing in the register as the holder of Units in a Class with a value less than €100,000 or its equivalent in other currencies. Subject to the foregoing, the amounts of subsequent subscriptions from investors who have already subscribed the minimum initial subscription are unrestricted.

Applications for Units shall be accepted only on a cleared funds basis in the designated currency of the relevant Class. At the discretion of the AIFM, applications may be accepted in currencies other than the designated currency of the relevant Class. Any applications made in currencies other than the designated currency of the relevant Class will be converted into that currency at prevailing exchange rates. This foreign exchange transaction will be at the cost and risk of the relevant investor.

No share or unit certificates shall be issued. However, a written confirmation of entry on the register shall be issued to each applicant for Units on acceptance of the application providing full details of the transaction and indicating the applicable registration number. A Unitholder statement will be sent to the relevant Unitholder on a monthly basis thereafter confirming entry on the register of Unitholders of the relevant Portfolio. If required by Unitholders, such confirmations and statements may be forwarded electronically.

The AIFM may reject at its discretion any application for such Units in whole or in part in which event the application monies or any balance thereof will be returned to the applicant by transfer to the applicants designated account or by post, each at the applicant's sole risk.

Any issue of Units shall be made by the AIFM only on a Dealing Day.

Requests for subscription for Units may not be withdrawn save with the written consent of the AIFM or its authorised agent or in the event of suspension of calculation of the Net Asset Value of the relevant Portfolio of the Fund.

Subject to certain conditions, the AIFM may also from time to time make arrangements for the issue of Units to any person by way of exchange for investments upon such terms as the AIFM may think fit.

#### *In Specie Issues*

The AIFM may, at its absolute discretion in consultation with the Investment Manager and provided that the Trustee is satisfied that the terms of the exchange will not be such as are likely to result in any material prejudice to any existing Unitholder in any Portfolio, allot Units in any Portfolio against the vesting in the Trustee on behalf of the Fund of investments which would form part of the assets of the relevant Portfolio provided such investments would qualify as an investment of the relevant Portfolio in accordance with its Investment Objective, Policies and Restrictions. The number of Units to be issued in this way shall be the number which would on the day the investments are vested in the Trustee on behalf of the Fund have been issued for cash against the payment of a sum equal to the value of the investments. The value of the investments to be vested shall be calculated by applying the valuation methods described under the section entitled "Calculation of Net Asset Value". All taxes, duties, custody, brokerage or other charges or expenses incurred in connection with the transfer of the securities will be for the account of the subscriber.

### *Anti-Money Laundering and Countering Terrorist Financing Measures*

Measures aimed at the prevention of money laundering and counter terrorist financing require a detailed verification of the investor's identity and where applicable the beneficial owner on a risk sensitive basis. Politically exposed persons ("**PEPs**"), an individual who is or has, at any time in the preceding year, been entrusted with a prominent public function, and immediate family members, or persons known to close associates of such persons, must also be identified.

By way of example an individual may be required to produce a certified true copy of a passport or identification card together with evidence of his/her address, such as a certified true copy of a utility bill or bank statement, and proof of tax residence. In the case of corporate investors, such measures may require production of a certified true copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and resident and business address of all directors. Depending on the circumstances of each application, a detailed verification might not be required where for example; the application is made through a recognised intermediary. This exception will only apply if the intermediary referred to above is located within a country recognised in Ireland as having equivalent anti-money laundering and counter terrorist financing regulations and satisfies other applicable conditions such as providing a letter of undertaking confirming the intermediary has carried out the appropriate verification checks on the investor and will retain such information in accordance with the required timeframe and will provide such information on request to the Administrator or the AIFM.

The Administrator and the AIFM each reserves the right to request such information as is necessary to verify the identity of an investor and where applicable the beneficial owner of an investor. In particular, the Administrator and the AIFM each reserve the right to carry out additional procedures in relation to an investor who is classed as a PEP. Verification of the investor's identity is required to take place before the establishment of the business relationship. In any event, evidence of identity is required for all investors as soon as is reasonably practicable after the initial contact. To the extent that copies of any documentation are required, the AIFM and/or Administrator may insist upon certified true copies of such documentation or the legal equivalent of a certified true copy.

In the event of delay or failure by an investor or applicant to produce any information required for verification purposes, the Administrator or the AIFM may refuse to accept the application and subscription monies and may return all subscription monies or compulsorily redeem such Unitholder's Units provided that payment of subscription monies and/or redemption proceeds may be delayed (no redemption proceeds will be paid if the Unitholder fails to produce such information). None of the AIFM, the Directors, the Investment Manager or the Administrator shall be liable to the subscriber or Unitholder where an application for Units is not processed or Units are compulsorily redeemed or payment of subscription monies and/or redemption proceeds is delayed in such circumstances. Subject to the foregoing, if an application is rejected, the Administrator will return application monies or the balance thereof by telegraphic transfer in accordance with any applicable laws to the account from which it was paid at the cost and risk of the applicant. The Administrator may refuse to pay or delay payment of subscription monies and/or redemption proceeds where the requisite information for verification purposes has not been produced by a Unitholder. Investors are therefore cautioned not to make payment of any subscription monies until such time as investors have received written confirmation

of receipt of all necessary information and documentation required for purposes of the AIFM, the Fund and/or the Administrator fulfilling their obligations under all relevant anti-money laundering and counter-terrorism laws and that there are no constraints under such law that would prevent the Fund from accepting the investor's application for investment in the relevant Portfolio.

The Administrator and the AIFM reserve the right to obtain any additional information from investors so that they can monitor the ongoing business relationship with such investors. The Administrator and the AIFM cannot rely on third parties to meet this obligation, which remains their ultimate responsibility.

Any failure to supply the Fund with any documentation requested by it for anti-money laundering and terrorist financing procedures will result in a delay in the settlement of redemption proceeds or dividend monies. In circumstances where a redemption request is received, the AIFM on behalf of the relevant Portfolio will process any redemption request received by a Unitholder, however the proceeds of that redemption will be held in the Portfolio Cash Accounts and therefore shall remain an asset of the Fund. The redeeming Unitholder will rank as an unsecured creditor of the Portfolio until such time as the AIFM on behalf of the relevant Portfolio is satisfied that its anti-money laundering and terrorist financing procedures have been fully complied with, following which redemption proceeds will be released. In the event that the Portfolio has insufficient assets to discharge its liabilities, there is no guarantee that the Portfolio will have sufficient funds to pay unsecured creditors in full. Therefore a Unitholder is advised to address any outstanding issues promptly, including ensuring that all relevant documentation requested in order to comply with anti-money laundering and terrorist financing procedures is submitted to the Fund promptly on subscribing for Units in the Fund.

#### *Beneficial Ownership Regulations*

The AIFM may request such information (including by means of statutory notices) as may be required for the establishment and maintenance of the Fund's beneficial ownership register in accordance with the Beneficial Ownership Regulations or regulations imposing an equivalent requirement to maintain a beneficial ownership register. It should be noted that a Beneficial Owner has, in certain circumstances, obligations to notify the AIFM in writing of relevant information as to his/her status as a Beneficial Owner and any changes thereto (including where a Beneficial Owner has ceased to be a Beneficial Owner).

Under the Beneficial Ownership Regulations, the AIFM on behalf of the Fund is obliged to file certain information on the Beneficial Owners of the Fund (including name, date of birth, nationality and country of residence) with a central register which will be accessible to the public.

It should also be noted that it is an offence under the Beneficial Ownership Regulations for a Beneficial Owner to (i) fail to comply with the terms of a beneficial ownership notice received from or on behalf of the Fund or (ii) provide materially false information in response to such a notice or (iii) fail to comply with his/her obligations to provide relevant information to the Fund as to his/her status as a Beneficial Owner or changes thereto (in circumstances referred to above) or in purporting to comply, provide materially false information.

### 6.3 Data Protection Information

Prospective investors should note that by completing the Application Form they are providing personal information to the AIFM and its delegates which may constitute personal data within the meaning of the GDPR.

This data will be used for the purposes set out in the Application Form which include but are not limited to client identification, the management and administration of investors holding in the Fund and in order to comply with any applicable legal or regulatory requirements.

Personal data provided to the AIFM on behalf of the Fund (which may include where relevant personal data of persons connected with a corporate Unitholder such as directors, beneficial owners, representatives etc.) may be disclosed to third parties as identified in the Application Form including:

- (a) regulatory bodies, tax authorities; and
- (b) delegates, advisers and service providers of the Fund and their or the Fund's duly authorised agents and any of their respective related, associated or affiliated companies wherever located (including to countries outside the EEA which may not have the same data protection laws as in Ireland) for the purposes specified. For the avoidance of doubt, each service provider to the Fund (including the AIFM, its delegates and its or their duly authorised agents and any of their respective related, associated or affiliated companies) may exchange the personal data, or information about the investors in the Fund, which is held by it with another service provider to the Fund.

By signing the Application Form, prospective investors consent to their personal data being obtained, held, used, disclosed and processed for any one or more of the purposes set out in the Application Form and consent to the recording of telephone calls made to and received from investors by the AIFM, its delegates, its duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes.

Investors have a right to obtain a copy of their personal data kept by the AIFM or Trustee in their respective roles as AIFM and Trustee of the Fund on payment of a fee and the right to rectify any inaccuracies in personal data held by the AIFM or Trustee in their respective roles as AIFM and Trustee of the Fund. Investors also have a right to be forgotten and a right to restrict or object to processing in a number of circumstances. In certain limited circumstances a right to data portability may apply. Where investors give consent to the processing of personal data, this consent may be withdrawn at any time.

The Fund and its appointed service providers will retain all documentation provided by a Unitholder in relation to its investment in the Fund for such period of time as may be required by Irish legal and regulatory requirements, but for at least six years after the period of investment has ended or the date on which a Unitholder has had its last transaction with the Fund.

A copy of the data privacy statement of the AIFM in respect of the Fund is available upon request from the AIFM.

A copy of the Administrator's data privacy policy is available on the Administrator's website at [www.jpmorgan.com/privacy/EMEA](http://www.jpmorgan.com/privacy/EMEA).

#### 6.4 **Transfer of Units**

Every Unitholder entered in the register of a Portfolio shall be entitled to transfer the Units or any of the Units held by him/her to any person by an instrument in writing in any common form approved by the AIFM or in such other form as the AIFM may from time to time approve. Where the transferee is a new investor in the Fund, no transfer of all or part of a holding of such Units shall be so registered if in consequence thereof the transferee would be the holder of Units with an aggregate value less than €100,000 (or any higher minimum subscription amount in relation to any given Portfolio or Class as set out in the Supplement of any Portfolio). At the discretion of the AIFM, no transfer of all or part of a holding of such Units shall be so registered if in consequence thereof either the transferor (or the transferee where the transferee is an existing investor in the Fund) would be the holder of Units with a value less than the currency equivalent of €10,000.

Every instrument of transfer must be signed by the transferor and the transferor shall be deemed to remain the holder of the Units intended to be transferred until the name of the transferee is entered in the relevant register in respect thereof. The instrument of transfer need not be a deed and must be accompanied by such certificates as to the qualification of the transferee as required by the AIFM. Furthermore, the AIFM and the Administrators are under a legal obligation to request such information as is necessary to verify the identity of the transferee and to request such representations and warranties as may appear to the AIFM as appropriate and to otherwise ensure applicable anti-money laundering and counter terrorist financing requirements are met.

If it shall come to the notice of the AIFM or if the AIFM shall have reason to believe that any Units are owned directly or beneficially by:-

- (a) any person in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Units; or
- (b) any US Person if at the time of issue or transfer of such Units to or for the account of that US Person one or more of the requirements in (a) to (e) under the heading "Ineligible Applicants" were not satisfied; or
- (c) a US Person if that US Person at any time after the issue or transfer of such Units to or for the account of the US Person in accordance with the requirements in (a) to (e) under the heading "Ineligible Applicants", ceases to be an "accredited investor" and a "qualified purchaser", in each case as defined under US federal securities laws;
- (d) a US Person if the latter's Unitholding might:
  - (i) require the Fund to register under the 1940 Act or to file a prospectus with the US Commodity Futures Trading Commission or the US National Futures Association pursuant to regulations under the CEA; or
  - (ii) cause any assets of the Fund to be "plan assets" for the purposes of ERISA; or



- (iii) result in any adverse regulatory or tax consequences to the Fund or its Unitholders.
- (e) any person or persons in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons whether connected or not, or any other circumstances appearing to the AIFM to be relevant) which in the opinion of the AIFM might result in the Fund, the Portfolios or any of their Unitholders as a whole, incurring any liability to taxation or suffering pecuniary disadvantages which the Fund, the Portfolios or any of their Unitholders as a whole might not otherwise have incurred or suffered;

the AIFM shall be entitled to give that person notice to transfer his/her Units to a person who does not fall under paragraphs (a) to (c) above. If that person does not within 14 days thereafter transfer or redeem his/her Units he/she shall be deemed to have requested the AIFM to redeem his/her Units and the AIFM will be appointed as the attorney of such person to sign and complete any documents required to effect the redemption.

Any such redemption will be made on a Redemption Day at a price equal to the Net Asset Value per Unit calculated as of the Valuation Point in relation to that Redemption Day. A redemption charge not exceeding 5% of the Net Asset Value per Unit may be further deducted from such redemption price at the AIFM's sole discretion, it being understood that the AIFM may at its sole discretion waive such charge or differentiate between Unitholders as to the amount of such charge within the permitted limits. Such redemption charge, if any, shall be paid to the AIFM for its absolute use and benefit and shall not form part of the assets of the relevant Portfolio.

## 6.5 Redemption of Units

The AIFM will at any time during the term of a Portfolio on receipt by the relevant Administrator of a request in writing by a Unitholder redemption from such Unitholder on any Redemption Day all or any part of his/her holding of Units at a price per Unit being equal to the Net Asset Value per Unit for that Class, or where relevant Series, calculated as of the Valuation Point in relation to that Redemption Day. A redemption charge not exceeding five per cent (5%) of the Net Asset Value per Unit of that Class or where relevant Series, may be further deducted from such redemption price at the AIFM's sole discretion, it being understood that the AIFM may at its sole discretion waive such charge or differentiate between Unitholders as to the amount of such charge within the permitted limits. Such redemption charge, if any, shall be paid to the AIFM for its absolute use and benefit and shall not form part of the assets of the relevant Portfolio.

Assets of a Portfolio may be valued on an estimated probable realisation value basis. Notwithstanding that such estimated probable realisation value may be lower or higher than the final valuation of such assets, any redemption price based on an estimated probable realisation value of such assets shall be final and not subsequently adjusted when the final valuation of such assets becomes available. Unitholders shall have no recourse to the Fund, the AIFM, the Administrator and/or the Investment Manager in the event that the estimated probable realisation value of such assets taken into account in the calculation of the redemption price is less than the final valuation of such assets. In addition, the Fund shall have no recourse to the AIFM, the Administrator and/or the Investment Manager in



the event that the estimated probable realisation value of such assets taken into account in the calculation of the redemption price is lower than the final valuation of such assets.

Where relevant, if a redeeming Unitholder owns Units of more than one Series within a Class, that Unitholder shall be permitted to elect which Series from which to redeem first. If no such election is made, Units will be redeemed on a "first in first out" basis for the purposes of determining the redemption price. Accordingly, in such circumstances, the Units of the earliest issued Series owned by the Unitholder will be redeemed first, at the relevant redemption price for Units of such Series, until the redeeming Unitholder no longer owns any Units attributable to such Series.

Requests for redemption of Units should be made to the Administrator by email, facsimile or written communication and should include such information and/or documentation as may be specified from time to time by the AIFM or its delegate. All redemption requests must be received by the Administrator prior to such time as specified in the relevant Supplement relating to the Portfolio. Any request received after the time aforesaid will be processed on the next Redemption Day unless the AIFM in its absolute discretion otherwise determines provided that such requests have been received prior to the Valuation Point for the relevant Redemption Day.

Redemption requests will only be accepted for processing where cleared funds and completed documents including documentation related to money laundering prevention checks are in place from original subscriptions. No redemption payment will be made from a Unitholder's holding until the subscription Application Form and all documentation required by the AIFM and the Administrator (including any documents in connection with anti-money laundering procedures) have been received from the Unitholder and the anti-money laundering procedures have been completed.

Redemption requests may not be withdrawn save with the written consent of the AIFM or its authorised agent or in the event of suspension of calculation of the Net Asset Value of the relevant Portfolio of the Fund.

The redemption price will be payable to the Unitholder within such time period (specified in the relevant Supplement relating to the Portfolio) after the relevant Redemption Day on which the redemption is to be effected and provided that the Unitholder has met all requirements in regard to the redemption as set out in this Prospectus and the relevant Supplement. Unless otherwise requested by the payee, the redemption price payable to the Unitholder will be paid in the designated currency of the relevant Class by telegraphic transfer at the expense of the Unitholder. Redemption payments will be made to the bank account detailed in the redemption request or as subsequently notified to the Administrator in writing signed by an authorised signatory of the Unitholder. Redemption payments following processing of redemption requests received by email or facsimile will only be made to the account of record of the Unitholder or, in the case of joint Unitholders, made payable to the order of the first named joint Unitholder on the register at the risk of such Unitholder or joint Unitholders, unless the AIFM (at its discretion) agrees otherwise. If a Unitholder requests to be repaid in any other freely convertible currency, the necessary foreign exchange transaction may be arranged by the AIFM (at its discretion) on behalf of and for the account, risk and expense of the Unitholder.

Where a request to redeem would result in a Unitholder holding Units in a Class with a value less than €100,000 or its equivalent in other currencies, the AIFM may deem the request to be a request to redeem all of the Unitholder's Units in that Class.

In addition to the compulsory redemption provisions set out in the Prospectus under the heading "Administration of the Fund – Transfer of Units", Units held by a Unitholder may be compulsorily redeemed by the AIFM in order to discharge all or part of the AIFM's Performance Fee in relation to that Unitholder's holding of Units. Any intention to do so will be disclosed in the relevant Supplement relating to the Portfolio.

## 6.6 In Specie Redemptions

The AIFM may, at its discretion and with the consent of or at the request of the Unitholder, satisfy a redemption request by a distribution of investments of the relevant Portfolio in specie subject to the Trustee being satisfied that the terms of the exchange will not be such as are likely to result in any material prejudice to the Unitholders. The allocation of assets to that Unitholder is subject to the approval of the Trustee.

The Trust Deed also contains special provisions where a redemption request received from any one Unitholder would result in Units representing more than 5% of the Net Asset Value of any Portfolio being redeemed on any Dealing Day. In such a case, the AIFM may satisfy the redemption request by a distribution of investments of the relevant Portfolio in specie provided that such a distribution would not be prejudicial to the interests of the remaining Unitholders of that Portfolio and that the asset allocation has been approved by the Trustee. Where the Unitholder requesting such redemption receives notice of the AIFM's intention to elect to satisfy the redemption request by such a distribution of assets, that Unitholder may require the AIFM, instead of transferring those assets, to arrange for their sale and the payment of the proceeds of sale to that Unitholder less any costs incurred in connection with such sale.

## 6.7 Limitations on Redemptions

In addition to and without limiting any other limitations on redemptions stated herein, the AIFM may, at its discretion, limit the number of Units of any Portfolio redeemed on any Dealing Day to Units representing 10% of the total Net Asset Value of any monthly or more frequently dealing Portfolio (or 25% in the case of a quarterly or less frequently dealing Portfolio) on that Dealing Day, further details of which may be set out in the Supplement for the relevant Portfolio. In this event, the limitation will apply pro rata so that all Unitholders wishing to have Units of that Portfolio redeemed on that Dealing Day realise the same proportion of such Units. Units not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on the next Dealing Day and will be dealt with in priority (on a rateable basis) to redemption requests received subsequently. If requests for redemptions are so carried forward, the Administrator will inform the Unitholders affected.

## 6.8 Switching of Units

Subject to the Units being in issue and being offered for sale and provided that the issue and redemption of Units has not been suspended, Unitholders may, in respect of Units held in one or more Classes (the "**Original Units**"), by notice in writing to the Administrator and subject to the payment of the fee hereinafter mentioned request the AIFM to switch some

or all of such Original Units into Units in one or more other Classes (the "**Switched Units**") within the same Portfolio or within Portfolios which are administered by the same Administrator, provided that at the discretion of the AIFM, no such switching shall be effected if it would result in the Unitholder being a Unitholder of Units in a Class with a value less than €10,000 or its equivalent in other currencies and provided further that such notice shall be effective only if accompanied by a written application form ("**switch form**") duly signed by the Unitholder in such form and at such time and in such minimum amounts as the AIFM shall determine. In addition, no such switching shall be effected if it would result in a Portfolio's assets becoming subject to Title I of ERISA or Section 4975 of the IRC.

On the Dealing Day next following the receipt of the switch form, or on such earlier day as the AIFM in its absolute discretion may agree, the Original Units to be switched shall ipso facto be redesignated as the appropriate number of Switched Units. The Original Units shall on that Dealing Day have the same value (the "**Switching Amount**") as if they were being redeemed by the AIFM from the Unitholder. The appropriate number of Switched Units shall be equal to the number of units in the Class(es) that would be issued on that Dealing Day if the Switching Amount were invested in the Class(es), provided that, for this purpose, the preliminary charge shall not be chargeable.

Upon any such switching, there shall be reallocated from the Portfolio or Portfolios attributable to the Class(es) to which the Original Units belonged, assets or cash equal in value to the Switching Amount to the Portfolio or Portfolios attributable to the Class(es) to which the Switched Units belong.

Switching requests may not be withdrawn save with the written consent of the AIFM or its authorised agent or in the event of suspension of calculation of the Net Asset Value of the relevant Portfolio of the Fund.

In respect of any such switching, the Unitholder shall pay to the AIFM in such manner as the AIFM may from time to time determine a fee in respect of the administration carried out by the AIFM on a switching which fee shall not exceed five per cent. (5%) of the redemption price of the Original Units being switched. However, the AIFM shall not be entitled to receive any preliminary charge in respect thereof. Such charge may be reduced *pro-rata* if the switching results in both the issue and redemption of Units in a Class. The Unitholder shall also reimburse to the AIFM any fiscal and sale and fiscal and purchase charges arising out of such switching.

Upon any such switching the AIFM shall procure that the relevant registers are amended accordingly.

## 6.9 **Taxation on the occurrence of certain events**

The attention of investors is drawn to the section of the Prospectus headed "Irish Taxation" and in particular the taxation liability arising on the occurrence of certain events such as the encashment, redemption or transfer of Units by or payment of dividends to Unitholders who are Irish Resident or ordinarily resident in Ireland. Furthermore, if the Fund becomes liable to account for tax, in any jurisdiction, including any interest or penalties thereon if an event giving rise to a tax liability occurs, the Fund shall be entitled to deduct such amount from the payment arising on such event or to compulsorily redeem or cancel such number of Units held by the Unitholder or the beneficial owner of the Units as have a value sufficient

after the deduction of any redemption charges to discharge any such liability. The relevant Unitholder shall indemnify and keep the Fund indemnified against any loss arising to the Fund by reason of the Fund becoming liable to account for tax and any interest or penalties thereon on the happening of an event giving rise to a tax liability including if no such deduction, appropriation, cancellation or compulsory redemption has been made.

#### 6.10 Calculation of Net Asset Value

The Net Asset Value of a Portfolio will be expressed in the Base Currency of the relevant Portfolio and calculated as of each Valuation Point by deducting from the value of the assets of the Portfolio as of such Valuation Point the liabilities of the Portfolio (including, at the discretion of the AIFM, a provision for Duties and Charges). The increase or decrease in the Net Asset Value of a Portfolio over or under, as the case may be, the Net Asset Value of that Portfolio as of the immediately preceding Valuation Point is then allocated between the different Classes or where applicable, Series of Units within each Class in that Portfolio based on their pro rata Net Asset Values as of the immediately preceding Valuation Point, as adjusted for subscriptions and redemptions executed at the prices calculated as of that immediately preceding Valuation Point. The Net Asset Value of a Portfolio attributable to a Class or Series shall be determined by calculating that portion of the Net Asset Value of the relevant Portfolio attributable to the Class or Series, subject to adjustments to take account of assets and or liabilities attributable to that Class or Series. The Net Asset Value of each Class or Series is then divided by the number of Units representing such Class or Series in issue, as of the Valuation Point, and then rounded to the nearest four decimal places to give the Net Asset Value per Unit.

Where there is more than one Class of Units in issue in a Portfolio, the Net Asset Value per Unit of each Class may be adjusted to reflect the accumulation or distribution of income and/or capital and the expenses, liabilities and assets attributable to such Class of Unit. The AIFM ensures that the valuation function is functionally and hierarchically independent from the portfolio management and other functions of the AIFM.

The assets of a Portfolio will be valued as follows:-

- (a) investments listed and regularly traded on a Recognised Exchange and for which market quotations are readily available shall be valued on the basis of the last traded or last available quoted price as of the Valuation Point, provided that the value of any investment listed on a Recognised Exchange but acquired or traded at a premium or at a discount outside or off the relevant Recognised Exchange or on an over-the-counter market, shall be valued taking into account such premium or discount as of the date of valuation of the investment;
- (b) investments which are not listed or which are listed but in respect of which prices are not available or in respect of which the last traded or last available price does not in the opinion of the AIFM represent fair market value as of the Valuation Point shall be valued at their probable realisation value estimated with care and in good faith in consultation with the relevant Investment Manager by a competent person approved for the purpose by the Trustee. In ascertaining such value, the AIFM is entitled to accept an estimated valuation from a market-maker or other person qualified in the opinion of the AIFM and approved for the purpose by the Trustee to value the relevant investments;

- (c) derivative contracts traded on a regulated market including without limitation futures and options contracts and index futures shall be valued at the settlement price as determined by the market. If the settlement price is not available, the value shall be the probable realisation value estimated with care and in good faith by (i) the AIFM; (ii) a competent person firm or corporation (including the Investment Manager) selected by the AIFM and approved for the purpose by the Trustee or (iii) any other means provided that the value is approved by the Trustee. Subject to Article 11 of EMIR and the related Commission Delegated Regulation No 149/2013, derivative contracts which are not traded on a regulated market including without limitation swap and swaption contracts may be valued either using the counterparty valuation or an alternative valuation such as a valuation calculated on behalf of the Fund or by an independent pricing vendor. The AIFM acting on behalf of the Fund must value an over the counter derivative on at least a monthly basis except where the dealing frequency of a Portfolio is greater than once a month in which case the AIFM acting on behalf of the Fund must value the over the counter derivatives consistent with the dealing frequency of the Portfolio. Where the AIFM acting on behalf of the Fund values an over the counter derivative using an alternative valuation, the AIFM acting on behalf of the Fund will follow international best practice and adhere to the principles on valuation of OTC instruments established by bodies such as IOSCO and AIMA, the alternative valuation will be provided by a competent person selected by the AIFM and approved for the purpose by the Trustee, or a valuation by any other means provided that the value is approved by the Trustee and the alternative valuation will be fully reconciled to the counterparty valuation on a monthly basis. Where the AIFM acting on behalf of the Fund values an over the counter derivative using the counterparty valuation, the valuation must be approved or verified by a party who is approved for the purpose by the Trustee and who is independent of the counterparty and the independent verification must be carried out at least monthly. The reference to an independent party may include the AIFM or any Investment Manager on behalf of the Fund. It can also include a party related to the counterparty provided the related party constitutes an independent unit within the counterparty's group which does not rely on the same pricing models employed by the counterparty. The attendant risks in this regard are specified in the section of the Prospectus entitled "Risk Factors". Where the independent party is related to the over the counter counterparty and the risk exposure to the counterparty may be reduced through the provision of collateral, the position must also be subject to verification by an unrelated party to the counterparty on a six monthly basis;
- (d) units/shares in underlying collective investment schemes not valued pursuant to paragraph (a) above shall be valued by reference to (a) the latest available net asset value of the units/shares as published of the relevant underlying collective investment scheme or (b) if more recent, the latest available estimate of the probable realisation value of the units/shares of the relevant underlying collective investment scheme estimated with care and good faith by the (i) AIFM, or (ii) other person selected by the AIFM, being a competent person approved for the purpose by the Trustee ;

If units/shares of an underlying collective investment scheme are valued by reference to the latest available estimate of the probable realisation value of the units/shares of the underlying collective investment scheme, such valuation shall be final and not subsequently adjusted when the final valuation of such units/shares becomes available;

- (e) assets denominated in a currency other than in Dollars (whether of an investment or cash) and any non-Dollar borrowing shall be converted into Dollars at the rate (whether official or otherwise) which the AIFM deems appropriate in the circumstances;
- (f) cash and other liquid assets shall be valued at their nominal value plus accrued interest; and
- (g) forward foreign exchange contracts shall be valued in the same manner as derivatives contracts which are not traded in a regulated market as detailed at paragraph (c) above or by reference to freely available market quotations.

In the event of it being impossible or impracticable to carry out a valuation of a particular investment in accordance with the valuation rules set out in paragraphs (a) to (g) above, the AIFM is entitled to use other generally recognised valuation principles, as approved by the Trustee, in order to reach a proper valuation of such investment.

To the extent that the Administrator relies on information supplied by the AIFM or relevant Investment Manager or any brokers or other financial intermediaries engaged in connection with making any of the aforementioned calculations, the Administrator's liability for the accuracy of such calculations is limited to the accuracy of its computations. The Administrator is not liable for the accuracy of the underlying data provided to it.

Prices from independent brokers in respect of investments traded on an over-the-counter market and/or premiums or discounts thereon shall be obtained by the relevant Investment Manager and furnished to the AIFM. The AIFM, with the approval of the Trustee, may adjust the value of such investments if it considers that such adjustment is required to reflect the fair value thereof.

In calculating the value of the assets of a Portfolio or any part thereof and in dividing such value by the number of Units in issue and deemed to be in issue in the relevant Portfolio:-

- (a) every Unit agreed to be issued by the AIFM shall be deemed to be in issue subsequent to the Valuation Point for the relevant Dealing Day and the assets of the relevant Portfolio as at that Valuation Point shall be deemed not to include any cash and property in the hands of the Trustee in respect of Units agreed to be issued on that Dealing Day and/or any cash or other property to be received in respect of Units agreed to be issued on that Dealing Day;
- (b) where investments have been agreed to be purchased or sold but such purchase or sale has not been completed, such investments shall be included or excluded and the gross purchase or net sale consideration excluded or included as the case may require as if such purchase or sale had been duly completed;
- (c) there shall be added to the assets of the relevant Portfolio any actual or estimated amount of any taxation of a capital nature which may be recoverable by the Fund which is attributable to that Portfolio;



- (d) there shall be added to the assets of each relevant Portfolio a sum representing any interest or other income accrued but not received (interest or other income being deemed to have accrued);
- (e) there shall be added to the assets of each relevant Portfolio the total amount (whether actual or estimated by the AIFM) of any claims for repayment of any taxation levied on income or capital gains including claims in respect of double taxation relief; and
- (f) where notice of the redemption of Units has been received with respect to a Redemption Day and the cancellation of such Units has not been completed, the Units to be redeemed shall be deemed to be in issue at the Valuation Point in respect of that Redemption Day and the value of the assets of the Portfolio as of that Valuation Point shall be deemed not to be reduced by the amount payable upon such redemption.

The liabilities of a Portfolio shall be deemed to include:-

- (a) the total amount of any actual or estimated liabilities properly payable out of the assets of the Portfolio including any outstanding borrowings of the Portfolio and all accrued interest, fees and expenses payable thereon (but excluding liabilities taken into account in determining the value of the assets of the Portfolio) and any estimated liability for tax on unrealised capital gains;
- (b) such sum in respect of tax (if any) on net capital gains realised during the current Accounting Period prior to the valuation being made as in the estimate of the AIFM will become payable;
- (c) the amount (if any) of any distribution declared by the AIFM in respect of the last preceding Accounting Period but not distributed in respect thereof;
- (d) the remuneration of the AIFM accrued but remaining unpaid together with value added tax thereon and Administration Expenses;
- (e) the total amount (whether actual or estimated by the AIFM) of any liabilities for taxation leviable on income including income tax and corporation tax, if any, (but not taxes leviable on capital or on realised or unrealised capital gains);
- (f) the total amount of any actual or estimated liabilities for withholding tax (if any) payable on any of the investments of the Portfolio in respect of the current Accounting Period;
- (g) the remuneration of the Trustee accrued but remaining unpaid together with value added tax thereon, if any, Disbursements and the expenses set out in the section headed "Management and Fund Charges"; and
- (h) the total amount (whether actual or estimated by the AIFM) of any other liabilities properly payable out of the assets of the Portfolio.

The value of assets and liabilities attributed to a Side Pocket Class shall be determined by the AIFM in consultation with the Investment Manager in a manner consistent with the



valuation provisions herein. Unless otherwise determined by the AIFM, a Side Pocket Class shall have the same rights and characteristics as any other Class of Units except that Units in Classes other than the Side Pocket Class shall not participate in the assets or liabilities attributable to the Side Pocket Class, the Side Pocket Units shall not participate in the assets or liabilities attributable to the relevant Portfolio and the assets and liabilities attributable to the Side Pocket Class shall not form part of the other assets and liabilities of the relevant Portfolio. The liabilities of or attributable to a Side Pocket Class shall be discharged solely out of the assets of that Side Pocket Class.

#### **6.11 Publication of Net Asset Value Per Unit and Price of Units**

Except where the determination of the Net Asset Value of a Portfolio, the Net Asset Value per Unit and the issue and redemption prices has been suspended in the circumstances described below, the Net Asset Value per Unit and the issue and redemption prices of the Units as of each Valuation Point will be made available at the registered office of the AIFM.

#### **6.12 Temporary Suspension of Calculation of Net Asset Value and Issue and Redemption of Units**

The AIFM may temporarily suspend the calculation of the Net Asset Value of each or any Portfolio and the issue and redemption of Units to and from Unitholders when:-

- (a) a market which is the basis for the valuation of a major part of the assets of the relevant Portfolio is closed or when trading on such a market is limited or suspended;
- (b) a political, economic, military, monetary or other emergency beyond the control, liability and influence of the AIFM makes the disposal of the assets of the relevant Portfolio impossible or impracticable under normal conditions or such disposal would be detrimental to the interests of the Unitholders;
- (c) the disruption of any relevant communications network or any other reason makes it impossible or impracticable to determine the value of a major portion of the assets of the relevant Portfolio; or
- (d) the relevant Portfolio is unable to repatriate funds for the purpose of making payments on the redemption of Units from Unitholders or making any transfer of funds involved in the realisation or acquisition of investments or when payments due on the redemption of Units from Unitholders cannot in the opinion of the AIFM be effected at normal rates of exchange.

Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Any such suspension will be notified to the Central Bank immediately and in any event on the same Business Day on which such supervision shall have been declared, shall be notified to Unitholders if in the opinion of the AIFM it is likely to exceed fourteen (14) days and will be notified to investors or Unitholders requesting issue or redemption of Units by the AIFM at the time of application for such issue or filing of the written request for such redemption.

### 6.13 Portfolio Information

Provided the receiving party has entered into a confidentiality agreement with the Investment AIFM or any distributor governing the disclosure of a Portfolio's non-public holdings information, the AIFM may share such information on a lagged basis with the following persons in accordance with such terms agreed by the Directors:-

- (i) service providers to the Portfolio who may require access to such information in order to fulfil their contractual duties to the Portfolio; and
- (ii) certain mutual fund analysts, pricing services rating agencies and rating and tracking entities, or other entities that have a legitimate business purpose in receiving such information; or
- (iii) a Unitholder in the Portfolio who requires such information for regulatory reasons or risk management purposes.

To the extent that the AIFM on behalf of the Fund provides non-public holdings information or other information to a Unitholder in a Portfolio, any such information will be available to all investors in the relevant Portfolio on request.

### 6.14 Side Pockets and Value Affected Investments

Pursuant to the Trust Deed, the AIFM may in exceptional circumstances create and issue a Side Pocket Class or Side Pocket Classes in respect of a Portfolio formed expressly for the purpose of being attributed to interests in Value Affected Investments. Side Pocket Units in any Side Pocket Class will be redeemable by the AIFM and/or by the holders thereof only when so determined by the AIFM. Such redemption of Side Pocket Units may be effected by the payment of cash or the transfer of assets in specie to the Unitholders of the Side Pocket Class pro rata to their interest in that Class.

The creation of Side Pocket Units in relation to any Value Affected Investment of a Portfolio will involve (a) where applicable, the compulsory redemption of an appropriate percentage of Units held by each Unitholder in the Portfolio which in aggregate is equal to the Net Asset Value of the investments in respect of which the Side Pocket Units are issued and/or (b) the issue of Side Pocket Units in proportion to the value of the relevant Unitholder's holding of Units in the Portfolio. In addition to the Value Affected Investments, the AIFM may determine to include in the relevant investments for these purposes such cash reserve as it determines as appropriate for commitments and contingencies relating to the Value Affected Investments. This may include without limitation cash for the purposes of any proposed hedging transactions.

## **7 MANAGEMENT AND FUND CHARGES**

### **7.1 The AIFM**

Each Portfolio will pay to the AIFM an annual fee and Performance Fee (if applicable) as set out in the Supplement to this Prospectus relevant to each Portfolio (plus VAT, if any).

The AIFM shall be entitled to be repaid all of its Administration Expenses out of the assets of each Portfolio which shall include legal fees, courier's fees and telecommunication costs and expenses.

### **7.2 The Administrator**

The AIFM will pay to the Administrator out of the assets of each relevant Portfolio an annual fee as set out in the Supplement to this Prospectus relevant to that Portfolio (plus VAT, if any).

The Administrator shall be entitled to be repaid out of the assets of each relevant Portfolio all of its reasonable out-of-pocket expenses incurred on behalf of the Portfolio which shall include legal fees, courier's fees and telecommunication costs and expenses.

### **7.3 The Trustee**

The AIFM will pay to the Trustee out of the assets of each Portfolio an annual fee as set out in the Supplement to this Prospectus relevant to each Portfolio (plus VAT, if any). The Trustee shall be entitled to be repaid out of the assets of each Portfolio all of its Disbursements which shall include legal fees, courier's fees, telecommunication costs and expenses and the fees (where applicable) and out-of-pocket expenses of any Sub-Custodian appointed by the Trustee which will be at normal commercial rates.

The Trustee shall also be entitled to be paid out of the assets of each relevant Portfolio a nominal fee of Euro 500 per filing (subject to a potential increase in such fee as agreed between the Trustee and the AIFM from time to time, subject to a maximum increase of 10% for any given increase) and out of pocket expenses in relation to the provision of administration services with respect to litigations in connection to securities held in a Portfolio's custody account that have entered into a claims administration and settlement process.

### **7.4 Investment Managers/Sub-Investment Manager**

The fees and expenses of the Investment Managers and Sub-Investment Manager (if any) are as set out in the Supplement to this Prospectus relevant to each applicable Portfolio where such fees and expenses are payable out of the assets of the Portfolio.

### **7.5 Side Pocket Units**

The annual management fee and Performance Fee payable in respect of Side Pocket Units will be as agreed between the AIFM and the Trustee provided that the AIFM may elect, at its discretion, not to charge any annual management fee and/or Performance Fee in respect of the relevant Side Pocket Class. The Performance Fee in respect of Side Pocket Units issued will not be more than 20 per cent of appreciation in Net Asset Value per Side

Pocket Units of that Class during the entire period the Side Pocket Unit is in issue and will be verified by the Trustee. The investment management fee payable in respect of the Side Pocket Units will be as agreed between the AIFM and the Investment Manager and will not exceed 1/12 of 2 per cent per month of the Net Asset Value of such Units.

The fees payable to the Investment Manager, Administrator and the Trustee in respect of Side Pocket Units will be as agreed between each of those parties and the AIFM subject to the maximum annual fees charged by such parties in respect of the relevant Portfolio.

## 7.6 General

All fees, expenses, duties and charges will be charged to the relevant Portfolio and within such Portfolio to the Classes and where applicable Series in respect of which they were incurred. Where an expense is not considered by the AIFM to be attributable to any one Portfolio, the expense will normally be allocated to all Portfolios in proportion to the Net Asset Value of the Portfolios or otherwise on such basis as the AIFM deems fair and equitable. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the relevant Administrator may calculate such fees or expenses on an estimated figure for yearly or other periods in advance and accrue them in equal proportions over any period.

Each Portfolio is responsible for the expenses incurred by it in connection with litigation. Pursuant to provisions contained in the Trust Deed, the Trustee shall be indemnified out of the assets of a Portfolio in certain circumstances including costs and expenses incurred in litigation by or on behalf of the Portfolio. The AIFM is entitled to recover from a Portfolio the costs and expenses incurred by it in litigation by or on behalf of that Portfolio.

The Fund pays out of a Portfolio all fees, expenses, including Administration Expenses and Disbursements of or incurred by the AIFM, the Administrator and the Trustee in connection with the ongoing administration and operation of the Portfolio. Such fees, expenses and disbursements payable by the Fund out of the relevant Portfolio include, but are not limited to:

- (a) Auditors and accountants' fees;
- (b) lawyers' fees;
- (c) commissions payable to any placing agent, structuring agent or distributor of the Units;
- (d) investment research, merchant banking, stockbroking or corporate finance fees including interest on borrowings;
- (e) taxes or duties imposed by any fiscal authority;
- (f) costs of preparation, translation and distribution of all reports, certificates, confirmations of purchase of Units and notices to Unitholders;
- (g) fees and expenses incurred in connection with the admission or proposed admission of Units to the official list of any Recognised Exchange and in complying with the listing rules thereof;

- (h) custody and transfer expenses;
- (i) expenses of Unitholders' meetings;
- (j) insurance premia;
- (k) any other expenses, including clerical costs of issue or redemption of Units;
- (l) the cost of preparing, printing and/or filing in any language the Trust Deed and all other documents relating to the Fund or to the relevant Portfolio including registration statements, prospectuses or any supplement, listing particulars, explanatory memoranda, annual, semi-annual and extraordinary reports with all authorities (including local securities dealers associations) having jurisdiction over the Fund or any of the Portfolios or the offer of Units of the relevant Portfolio and the cost of delivering any of the foregoing to the Unitholders;
- (m) advertising expenses relating to the distribution of Units of the Portfolio; and
- (n) the costs of publication of notices in local newspapers in any relevant jurisdiction;

in each case plus any applicable VAT.

**Notwithstanding the above, the AIFM may in their absolute discretion pay the fees, duties and charges described above or a portion thereof out of the capital of the relevant Portfolio.**

## 7.7 Initial Expenses

The costs of establishing the Fund and the initial Portfolio, which will not exceed €65,000 excluding any VAT and outlay will be paid by the AIFM however such costs will be recovered from the Fund and may be amortised over the first five Accounting Periods of the Fund's existence or such other period as the AIFM may determine and in such manner as the AIFM in its absolute discretion deems fair and shall be subject to such adjustment following the establishment of the Fund as the AIFM may determine. The Fund or the AIFM may pay any costs involved in the establishment of any future Portfolios, in obtaining authorisation from any authority, filing fees, the preparation and printing of this Prospectus or any update thereto, marketing costs and the fees of all professionals relating thereto in respect of any future Portfolios and details in respect of same shall be set out in the Supplement for the relevant Portfolios. Should the AIFM bear any such costs, it shall be entitled to recover such costs over such period and in such manner as the AIFM its absolute discretion deems fair.

## 8 TAXATION

### 8.1 General

The following statements on taxation are with regard to the law and practice in force in Ireland at the date of this document and do not constitute legal or tax advice to Unitholders or prospective Unitholders. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Fund is made will endure indefinitely, as the basis for and rates of taxation can fluctuate.

Prospective Unitholders should familiarise themselves with and, where appropriate, take advice on the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription for, and the holding and repurchase of, Units in the places of their citizenship, residence and domicile.

The Directors recommend that Unitholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Units in the Fund and any investment returns from those Units.

The following statements have been drafted on the assumption that the Fund is not, and does not intend to be, an Irish Real Estate Fund ("**IREF**") (as defined in Section 739K of the TCA). An investment undertaking or sub-fund of an investment undertaking in which 25% or more of the value of the assets at the end of the immediately preceding accounting period is derived from Irish real estate (or related assets), or an investment undertaking or sub-fund of an investment undertaking the main purpose of which, or one of the main purposes of which, is to acquire such assets will constitute an IREF and will be subject to specific tax rules.

If the Fund is deemed to be an IREF there may be additional withholding tax arising on certain events, including distributions to Shareholders. In addition, purchasers of Units may be obliged to withhold tax on the transfer of Units and the Fund will have additional certification and tax reporting obligations.

### 8.2 Ireland

#### a) Taxation of the Fund

The Directors have been advised that the Fund is an investment undertaking within the meaning of section 739B TCA and therefore is not chargeable to Irish tax on its relevant income or relevant gains so long as the Fund is resident for tax purposes in Ireland. The status of the Fund as an investment undertaking is contingent upon it not being an offshore fund for Irish tax purposes. The Fund will not be regarded as an offshore fund and will be regarded as resident in Ireland for tax purposes if the Trustee is resident in Ireland or it conducts its functions through a branch of the Trustee in Ireland and is administered in Ireland. It is the intention of the AIFM that the business of the Fund will be conducted in such a manner as to ensure that these conditions are fulfilled.

Notwithstanding the above, a charge to tax may arise for the Fund in respect of Unitholders on the happening of a "Chargeable Event" in the Fund. A Chargeable Event includes:

- (i) any payment to a Unitholder by the Fund in respect of their Units;
- (ii) any transfer, cancellation, redemption or repurchase of Units; and
- (iii) any deemed disposal by a Unitholder of their Units at the end of a "relevant period" (a "**Deemed Disposal**").

A "relevant period" is a period of 8 years beginning with the acquisition of Units by a Unitholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.

A Chargeable Event does not include:

- (i) any transaction in relation to Units held in a recognised clearing system;
- (ii) any exchange by a Unitholder effected by way of a bargain made at arm's length by the Fund, of Units in the Fund for other Units in the Fund;
- (iii) certain transfers of Units between spouses or civil partners and former spouses or former civil partners;
- (iv) an exchange of Units arising on a qualifying amalgamation or reconstruction of the Fund with another Irish investment undertaking; or
- (v) the cancellation of Units in the Fund arising from an exchange in relation to a scheme of amalgamation (as defined in section 739HA TCA).

On the happening of a Chargeable Event, the Fund shall be entitled to deduct the appropriate amount of tax on any payment made to a Unitholder in respect of the Chargeable Event. On the occurrence of a Chargeable Event where no payment is made by the Fund to the Unitholder, the Fund may appropriate or cancel the required number of Units to meet the tax liability.

Where the Chargeable Event is a Deemed Disposal and the value of Units held by Irish Resident Unitholders in the Fund is less than 10% of the total value of Units in the Fund (or a sub-fund) and the Fund has made an election to the Revenue Commissioners to report annually certain details for each Irish Resident Unitholder, the Fund will not be required to deduct the appropriate tax and the Irish Resident Unitholder (and not the Fund) must pay the tax on the Deemed Disposal on a self-assessment basis. Credit is available against appropriate tax relating to the Chargeable Event for appropriate tax paid by the Fund or the Unitholder on any previous Deemed Disposal. On the eventual disposal by the Unitholder of the Units, a refund of any unutilised credit will be payable.

### 8.3 **Taxation of Unitholders**

#### *Non-Irish Resident Unitholders*

Non-Irish Resident Unitholders will not be chargeable to Irish tax on the happening of a Chargeable Event provided that either:



- (i) the Fund is in possession of a completed Relevant Declaration to the effect that the Unitholder is not an Irish Resident, or
- (ii) the Fund is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to provide a Relevant Declaration is deemed to have been complied with in respect of that Unitholder and the written notice of approval has not been withdrawn by the Revenue Commissioners.

If the Fund is not in possession of a Relevant Declaration or the Fund is in possession of information which would reasonably suggest that the Relevant Declaration is not or is no longer materially correct, the Fund must deduct tax on the happening of a Chargeable Event in relation to such Unitholder. The tax deducted will generally not be refunded.

Intermediaries acting on behalf of non-Irish Resident Unitholders can claim the same exemption on behalf of the Unitholders for whom they are acting. The intermediary must complete a Relevant Declaration that it is acting on behalf of a non-Irish Resident Unitholder.

A non-Irish Resident corporate Unitholder which holds Units directly or indirectly by or for a trading branch or agency of the Unitholder in Ireland, will be liable for Irish corporation tax on income from the Units or gains made on the disposal of the Units.

#### *Exempt Irish Unitholders*

The Fund is not required to deduct tax in respect of an Exempt Irish Unitholder so long as the Fund is in possession of a completed Relevant Declaration from those persons and the Fund has no reason to believe that the Relevant Declaration is materially incorrect. The Exempt Irish Unitholder must notify the Fund if it ceases to be an Exempt Irish Unitholder. Exempt Irish Unitholders in respect of whom the Fund is not in possession of a Relevant Declaration will be treated by the Fund as if they are not Exempt Irish Unitholders.

While the Fund is not required to deduct tax in respect of Exempt Irish Unitholders, those Unitholders may themselves be liable to Irish tax on their income, profits and gains in relation to any sale, transfer, repurchase, redemption or cancellation of Units or dividends or distributions or other payments in respect of their Units depending on their circumstances. It is the obligation of the Exempt Irish Unitholder to account for such tax to the Revenue Commissioners.

#### *Irish-Resident Unitholders*

Irish Resident Unitholders (who are not Exempt Irish Unitholders) will be liable to tax on the happening of a Chargeable Event. Tax at the rate of 41% will be deducted by the Fund on payments made to the Unitholder in relation to the Units or on the sale, transfer, Deemed Disposal (subject to the 10% threshold outlined above), cancellation, redemption or repurchase of Units or the making of any other payment in respect of the Units.

An Irish Resident Unitholder who is not a company and is not an Exempt Irish Unitholder will not be liable to any further income or capital gains tax in respect of any sale, transfer, Deemed Disposal, cancellation, redemption or repurchase, of Units or the making of any other payment in respect of their Units.

Where the Irish Resident Unitholder is a company which is not an Exempt Irish Unitholder, and the payment is not taxable as trading income under Schedule D Case I, the amount received will be treated as the net amount of an annual payment chargeable to tax under Schedule D Case IV from the gross amount of which income tax has been deducted. The rate of tax applicable to a Chargeable Event in respect of any Irish tax resident corporate

investor in this instance is 25% provided the corporate investor has made a declaration to the Fund including its Irish tax reference number.

Where the Irish Resident Unitholder is a company which is not an Exempt Irish Unitholder, and the payment is taxable as trading income under Schedule D Case I, the following provisions apply:

- (i) the amount received by the Unitholder is increased by any amount of tax deducted by the Fund and will be treated as income of the Unitholder for the chargeable period in which the payment is made;
- (ii) where the payment is made on the sale, transfer, Deemed Disposal, cancellation, redemption or repurchase of Units, such income will be reduced by the amount of consideration in money or money's worth given by the Unitholder for the acquisition of those Units; and
- (iii) the amount of tax deducted by the Fund will be set off against the Irish corporation tax assessable on the Unitholder in respect of the chargeable period in which the payment is made.

#### *Personal Portfolio Investment Undertaking*

An investment undertaking will be considered to be a personal portfolio investment undertaking (PPIU) in relation to a specific Irish Resident Unitholder where that Irish Resident Unitholder can influence the selection of some or all of the property of the undertaking. The investment undertaking will only be a PPIU in respect of those Irish Resident Unitholders who can influence the selection. A gain arising on a chargeable event in relation to a PPIU will be taxed at the rate of 60%. An investment undertaking will not be considered to be a PPIU where certain conditions are complied with as set out in section 739BA TCA.

#### *Currency Gains*

Where a currency gain is made by an Irish Resident Unitholder on the disposal of Units, that Unitholder may be liable to capital gains tax in respect of any chargeable gain made on the disposal.

#### *Stamp Duty*

On the basis that the Fund qualifies as an investment undertaking within the meaning of section 739B TCA, no Irish stamp duty will be payable on the subscription, transfer or repurchase of Units. The stamp duty implications for subscriptions for Units or transfer or repurchase of Units in specie should be considered on a case by case basis.

#### *Capital Acquisitions Tax*

No Irish gift tax or inheritance tax (capital acquisitions tax) liability will arise on a gift or inheritance of Units provided that:

- (i) at the date of the disposition the transferor of the Units is neither domiciled nor ordinarily resident in Ireland, and, at the date of the gift or inheritance the transferee of the Units is neither domiciled nor ordinarily resident in Ireland; and
- (ii) the Units are comprised in the gift or inheritance at the date of the gift or inheritance and at the valuation date.

### *Other Tax Matters*

The income and capital gains received by the Fund from securities issued in countries other than Ireland or assets located in countries other than Ireland may be subject to taxes including withholding tax in the countries where such income and gains arise. The Fund may not be able to benefit from reduced rates of withholding tax by virtue of the double taxation treaties in operation between Ireland and other countries.

In the event that the Fund receives any repayment of withholding tax suffered, the Net Asset Value of the Fund will not be restated and the benefit of any repayment will be allocated to the then existing Unitholders rateably at the time of repayment.

## **8.4 Automatic Exchange of Information**

The Fund is obliged, pursuant to the IGA, Council Directive 2011/16/EU, section 891E, section 891F and section 891G of the TCA and regulations made pursuant to those sections, to collect certain information about its investors.

The Fund will be required to provide certain information to the Revenue Commissioners in relation to the investors (including information in respect of the investor's tax residence status) and also in relation to accounts held by investors. For further information on FATCA or CRS please refer to the website of the Revenue Commissioners at [www.revenue.ie/en/business/aeoi/index.html](http://www.revenue.ie/en/business/aeoi/index.html).

Further detail in respect of FATCA and CRS is set out below.

## **8.5 FATCA**

### **FATCA Implementation in Ireland**

On 21 December 2012, the governments of Ireland and the U.S. signed the IGA. The IGA provides for the automatic reporting and exchange of information in relation to accounts held in Irish "financial institutions" by U.S. persons and the reciprocal exchange of information regarding U.S. financial accounts held by Irish Residents.

The Fund is subject to these rules. Complying with such requirements will require the Fund to request and obtain certain information and documentation from its Unitholders, other account holders and (where applicable) the beneficial owners of its Unitholders and to provide any information and documentation indicating direct or indirect ownership by U.S. Persons to the competent authorities in Ireland. Unitholders and other account holders will be required to comply with these requirements, and non-complying Unitholders may be subject to compulsory redemption and/ or U.S withholding tax of 30% on withholdable payments and/or other monetary penalties.

The IGA provides that Irish financial institutions will report to the Revenue Commissioners in respect of U.S. account-holders and, in exchange, U.S. financial institutions will be required to report to the IRS in respect of any Irish-resident account-holders. The two tax authorities will then automatically exchange this information on an annual basis.

The Fund (and/or any of its duly appointed agents) shall be entitled to require Unitholders to provide any information regarding their tax status, identity or residency in order to satisfy any reporting requirements which the Fund may have as a result of the IGA or any legislation promulgated in connection with the IGA and Unitholders will be deemed, by their

subscription for or holding of Units to have authorised the automatic disclosure of such information by the Fund or any other person to the relevant tax authorities.

## 8.6 **OECD Common Reporting Standard**

Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the CRS Regulations.

CRS is a global OECD tax information exchange initiative which is aimed at encouraging a coordinated approach to disclosure of income earned by individuals and organisations.

Ireland and a number of other jurisdictions have entered or will enter into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information published by the OECD. The Fund is required to provide certain information to the Revenue Commissioners about investors resident or established in jurisdictions which are party to CRS arrangements.

The Fund, or a person appointed by the Fund, will request and obtain certain information in relation to the tax residence of its shareholders or "account holders" for CRS purposes and (where applicable) will request information in relation to the beneficial owners of any such account holders. The Fund or a person appointed by the Fund, will report the information required to the Revenue Commissioners by 30 June in the year following the year of assessment for which a return is due. The Revenue Commissioners will share the appropriate information with the relevant tax authorities in participating jurisdictions.

## 8.7 **DAC6 – Disclosure requirements for reportable cross-border tax arrangements**

On 25 June 2018, Council Directive (EU) 2018/822 ("**DAC6**") introduced rules regarding the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.

DAC6 imposes mandatory reporting requirements on EU-based intermediaries who design, market, organise, make available for implementation or manage the implementation of potentially aggressive cross-border tax-planning schemes. It also covers persons who provide aid, assistance or advice in relation to potentially aggressive cross-border tax-planning schemes, where they can be reasonably expected to know that they have performed that function. If the intermediary is located outside the EU or is bound by legal professional privilege, the obligation to report may pass to the taxpayer.

DAC6 was required to be transposed by each EU member state by the end of 2019 with the measures being in effect since 1 July 2020. In addition, arrangements implemented between 25 June 2018 and 30 June 2020 were also subject to the reporting requirements. Intermediaries and/or taxpayers are required to report any reportable cross-border arrangements within 30 days from the earliest of:

- a) The day after the arrangement is made available for implementation;
- b) The day after the arrangement is ready for implementation; or
- c) When the first step in the implementation of the arrangement was taken.

The transactions contemplated under the Prospectus may fall within the scope of mandatory disclosure rules under DAC6 or equivalent local law provisions and thus may qualify as reportable cross-border arrangements within the meaning of such provisions. If that were the case, any person that falls within the definition of an "intermediary" with

respect to the Fund may have to report certain transactions entered into by the Fund to the relevant EU tax authority.

## 8.8 **Certain Irish Tax Definitions**

### *Residence – Company*

A company which has its central management and control in Ireland is resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

### *Residence – Individual*

The Irish tax year operates on a calendar year basis.

An individual will be regarded as being resident in Ireland for a tax year if that individual:

- (i) spends 183 days or more in Ireland in that tax year; or
- (ii) has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that tax year together with the number of days spent in Ireland in the preceding tax year.

Presence in a tax year by an individual of not more than 30 days in Ireland, will not be reckoned for the purpose of applying the two year test. Presence in Ireland for a day means the personal presence of an individual at any point in time during the particular day in question.

### *Ordinary Residence – Individual*

The term "ordinary residence" as distinct from "residence", relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity.

An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year.

An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which that individual is not resident in Ireland.

Thus, an individual who is resident and ordinarily resident in Ireland in 2023 will remain ordinarily resident in Ireland until the end of the tax year 2026.

### *Intermediary*

means a person who:-

- (i) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or
- (ii) holds shares in an investment undertaking on behalf of other persons.

## 8.9 United States Federal Income Taxation

As with any investment, the tax consequences of an investment in Units may be material to an analysis of an investment in the Fund. Prospective investors in the Fund should be aware of the tax consequences of such an investment before purchasing Units. This Prospectus discusses certain U.S. federal income tax consequences only generally and does not purport to deal with all of the U.S. federal income tax consequences applicable to the Fund or to all categories of investors, some of whom may be subject to special rules. In particular, because "United States persons", as defined for U.S. federal income tax purposes (referred to herein as U.S. Holders and defined below), other than tax-exempt U.S. Holders, generally will not be permitted to invest in the Fund, the discussion does not address the U.S. federal tax consequences to taxable U.S. Holders of an investment in Units. Any such direct or indirect investors should consult their own tax advisors.

The following discussion assumes that no U.S. Holder owns or will own directly or indirectly, or will be considered as owning by reason of certain tax law rules of constructive ownership, 10% or more of the total combined voting power of all Units of the Fund or any Portfolio. The AIFM on behalf of the Fund does not, however, guarantee that will always be the case. Furthermore, the discussion assumes that the Fund will not hold any interests (other than as a creditor) in any "United States real property holding corporations" as defined in the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"). Each prospective investor is urged to consult his or her tax advisor regarding the specific consequences of an investment in the Fund under applicable U.S. federal, state, local and foreign income tax laws as well as with respect to any specific gift, estate and inheritance tax issues.

As used herein, the term "U.S. Holder" includes a U.S. citizen or resident alien of the United States (as defined for United States federal income tax purposes); any entity treated as a partnership or corporation for U.S. tax purposes that is created or organized in, or under the laws of, the United States or any state thereof (including the District of Columbia); any other partnership that may be treated as a U.S. Holder under future U.S. Treasury Department regulations; any estate, the income of which is subject to U.S. income taxation regardless of source; and any trust over whose administration a court within the United States has primary supervision and all substantial decisions of which are under the control of one or more U.S. fiduciaries. Persons who have lost their U.S. citizenship and who live outside the United States may nonetheless, in some circumstances, be treated as U.S. Holders. Persons who are aliens as to the United States but who have spent 183 days or more in the United States in any of the last two years should check with their tax advisors as to whether they may be considered residents of the United States.

The following discussion assumes for convenience that the Fund, including each Portfolio thereof, will be treated as a single entity for U.S. federal income tax purposes. The law in this area is uncertain. Thus, it is possible that the Fund may adopt an alternative approach, treating each Portfolio of the Fund as a separate entity for U.S. federal income tax purposes. There can be no assurance that the U.S. Internal Revenue Service will agree with the position taken by the AIFM on behalf of the Fund.

### *Taxation of the Fund*

The AIFM generally intends to conduct the affairs of the Fund so that the Fund will not be deemed to be engaged in trade or business in the United States and, therefore, none of its



income will be treated as "effectively connected" with a U.S. trade or business carried on by the Fund. If none of the Fund's income is effectively connected with a U.S. trade or business carried on by the Fund, certain categories of income (including dividends and certain types of interest income) derived by the Fund from U.S. sources will be subject to a U.S. tax of 30%, which tax is generally withheld from such income. Certain other categories of income, generally including most forms of U.S. source interest income (e.g. interest and original issue discount on portfolio debt obligations (which may include United States Government securities, original issue discount obligations having an original maturity of 183 days or less, and certificates of deposit), and capital gains (including those derived from options transactions), will not be subject to this 30% withholding tax. If, on the other hand, the Fund derives income which is effectively connected with a U.S. trade or business carried on by the Fund, such income will be subject to U.S. federal income tax at the graduated rates applicable to U.S. domestic corporations, and the Fund would also be subject to a branch profits tax on earnings removed, or deemed removed, from the United States.

Pursuant to the U.S. Foreign Account Tax Compliance Act ("**FATCA**"), the Fund (or each Portfolio thereof) will be subject to U.S. federal withholding taxes (at a 30% rate) on payments of certain amounts made to such entity ("**withholdable payments**"), unless it complies (or is deemed compliant) with extensive reporting and withholding requirements. Withholdable payments generally include interest (including original issue discount), dividends, rents, annuities, and other fixed or determinable annual or periodical gains, profits or income, if such payments are derived from U.S. sources, as well as (effective 1 January 2019) gross proceeds from dispositions of securities that could produce U.S. source interest or dividends. Income which is effectively connected with the conduct of a U.S. trade or business is not, however, included in this definition. To avoid the withholding tax, unless deemed compliant, the AIFM on behalf of the Fund (or each Portfolio thereof) will be required to enter into an agreement with the United States to identify and disclose identifying and financial information about each U.S. Holder (or foreign entity with substantial U.S. ownership) which invests in the Fund (or Portfolio), and to withhold tax (at a 30% rate) on withholdable payments and related payments made to any investor which fails to furnish information requested on behalf of the Fund to satisfy its obligations (or those of its Portfolios) under the agreement. Pursuant to an intergovernmental agreement between the United States and Ireland, the Fund (or each Portfolio) may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports U.S. Holder information directly to the Irish government. Certain categories of U.S. investors, generally including, but not limited to, tax-exempt investors, publicly traded corporations, banks, regulated investment companies, real estate investment trusts, common trust funds, brokers, dealers and middlemen, and state and federal governmental entities, are exempt from such reporting. Detailed guidance as to the mechanics and scope of this reporting and withholding regime is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future Fund (or Portfolio) operations.

Unitholders will be required to provide certifications as to their U.S. or non-U.S. tax status, together with such additional tax information as the AIFM on behalf of the Fund (or a Portfolio) or its agents may from time to time request. Failure to furnish requested information or (if applicable) satisfy its own FATCA obligations may subject a Unitholder to liability for any resulting withholding taxes, U.S. tax information reporting and mandatory redemption of such Unitholder's Units.



### *Taxation of Unitholders*

The U.S. tax consequences to Unitholders of distributions from the Fund and of dispositions of Units generally depends on the Unitholder's particular circumstances, including whether the Unitholder conducts a trade or business within the United States or is otherwise taxable as a U.S. Holder.

U.S. Holders will be required to furnish the Fund with a properly executed IRS Form W-9; all other Unitholders will be required to furnish an appropriate, properly executed IRS Form W-8. Amounts paid to a U.S. Holder Unitholder as dividends from the Fund, or as gross proceeds from a redemption of Units, generally will be reported to the U.S. Holder Unitholder and the U.S. Internal Revenue Service on an IRS Form 1099 (except as otherwise noted below). Failure to provide an appropriate and properly executed IRS Form W-8 (in the case of Unitholders who are not U.S. Holders) or IRS Form W-9 (for Unitholders who are U.S. Holders), may subject a Unitholder to backup withholding tax. Backup withholding is not an additional tax. Any amounts withheld may be credited against a Unitholder's U.S. federal income tax liability.

U.S. tax-exempt entities, corporations, non-U.S. Unitholders and certain other categories of Unitholders generally will not be subject to reporting on IRS Form 1099 or backup withholding, if such Unitholders furnish the Fund with an appropriate and properly executed IRS Form W-8 or IRS Form W-9 certifying as to their exempt status.

As noted above, failure to furnish appropriate documentation may subject a Unitholder to liability for any resulting U.S. withholding taxes, U.S. tax information reporting and/or mandatory redemption, transfer or other termination of the Unitholder's Units.

### *Taxation of U.S. Tax-Exempt Unitholders*

**Passive Foreign Investment Company ("PFIC") Rules - In General.** The Fund is expected to be a PFIC within the meaning of Section 1297(a) of the Code. In addition, it is possible that the Fund may invest directly or indirectly in other entities that are classified as PFICs. Thus, Unitholders may be treated as indirect Unitholders of PFICs in which the Fund invests. U.S. investors are urged to consult their own tax advisors with respect to the application of the PFIC rules. The AIFM on behalf of the Fund does not intend to provide U.S. Unitholders with the information necessary to make an effective "qualified electing fund" ("**QEF**") election unless expressly specified to the contrary in the Supplement of a particular Portfolio.

### *PFIC Consequences - Tax-Exempt Organizations - Unrelated Business Taxable Income.*

Certain entities (including qualified pension and profit sharing plans, individual retirement accounts, 401(k) plans and Keogh plans ("**Tax-Exempt entities**") generally are exempt from U.S. federal income taxation except to the extent that they have unrelated business taxable income ("**UBTI**"). UBTI is income from a trade or business regularly carried on by a Tax-Exempt entity which is unrelated to the entity's exempt activities. Various types of income, including dividends, interest and gains from the sale of property other than inventory and property held primarily for sale to customers, are excluded from UBTI, so long as the income is not derived from debt-financed property. Capital gains derived by a Tax-Exempt entity from the sale or exchange of Units and any dividends received by a Tax-Exempt entity with respect to its Units should be excluded from UBTI, provided that

the Tax-Exempt entity has not incurred acquisition indebtedness in connection with the acquisition of such Units.

Under current law, the PFIC rules apply to a Tax-Exempt entity that holds Units only if a dividend from the Fund would be subject to U.S. federal income taxation in the hands of the Unitholder (as would be the case, for example, if the Units were debt-financed property in the hands of the Tax-Exempt entity). It should be noted, however, that temporary and proposed regulations appear to treat certain tax-exempt trusts (but not qualified plans) differently than other Tax-Exempt entities by treating the beneficiaries of such trusts as PFIC shareholders and thereby subjecting such persons to the PFIC rules.

*Other Tax Considerations.* The foregoing discussion assumes, as stated above, that no U.S. Holder owns or will own directly or indirectly, or be considered as owning by application of certain tax law rules of constructive ownership, 10% or more of the total combined voting power of all voting Units of the Fund or any Portfolio (any such U.S. Holder so holding such an interest is referred to herein as a "10 Percent U.S. Unitholder"). If more than 50% of the equity interests in the Fund were owned by 10 Percent U.S. Unitholders, the Fund would be a "controlled foreign corporation" in which case a 10 Percent U.S. Unitholder would be required to include in income that amount of the Fund's earnings to which the Unitholder would have been entitled had the Fund currently distributed all of its earnings. (Under current law, such income inclusions generally would not be expected to be treated as UBTI, so long as not deemed to be attributable to insurance income earned by the Fund.) Also, upon the sale or exchange of Units, all or part of any resulting gain could be treated as ordinary income. Alternatively, if each Portfolio were treated as a separate entity for U.S. federal income tax purposes, the 10 Percent U.S. Unitholder and controlled foreign corporation determinations would be made on an individual Portfolio basis. Similar rules could apply with respect to shares of any other non-U.S. corporations that are held by a Unitholder indirectly through the Fund.

*Reporting Requirements.* U.S. Holders may be subject to additional U.S. tax reporting requirements by reason of their ownership of Units. For example, special reporting requirements may apply with respect to certain interests in, transfers to, and changes in ownership interest in, the Fund and certain other foreign entities in which the Fund may invest. A U.S. Holder also would be subject to additional reporting requirements in the event that it is deemed to be a 10 Percent U.S. Unitholder of a controlled foreign corporation by reason of its investment in the Fund. Alternatively, the 10 Percent U.S. Unitholder and controlled foreign corporation determinations would be made on an individual Portfolio basis, if each Portfolio were treated as a separate entity for U.S. federal income tax purposes. Each U.S. Holder which is deemed to be a direct or indirect PFIC Unitholder also will be required to report annually such information as the U.S. Department of the Treasury shall require, regardless of whether such person has received any PFIC income or distributions in a given taxable year. Individuals holding foreign financial assets (including Units) having an aggregate value of more than US\$50,000 generally will be required to disclose such holdings with such individual's U.S. tax returns. Significant penalties will apply to failures to disclose and to certain underpayments of tax attributable to undisclosed Units and other reportable foreign financial assets. U.S. Holders should consult their own U.S. tax advisors regarding any reporting responsibilities resulting from an investment in the Fund.

*Tax Shelter Reporting.* Persons who participate in or act as material advisors with respect to certain "reportable transactions" must disclose required information concerning the

transaction to the U.S. Internal Revenue Service. In addition, material advisors must maintain lists that identify such reportable transactions and their participants. Significant penalties apply to taxpayers who fail to disclose a reportable transaction. Although the Fund is not intended to be a vehicle to shelter U.S. federal income tax, and applicable regulations provide a number of relevant exceptions, there can be no assurance that the Fund and certain of its Unitholders and material advisors will not, under any circumstance, be subject to these disclosure and list maintenance requirements.

#### 8.10 **Future Changes in Applicable Law**

The foregoing description of United States income tax consequences of an investment in and the operations of the Fund is based on laws and regulations that are subject to change through legislative, judicial or administrative action. Other legislation could be proposed that, if enacted, would subject the Fund to income taxes or subject Unitholders to increased income taxes.

**The tax and other matters described in this section do not constitute, and should not be considered as, legal or tax advice to prospective Unitholders.**

## **APPENDIX I** **GENERAL INFORMATION**

### **1.1 Meetings**

The Trustee or the AIFM may convene a meeting of Unitholders at any time. The Trustee must convene such a meeting if requested in writing to do so by the holders of not less than 15% in aggregate of the Units in issue (excluding Units held by the AIFM).

Business transacted at a meeting of Unitholders duly convened and held shall be by way of Extraordinary Resolution or Ordinary Resolution, as appropriate.

Not less than fourteen (14) days' notice of every meeting must be given to Unitholders. The notice shall specify the place, day and hour of meeting and the terms of the resolution to be proposed. A copy of the notice shall be sent by post to the Trustee unless the meeting shall be convened by the Trustee. A copy of the notice shall be sent by post to the AIFM unless the meeting shall be convened by the AIFM. The accidental omission to give notice to or the non-receipt of notice by any of the Unitholders shall not invalidate the proceedings at any meeting.

The quorum shall be Unitholders present in person or by proxy either (i) holding or representing at least one tenth in number of the Units for the time being in issue or (ii) being two Unitholders in number. The quorum for a meeting shall be determined by the AIFM in its discretion and notified to Unitholders in the notice of the meeting. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

At any meeting (a) on a show of hands every Unitholder who is present in person or by a proxy shall have one vote and (b) on a poll every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he/she is the Unitholder. Fractions of Units do not carry voting rights.

With regard to the respective rights and interests of Unitholders in different Portfolios or different Classes, the foregoing provisions shall have effect subject to the following modifications:-

- (a) a resolution which in the opinion of the Trustee affects one Portfolio or Class only shall be deemed to have been duly passed if passed at a separate meeting of the Unitholders of that Portfolio or Class or by way of unanimous written resolution of all Unitholders of that Portfolio or Class;
- (b) a resolution which in the opinion of the Trustee affects more than one Portfolio or Class but does not give rise to a conflict of interest between the Unitholders of the respective Portfolios or Classes shall be deemed to have been duly passed at a single meeting of the Unitholders of those Portfolios or Classes;
- (c) a resolution which in the opinion of the Trustee affects more than one Portfolio or Class and gives or may give rise to a conflict of interest between the Unitholders of the respective Portfolios or Classes shall be deemed to have been duly passed only if, in lieu of being passed at a single meeting of the Unitholders of those Portfolios or

Classes, it shall be passed at separate meetings of the Unitholders of those Portfolios or Classes.

## **1.2 Reports**

In respect of each Accounting Period the AIFM shall cause to be audited and certified by the Auditors an annual report relating to the management of the Fund and each of its Portfolios. Such annual report shall be in a form approved by the Central Bank and shall contain such information required under the Act. There shall be attached to such annual report a statement by the Trustee in relation to the Fund and each of its Portfolios and a statement of such additional information as the Central Bank may specify.

The said annual report shall be sent to Unitholders not later than six months after the end of the period to which it relates.

The AIFM shall prepare an un-audited half-yearly report for the six months immediately succeeding the Accounting Date by reference to which the last annual report of the Fund and of each of the Portfolios was prepared. Such half-yearly report shall be in a form approved by the Central Bank and shall contain such information required under the Act.

Copies of the said half-yearly report shall be made available to Unitholders not later than two months from the end of the period to which it relates.

The AIFM shall provide the Central Bank with any monthly or other reports it may require.

The Trust Deed will be available at the respective registered offices of the AIFM and the Trustee. In addition, a copy of the Trust Deed will be sent by the AIFM to Unitholders, upon written request.

## **1.3 Notices**

Any notice or other document required to be served upon or sent to a Unitholder shall be deemed to have been duly given if sent by post or left at the Unitholder's address as appearing on the register of Unitholders and in the case of joint Unitholders if so sent to or left at the address of the first named Unitholder on the register of Unitholders.

Service of a notice or document on any one of several joint Unitholders shall be deemed effective service on himself/herself and the other joint Unitholders.

Any certificate or notice or other document which is sent by post or left at the registered address of the Unitholder named therein or despatched by the AIFM or the Trustee in accordance with any Unitholder's instructions shall be so sent, left or despatched at the risk of such Unitholder.

## **1.4 Periodic Reporting**

The following information will be made available in a clear and presentable way, to Unitholders as part of the Fund's periodic reporting or updates to the prospectus and, as a minimum, in the annual report:

- (a) the percentage of each Portfolio's assets which will be subject to special arrangements arising from their illiquid nature, including an overview of any special arrangements in place, any new material arrangements for managing liquidity the valuation methodology applied to assets which are subject to such arrangements and how management and performance fees will apply to these assets;
- (b) the current risk profile of each Portfolio, and information on the risk management systems used by the AIFM to manage those risks;
- (c) the total amount of leverage employed by each Portfolio calculated in accordance with the gross and commitment methods;
- (d) any material changes to the information at (a) to (c) above; and
- (e) past performance.

Information on changes to the maximum level of leverage calculated in accordance with the gross and commitment methods and any right of re-use of collateral or any guarantee under the leveraging arrangements shall be disclosed without undue delay in the manner described above and shall include:

- (a) the original and revised maximum level of leverage calculated in accordance with the relevant provisions of the AIFM Legislation, whereby the level of leverage shall be calculated as the relevant exposure divided by the net asset value of the Portfolio;
- (b) the nature of the rights granted for the reuse of collateral;
- (c) the nature of guarantees granted; and
- (d) details of changes in any service providers which relating to one of the items above.

It is intended that Unitholders will be notified immediately of any material changes to the liquidity management systems and procedures such as the suspension of redemptions, the deferral of redemptions or similar special liquidity arrangements. It is intended that any changes to the maximum level of leverage which a Portfolio may employ will be provided to Unitholders without undue delay.

On occasion, the AIFM may be requested to disclose information of a particular form or in a particular format to one or more investors as result of their legal, regulatory, or structural requirements. In such instances the AIFM, as applicable, will make all reasonable efforts ensure the same level of information is available to all investors.

## 1.5 **Material Contracts**

The following contracts, not being contracts entered into in the ordinary course of business, have been or will be entered into and are or may be material:

(i) **The Trust Deed.**

Pursuant to the Trust Deed, the Trustee provides Trustee services to the Fund and to each of the Portfolios in accordance with the provisions of the AIFM Legislation. The Trust Deed also provides that the Trustee may use other sub custodians, agents and nominees for the safekeeping of the assets of the Fund (each a "**Sub-Custodian**"). The Trustee must exercise all due care, skill and diligence in the selection and appointment of the Sub-Custodians and must exercise all due skill, care and diligence in its periodic review and ongoing monitoring of such Sub-Custodians. The Trust Deed provides that the liability of the Trustee shall not be affected by delegation unless the Trustee has discharged itself of liability in accordance with the AIFM Regulations.

The Trustee shall be liable to the Fund or to the investors of the Fund for the loss of financial instruments held in custody by the Trustee or by a Sub-Custodian to whom the custody of such assets has been delegated and in the case of such a loss the Trustee shall return a financial instrument of identical type or the corresponding amount to the Fund without undue delay unless the Trustee can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Trustee shall also be liable to the Fund, or to the investors of the Fund, for all other losses suffered by them as a result of the Trustee's negligent or intentional failure to properly fulfil its obligations pursuant to the AIFM Regulations or for any losses arising from the Trustee's fraud, wilful default, recklessness or bad faith in the performance or non-performance of its duties.

Pursuant to the Trust Deed, the Trustee and its Sub-Custodian or other delegate are indemnified out of the assets of the Fund against all costs, demands and expenses (including reasonable legal and professional expenses and costs and charges properly incurred in enforcing or attempting to enforce this indemnity) which the Trustee itself or acting through its Sub-Custodian or other delegate may suffer or incur in acting as Trustee in connection with the deed. The Trustee shall not be indemnified for any such losses which arise as a result of the Trustee's negligent or intentional failure to properly fulfil its duties thereunder or the loss of financial instruments held in custody, or negligence, fraud, or wilful default in the performance of its duties. In certain circumstances set out in the Trust Deed either party may terminate the agreement by notice in writing as described under "Termination".

(ii) **Depositary Agreement**

The Depositary Agreement provides that the appointment of the Depositary shall continue in full force and effect until terminated by the AIFM with thirty (30) days' written notice or by the Depositary with ninety (90) days' written notice (or such shorter notice period the parties may agree). In certain circumstances as set out therein, the Depositary Agreement may be terminated immediately by either party provided that the termination shall not take effect unless and until (a) a successor depositary approved for such purpose by the Central Bank shall have been appointed by the AIFM; or (b) the authorisation of the Fund by the Central Bank has been revoked. The Central Bank may also replace the Depositary with another depositary in accordance with the terms of the Central Bank Requirements. In the event that no succeeding depositary approved by the Central Bank is appointed by



the Manager within ninety days of intended termination, the AIFM shall apply to the Central Bank for the revocation of the Fund's authorisation. The Depositary shall be liable to the Fund and the Unitholders for the Loss of Financial Instruments (as defined in the Depositary Agreement) by the Depositary or a third party to whom the custody of financial instruments held in custody in accordance with Regulation 22(8)(a) of the AIFM Regulations has been delegated. In the case of such a Loss of a Financial Instrument held in custody, the Depositary shall return a financial instrument of an identical type or the corresponding amount to the Fund, or the AIFM acting on behalf of the Fund without undue delay. The Depositary shall not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary shall be liable to the Fund and the Unitholders for all other losses suffered by it or them as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the AIFM Regulations.

**(iii) Administration Agreement**

Pursuant to the Administration Agreement between the AIFM and the Administrator as amended or supplemented from time to time the Administrator will provide certain administrative and registrar services to the Fund and its Portfolios.

Pursuant to the Administration Agreement, the Administrator shall not, in the absence of fraud, negligence or willful misconduct on its part or on the part of its servants, agents or delegates be liable for any loss, incurred by the Fund, the Portfolio or the AIFM arising out of or in connection with the performance by the Administrator of its obligations pursuant to the Administration Agreement including, without limitation, any loss, damage or expense arising from any action or inaction taken or omitted by the Administrator in accordance with instructions of the AIFM. The Administrator excludes all liability arising out of or in connection with the Administration Agreement, for indirect, special or consequential loss. The Administration Agreement provides for certain further exculpations in favour the Administrator in relation to certain specific matters.

The Administration Agreement provides that the AIFM shall indemnify and hold harmless the Administrator, its directors, officers, employees, agents or delegates against any liability, losses, costs or expenses whatsoever including without limitation, reasonable legal and accounting expenses incurred which may be imposed on, incurred by or asserted against the Administrator or its directors, officers, employees, agents or delegates in performing its obligations or duties thereunder, or as a result of its appointment as administrator except as a result of the negligence, wilful default, recklessness, bad faith or fraud of the Administrator or on the part of its directors, officers, employees, agents or delegates. The Administration Agreement is for an initial term of three years and thereafter will continue for an unlimited term unless terminated by either party providing 18 months prior written notice to the other party.

**(iv) Investment Management Agreements**

Any one or more investment management agreements and/or sub-investment management agreements pursuant to which one or more Investment Managers

and/or Sub-Investment Managers are appointed to manage the assets of particular Portfolios shall be detailed in appropriate Supplements to this Prospectus.

Any other contracts subsequently entered into, not being contracts entered into in the ordinary course of business which are or may be material, shall be detailed in the appropriate Supplement or Supplements to this Prospectus.

## 1.6 Termination

The Fund or any of its Portfolios may be terminated by the Trustee by notice in writing as hereinafter provided upon the occurrence of any of the following events, namely:

- (i) if the AIFM shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or ceases business or becomes (in the reasonable judgement of the Trustee) subject to the de facto control of some corporation or person of whom the Trustee does not reasonably approve or if a receiver is appointed in respect of any of the assets of the AIFM or if an examiner is appointed to the AIFM pursuant to the Companies Act 2014;
- (ii) if in the reasonable opinion of the Trustee the AIFM shall be incapable of performing or shall in fact fail to perform its duties satisfactorily or shall do any other thing which in the reasonable opinion of the Trustee is intended to bring the Fund or any of its Portfolios into disrepute or to be harmful to the interests of the Unitholders;
- (iii) if any law shall be passed which renders it illegal or in the reasonable opinion of the Trustee impracticable or inadvisable to continue the Fund or any of its Portfolios; or
- (iv) if within a period of three months from the date of the Trustee expressing in writing to the AIFM its desire to retire the AIFM shall have failed to appoint a new trustee pursuant to the provisions of the Trust Deed.

The Fund or any of its Portfolios may be terminated by the AIFM in its absolute discretion by notice in writing as hereinafter provided in any of the following events, namely:

- (i) if one year from the date of the first issue of Units or on any Dealing Day thereafter the Net Asset Value of all of the Portfolios shall be less than one million Dollars;
- (ii) if the Fund shall cease to be an authorised unit trust under the Act or if any of its Portfolios shall cease to be authorised by the Central Bank;
- (iii) if any law shall be passed which renders it illegal or in the reasonable opinion of the AIFM impracticable or inadvisable to continue the Fund or any of its Portfolios;
- (iv) if within a period of three months from the date of the AIFM expressing in writing to the Trustee its desire to retire, a replacement manager shall not have been appointed;
- (v) if within a period of three months from the date of any Investment Manager expressing in writing to the AIFM its desire to retire the AIFM shall have failed to appoint a new Investment Manager; or

- (vi) if the AIFM resolves that it is impractical or inadvisable for a Portfolio to continue to operate having regard to prevailing market conditions and the best interests of Unitholders.

The party terminating the Fund or a Portfolio shall give notice thereof to the Unitholders in the manner herein provided and by such notice fix the date on which such termination is to take effect which date shall not be less than two months after the service of such notice.

The Fund or any of its Portfolios may at any time be terminated by Extraordinary Resolution of a meeting of the Unitholders duly convened and held in accordance with the provisions contained in the Schedule to the Trust Deed and such termination shall take effect from the date on which the said resolution is passed or such later date (if any) as the said resolution may provide.

Not later than two months before the termination of the Fund or of a Portfolio, as the case may be, the AIFM shall (if practically possible) give notice to the Unitholders advising them of the impending distribution of the assets of the Fund or of the Portfolio, as the case may be. After the giving of notice of such termination the AIFM shall procure the sale of all investments then remaining in the Trustee's and its nominee's hands as part of the assets of the Fund or of the Portfolio and such sale shall be carried out and completed in such manner and within such period after the termination of the Fund or of the Portfolio as the AIFM and the Trustee thinks desirable. The Trustee shall at such time or times as it shall deem convenient and at its entire discretion distribute to the Unitholders in accordance with the latest available allocation of the Net Asset Value of the Portfolio between Units of the relevant Class pursuant to the Trust Deed and then pro rata to the number of Units of the relevant Class held by them respectively, all net cash proceeds derived from the realisation of the investments and any cash then forming part of the assets of the relevant Portfolio so far as the same are available for the purpose of such distribution. Every such distribution shall be made only after the certificates relating to the Units in respect of which the same is made shall have been lodged with the Trustee together with such form of request of payment and receipt as the Trustee shall in its absolute discretion require provided that the Trustee shall be entitled to retain out of any such monies in its hands full provision for all costs, charges, expenses, claims, liabilities and demands relating to the relevant Portfolios, for which the Trustee is or may become liable or incurred, made or expended by the Trustee in connection with the liquidation of the Fund or any of the Portfolios, as the case may be, and out of the monies so retained to be indemnified and saved harmless against any such costs, charges, expenses, claims and demands.

## **1.7 Continuance or Retirement of AIFM**

The AIFM shall so long as the Fund subsists continue to act as the alternative investment fund manager thereof in accordance with the terms of the Trust Deed.

The AIFM for the time being shall be subject to removal and shall be so removed by notice in writing given by the Trustee to the AIFM in any of the following events:

- (i) if the AIFM goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed in respect of any of the assets of the AIFM or if an examiner is appointed to the AIFM pursuant to the Companies Act 2014;

- (ii) if for good and sufficient reason the Trustee is of the opinion and so states in writing that a change of AIFM is desirable in the interests of the Unitholders; or
- (iii) if a Meeting of the Unitholders by Extraordinary Resolution determines that the AIFM should retire.

In the case of (i) above, the AIFM shall, upon notice by the Trustee, ipso facto cease to be the AIFM and in the case of either (ii) or (iii) above the AIFM shall upon notice by the Trustee, and after the expiration of three months, cease to be the AIFM.

The AIFM shall have the power on the giving of three months' written notice to the Trustee to retire in favour of some other corporation approved by the Trustee and the Central Bank upon and subject to such corporation entering into an acceptable deed.

The AIFM shall cease to hold office in the event of the appointment by the Central Bank of a new AIFM under the Act.

## 1.8 **Continuance or Retirement of Trustee**

The Trustee shall so long as the Fund subsists continue to act as the Trustee thereof in accordance with the terms of the Trust Deed.

The Trustee for the time being shall be subject to removal and shall be so removed by notice in writing given by the AIFM to the Trustee in any of the following events:-

- (i) if the Trustee goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms approved in writing by the AIFM) or ceases business or becomes (in the reasonable opinion of the AIFM) subject to the de facto control of some corporation or person of whom the AIFM does not reasonably approve or if a receiver is appointed in respect of any of the assets of the Trustee or if an examiner is appointed to the Trustee pursuant to the Companies Act 2014;
- (ii) if a Meeting of the Unitholders by Extraordinary Resolution determines that the Trustee should retire.

In the case of (i) above, the Trustee shall, upon notice by the AIFM, ipso facto cease to be the Trustee upon the appointment of a successor trustee and in the case of (ii) above the Trustee shall upon notice by the AIFM, and after the expiration of three months, cease to be the Trustee upon the appointment of a successor trustee.

The Trustee shall not be entitled to retire voluntarily except upon the appointment of a new trustee. In the event of the Trustee desiring to retire, the AIFM may by supplemental deed appoint any duly qualified corporation with the prior approval of the Central Bank to be the Trustee in the place of the retiring Trustee. If within a period of three months of expressing its desire to retire or of the date on which notice of removal is given no successor trustee has been appointed, the Trustee may terminate the Fund and revocation of the Fund's authorisation will be sought from the Central Bank provided that the Trustee shall remain in office until the Fund's authorisation has been revoked. The Central Bank may, where it appears to be desirable in the interests of the Unitholders of the Fund, replace the Trustee with another Trustee in accordance with the terms of the Act.

## 1.9 **General**

Except as provided below, no director of the AIFM, or any connected person, has any interest in any transaction which has been effected on behalf of the Fund and which is unusual in its nature or conditions or significant to the business of the Fund:-

- (i) Mr. Anton Pillay by virtue of him being a director of Coronation International Limited and a director of Coronation Investment Management International (Pty) Limited;
- (ii) Mr. Bryan Melville by virtue of him being a director of Coronation International Limited;
- (iii) Mr. Clinton Martin by virtue of him being a director of Coronation International Limited and a director of Coronation Investment Management International (Pty) Limited; and
- (iv) Mr. Damien Dooris by virtue of him being a director of the AIFM.

## 1.10 **Documents Available for Inspection**

The following documents are available for inspection on any Business Day at the registered office of the AIFM from the date of this Prospectus:

- (a) the material contracts referred to above;
- (b) the Unit Trusts Act 1990 and the Central Bank notices and guidance notes made thereunder;
- (c) the latest annual reports, incorporating audited financial statements and half-yearly reports, incorporating unaudited financial statements; and
- (d) a memorandum detailing the current and prior directorships and partnerships of each of the Directors in the past five years.

Copies of each of the above documents can be obtained at the registered office of the AIFM.

## 1.11 **The Application Form**

By subscribing for Units using the Application Form, each investor agrees to enter into a contract with the Fund in respect of a Portfolio. Any Units subscribed for under the Application Form will be held subject to the terms and conditions of this Prospectus, as amended from time to time, the Trust Deed, as amended from time to time, and the applicable Application Form.

## 1.12 **Professional Liability Indemnities and Insurance**

The AIFM maintains additional own funds to cover potential professional liability risks arising from professional negligence in line with the Level 2 Regulations.

### 1.13 Changes to the Fund

The AIFM will assess, in consultation with the Trustee whether changes which are proposed to be made to the Fund (including, for example, any change to the investment policy or investment strategy of the Fund) are to be treated for the purposes of Unitholder notification as being "material". "**Material**" shall be taken to mean, although not exclusively:" changes which significantly alter the asset type, credit quality, borrowing or leverage limits or risk profile of the scheme".

Any change in the investment objective of a Portfolio or a material change in the investment policies of the Portfolio will be subject to the approval of the Unitholders of the relevant Portfolio by the unanimous written resolution of Unitholders or by way of Ordinary Resolution.

Subject and without prejudice to the preceding sentence of this paragraph, in the event of a change of investment objective and/or policies of a Portfolio, a reasonable notification period must be given to each Unitholder of the Portfolio to enable a Unitholder to have its Units repurchased prior to the implementation of such change.

In the case of a change in the investment objective or a material change in the investment policies of a closed-ended Portfolio:

- where there is no opportunity for the Unitholders to redeem or otherwise exit the Portfolio, the approval of the Unitholders by way of unanimous written resolution or by way of an Extraordinary Resolution will be required; or
- where there is an opportunity for the Unitholders to redeem or otherwise exit the Portfolio, the approval of the Unitholders by way of unanimous written resolution or by way of Ordinary Resolution will be required.

Where non-material changes are made to the investment policies of a closed-ended Portfolio, Unitholders shall be notified of such changes. Appropriate disclosure in the next annual report shall be deemed sufficient in this regard.

In the event of a change of investment objectives and/or investment policy, on the basis of an Ordinary Resolution, a reasonable notification period will be provided to enable Unitholders redeem their units prior to implementation of these changes.

### 1.14 Unitholder Rights

Unitholders are entitled to participate in the Fund on the basis set out in this prospectus (as amended from time to time). Paragraphs "Meetings", "Reports", "Periodic Reporting" set out above outline important rights about Unitholders' participation in the Fund.

Unitholders may have no direct rights against the service providers to the Fund set out in "Management and Administration" above.

Unitholders may be able to take action if the contents of this document are inaccurate or incomplete.



Unitholders have statutory and other legal rights which include the right to complain and may include the right to cancel an order or seek compensation.

Unitholders who are concerned about their rights in respect of the Fund (or any Portfolio) should seek legal advice.

## APPENDIX II DEFINITIONS

### "U.S. Person"

A "U.S. Person" for purposes of this Prospectus is a person who is in either of the following two categories: (a) a person included in the definition of "U.S. person" under Rule 902 of Regulation S under the 1933 Act or (b) a person excluded from the definition of a "Non-United States person" as used in CFTC Rule 4.7. For the avoidance of doubt, a person is excluded from this definition of U.S. Person only if he or it does not satisfy any of the definitions of "U.S. person" in Rule 902 and qualifies as a "Non-United States person" under CFTC Rule 4.7.

"U.S. person" under Rule 902 of Regulation S includes the following:

- (a) any natural person resident in the United States;
- (b) any partnership or corporation organised or incorporated under the laws of the United States;
- (c) any estate of which any executor or administrator is a U.S. person;
- (d) any trust of which any trustee is a U.S. person;
- (e) any agency or branch of a non-U.S. entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and
- (h) any partnership or corporation if:
  - (i) organised or incorporated under the laws of any non-U.S. jurisdiction; and
  - (ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of Regulation D under the 1933 Act) who are not natural persons, estates or trusts.

Notwithstanding the preceding paragraph, "U.S. person" under Rule 902 does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person, if (A) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate, and (B) the estate is governed by non-U.S. law; (iii) any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person; (iv) an employee benefit plan established and

administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (v) any agency or branch of a U.S. person located outside the United States if (A) the agency or branch operates for valid business reasons, and (B) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) certain international organisations as specified in Rule 902(k)(2)(vi) of Regulation S under the 1933 Act, including their agencies, affiliates and pension plans.

**"Non-United States person"** under CFTC Rule 4.7 includes the following:

- (a) a natural person who is not a resident of the United States or an enclave of the U.S. government, its agencies or instrumentalities;
- (b) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction;
- (c) an estate or trust, the income of which is not subject to U.S. income tax regardless of source;
- (d) an entity organised principally for passive investment such as a pool, investment company or other similar entity, provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons (as defined in CFTC Rule 4.7(a)) represent in the aggregate less than ten per cent. of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC's regulations by virtue of its participants being Non-United States persons; and
- (e) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

### APPENDIX III SUSTAINABLE FINANCE DISCLOSURES

This Appendix provides investors with disclosures as required under the EU Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("**Sustainable Finance Disclosure Regulation**" or "**SFDR**") including the manner in which Sustainability Risk (as defined below) is incorporated in the investment decision making process of the Investment Managers under delegation from the AIFM.

The term "**ESG event**" when used in this Appendix refers to an event or condition of an environmental, social or governance nature.

This Appendix III (the "**SFDR Appendix**") has been prepared in accordance with the requirements of SFDR. For the purposes of SFDR, each Portfolio of the Fund qualifies as a financial product. The AIFM, after due consideration, has determined that the appropriate classification of the Portfolios under the SFDR is as follows:

|    | Name of Portfolio                                   | Classification |
|----|---|----------------|
| 1. | Coronation International Core Equity Fund           | Article 8      |
| 2. | Coronation Emerging Markets Ex-China Fund           | Article 8      |
| 3. | Coronation Emerging Markets Diversified Equity Fund | Article 8      |
| 4. | Coronation Global Equity Income Fund                | Article 8      |

**Notes:**

1. Article 6 Portfolios do not take into account the EU criteria for environmentally sustainable economic activities as contemplated in Regulation EU/2020/852 of the European Parliament and of the Council of 18 June 2020 (also known as the "**Taxonomy Regulation**").
2. The AIFM is not committing that the Article 8 Portfolios will invest in investments that qualify as environmentally sustainable for the purposes of the Taxonomy Regulation. As such, the minimum proportion of the Article 8 Portfolios' investments that contribute to environmentally sustainable economic activities for the purposes of the Taxonomy Regulation will be 0%.
3. The Supplements for the Article 8 Portfolios will also include the applicable mandatory pre-contractual disclosures required under the regulatory technical standards ("**RTS**") supplementing SFDR (each a "**Fund Annex**"). Prospective investors should therefore read this SFDR Appendix in conjunction with the Supplement for the Article 8 Portfolios, as well as their Fund Annexes.

### *Policy on Sustainability Risk*

Sustainability risk is defined as an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the long term value of the investment ("**Sustainability Risk**"). The identification and management of Sustainability Risk forms an important part of the investment analysis, due diligence and risk management processes implemented by the Investment Manager of each Portfolio (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 ESG event.

The Investment Manager's due diligence process focuses on the long-term prospects of the securities into which the Investment Manager invests on behalf of a Portfolio. This includes an analysis of the ability of each investment to create, sustain and protect long term value, with the goal of generating superior risk-adjusted returns in accordance with a Portfolio's objectives. Sustainability Factors (as described below) play an important role in assessing the Sustainability Risk of investments. The Investment Manager accordingly believes that the effective integration of Sustainability Factors into the due diligence process leads to increased long-term value and lower risk for the assets held in a Portfolio.

The Investment Manager's investment process is designed to provide a comprehensive understanding of the drivers of long-term value of the investments held in a Portfolio, address key business risks, including sustainability risks, and promote sound governance, all of which are consistent with the Portfolio's investment objectives.

### *Sustainability Factors*

'Sustainability Factors' include, but are not limited to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters ("**Sustainability Factors**"). The Investment Manager identifies and monitors Sustainability Factors that are material and relevant to each of the issuers in which it invests.

The Investment Manager considers environmental risks and practices that are material and relevant to the issuer including, but not limited to, carbon emissions, water consumption, energy efficiency, pollution and waste, the adoption of clean technology, and the production, consumption and rehabilitation of scarce resources.

The Investment Manager further considers material and relevant social risks and practices including, but not limited to, labour practices, health and safety controls, community engagement, data security and data privacy practices, and policies on diversity and inclusion.

The Investment Manager assesses the governance practices of issuers in order to satisfy itself that the relevant issuers follow good governance practices. This includes, but is not limited to, an assessment of board composition and structures, remuneration policies, capital allocation practices and policies relating to the management of conflicts of interest and promotion of ethical practices. The Investment Manager will not invest in companies where there are material governance concerns.

### *Integration of Sustainability Risk into the Investment Decision Making Process*

The Investment Manager integrates into its investment decision making process the risks and opportunities stemming from Sustainability Factors that are most material to each investment based on the underlying issuer's business model and operations, within the context of the region and industry in which the issuer operates. Sustainability Risk is identified, monitored and mitigated by the Investment Manager in the following manner:

#### Identification and Monitoring

Prior to acquiring investments on behalf of a Portfolio, the Investment Manager conducts in-depth fundamental research on the potential investment in order to determine a long-term fair value. As part of this due diligence process, the Investment Manager integrates Sustainability Factors into the fundamental valuation that it assigns to the proposed investment. This includes an assessment of the ESG risks and opportunities to which the potential investment is exposed, as well as the adequacy of the issuer's disclosure practices and the manner in which the issuer manages its Sustainability Risks.

Sustainability Factors are therefore integrated into the valuation and investment decision making process. The Investment Manager may make use of third-party data providers and other sources of independent research as part of its research process in order to assist with the identification of material ESG risks and opportunities relating to the proposed investment.

During the life of the investment, Sustainability Risk is monitored through ongoing fundamental research and review of the long-term fair value of the investment in accordance with the Investment Manager's investment process. This includes ongoing review of the ESG risks and opportunities to which the investment is exposed, using the same approach as that used for the initial identification of sustainability risk.

#### *Active Ownership, Engagement and Mitigation*

The Investment Manager actively engages with the issuer's representatives where additional disclosure or mitigation of Sustainability Risks or achievement of a particular ESG characteristic is required. The Investment Manager furthermore exercises a Portfolio's rights as holder of the relevant instrument where necessary including, but not limited to, proxy voting, collaboration with other shareholders and/or relevant stakeholders, and other means. Where the actions taken by the Investment Manager to identify and mitigate material Sustainability Risks are unsuccessful, the Investment Manager will reassess the investment case and decide on the appropriate action to take on behalf of the Portfolio, having due regard to the best interests of the Investors. This may include selling out of the position in the Portfolio.

#### *Impact of Sustainability Risk on Returns*

The Sustainability Risk to which an underlying investment is exposed can result in the occurrence of an ESG event, which can negatively affect the value of the investment. The extent to which the value of the investment is impaired will depend on the nature and materiality of the event that has occurred.

The process by which Sustainability Risk is integrated into the investment decision making process is intended to reduce the Sustainability Risk to which each Portfolio is exposed. Sustainability risk is further reduced at a Portfolio level by ensuring that the Portfolios are appropriately diversified.



The results of the assessment of the impact on likely returns of Sustainability Risks on the returns of each Portfolio will be set out in the relevant Supplement.

### *ESG Policy*

The ESG policy of Coronation Fund Managers Limited as applicable to all its subsidiaries including the AIFM and the Investment Manager (the "**ESG Policy**") provides a framework for its approach to ESG integration. The ESG Policy formalises the Investment Manager's responsible investment efforts, with the recognition that ESG issues have a meaningful impact on delivering investment results for investors. In managing the Portfolios on a discretionary basis, the Investment Manager considers the ESG Policy when determining what investments to make for that Portfolio. In doing so, the Investment Manager integrates ESG factors into the investment decision-making process.

The ESG Policy is available on the AIFM's website, at [www.coronation.com](http://www.coronation.com).

### *Exclusion Policy*

The AIFM and the Investment Manager have adopted an exclusion policy (the "**Exclusion Policy**") which sets out the exclusion criteria which the Investment Manager, on behalf of the Fund, will utilise to prohibit certain investments for each of the Article 8 Portfolios.

Application of the Exclusion Policy means that each of the Article 8 Portfolios will not invest in companies that derive, or are expected to continue to derive, a material part of their revenue from the following activities:

- The production or distribution of tobacco and tobacco products;
- The production or distribution of controversial weapons;
- The mining and extraction of thermal coal;
- The production of coal-based power; and
- The extraction of oil from tar sands;

(each being an '**Excluded Activity**' and collectively '**Excluded Activities**').

The Investment Manager uses relevant information sources to estimate the revenue exposure of potential investee companies to each of the Excluded Activities. If a company has revenue exposure to an Excluded Activity that exceeds the revenue threshold set out in the Exclusion Policy, then that company will be excluded from the investment universe, unless there is reasonable sufficient evidence to indicate that the Excluded Activity will not remain in excess of the relevant revenue threshold, as further set out in the Exclusion Policy.

Conduct-based exclusions are applied to companies that engage in practices that cause or could result in material harm to the environment and/or have a negative societal impact. The Investment Manager is guided by the ten principles of the United Nations Global Compact in making an assessment. This includes, but is not limited to, an assessment of a company's practices in relation to human rights, labour rights, environmental practices, and corruption.

The Exclusion Policy also excludes sanctioned companies that appear on the European Union ("**EU**"), UK and Office of Foreign Asset Control ("**OFAC**") sanctions lists from our Designated Funds. These lists cover, among others, companies or countries that may be involved in money laundering and/or terrorism financing activities.

The Exclusion Policy is available on the AIFM's website, at [www.coronation.com](http://www.coronation.com).

#### Principle Adverse Impact Reporting

Article 4, as read together with Article 7 of the SFDR, introduces an obligation on certain financial market participants to consider and disclose to investors any "principal adverse impacts" that their investment decisions, in the funds that they manage, have on sustainability factors.

The AIFM falls outside the scope of this obligation and does not currently consider the adverse impacts of its investment decisions on Sustainability Factors.

**SUPPLEMENTS**  
**The Portfolios**

## CORONATION INTERNATIONAL CORE EQUITY FUND

**Supplement 1 dated 16 April 2025 to the Prospectus of the Coronation Investment Funds dated 16 April 2025.**

### 1 Structure

Coronation International Core Equity Fund (the "**Portfolio**") is a portfolio of Coronation Investment Funds, an open-ended umbrella unit trust established pursuant to the provisions of the Unit Trusts Act, 1990 and any regulations made thereunder and authorised by the Central Bank as a Qualifying Investor AIF pursuant to the AIF Rulebook. At the date of this Supplement, Coronation Investment Funds has established three other sub-funds, namely the Coronation Global Emerging Markets Ex China Fund, Coronation Global Equity Income Fund and Coronation Emerging Markets Diversified Equity Fund. In the event that additional sub-funds are added, a full list will be maintained by the AIFM and available to investors on request.

The Fund Annex (being the annex hereof) sets out the pre-contractual disclosure template with respect to the Portfolio and has been prepared in accordance with the requirements of SFDR and contains additional information pertaining to the Portfolio in accordance with SFDR. The Fund Annex forms part of and should be read in conjunction with the Supplement. In the event of any inconsistency between the terms of the Fund Annex and the terms of the Supplement with regard to disclosure pertaining to SFDR, the Fund Annex shall prevail.

A description of

- the Fund and its management and administration
- general management and fund charges
- taxation of the Fund and its Unitholders and
- risk factors

is contained in the Prospectus. **This Supplement forms part of the Prospectus and should be read in the context of and in conjunction with the Prospectus. Capitalised terms used in this Supplement shall bear the meanings attributable to them in the Prospectus.** The Prospectus is available from

- J.P. Morgan Administration Services (Ireland) Limited, 200 Capital Dock, 79 Sir John Rogerson's Quay, Dublin D02 RK57, Ireland (the "**Administrator**"); or
- Coronation Investment Management International (PTY) Ltd at 7th Floor, Montclare Place, Cnr Campground and Main Road, Claremont, 7708, Cape Town, South Africa (being an "**Investment Manager**" of this Portfolio); or
- Coronation International Limited at 15 Sackville Street, London, W1S 3DN, United Kingdom (being an "Investment Manager" of this Portfolio); or
- Available for download from [www.coronation.com](http://www.coronation.com).

## 2 Classes of Units

### *Classes of Units*

| Class         | Designated Currency |
|---------------|---------------------|
| Class Z Units | USD                 |
| Class P Units | USD                 |

The Class Z Units will only be available to accounts managed by the Coronation group and selected other investors with the prior consent of the AIFM.

The Class P Units will only be available to accounts managed by fund supermarkets, platforms, or other bulk account investors and selected other investors with the prior consent of the AIFM.

The creation of additional Classes will be notified in advance to the Central Bank.

## 3 Issue Price

During the Initial Offer Period, Class Z Units (designated in US Dollars) and Class P Units (designated in US Dollars) will be issued at \$10 per Unit.

After the Initial Offer Period, Class Z Units (designated in US Dollar) and Class P Units (designated in US Dollars) will be issued at the Net Asset Value per Unit.

## 4 How to Subscribe for Units

Application for Units should be made by completing and submitting an Application Form in accordance with the provisions set out in the Prospectus to be received by the Administrator on or before the dealing deadline for subscriptions set out under the section headed "*Dealing Deadlines*".

Applications by email or facsimile will be treated as definite orders and no application will be capable of withdrawal after acceptance by the Administrator. Any subsequent application may be sent by email, facsimile or letter.

The Minimum Holding must be maintained by each Unitholder in the Portfolio (subject to the discretion of the AIFM) following any partial redemption or exchange of Units.

Unless the Administrator otherwise agrees, payment for Units must be received by the relevant Settlement Date by electronic transfer in cleared funds in the currency of the relevant Units.

This section should be read in conjunction with the section entitled "Issue of Units" in the Prospectus.

## 5 Initial Offer Period

The initial offer period for Class P Units closed on 19 March 2025.

The initial offer period for Class Z Units closed on 29 February 2024.

**6 Minimum Initial Investment Amount**

€100,000 or its equivalent in the relevant currency or such greater or lesser amounts as the Directors of the AIFM may, in their absolute discretion, decide, provided that the minimum initial investment in the Fund as a whole is at least €100,000 (or its foreign currency equivalent).

**7 Minimum Holding**

Units representing a value of at least €100,000 or the foreign currency equivalent thereof.

**8 Base Currency**

United States dollars (US\$).

**9 Anti-Dilution Levy**

The AIFM may impose an Anti-Dilution Levy (as defined in the Prospectus) in the event of receipt for processing of net subscription or net redemption requests exceeding 5% of the Net Asset Value of the Portfolio on a Dealing Day (including subscriptions and/or redemptions which would be effected as a result of requests for switching from one Portfolio into another Portfolio). Any such levy will be deducted, on pro rata basis from Unitholders, from the subscription amount received as a separate charge in the case of net subscription requests exceeding 5% of the Net Asset Value of the Portfolio and deducted from the redemption proceeds to be paid in the case of net redemption requests exceeding 5% of the Net Asset Value of the Portfolio (including subscriptions and/or redemptions which would be effect as a result of requests for switching from one Portfolio into another Portfolio).

However where a gross single subscription and/or redemption and/or switching request exceeds 5% of the net asset value of the Portfolio on any Dealing Day (the “5% threshold”), the AIFM may at its discretion, as opposed to apportioning the anti-dilution levy on the basis as set out above, apportion the Anti-Dilution Levy, on a pro rata basis, only to the applicable subscriber(s) and/or Unitholder(s) requesting redemption and/or switching exceeding that 5% threshold. In such circumstance, the Anti-Dilution Levy payable will still be calculated by taking into account any other requests for subscriptions / redemptions to be effected on the same Dealing Day which could potentially reduce the market impact of the dealing costs to be incurred. The Anti-Dilution Levy will be deducted from the subscription amount received as a separate charge in the case of a subscription/switching request exceeding the 5% threshold and deducted from the redemption proceeds to be paid in the case of a redemption/switching request exceeding the 5% threshold.

The Anti-Dilution Levy will be paid into the Portfolio and become part of the property of the Portfolio and is designed to protect the value of the Portfolio’s underlying assets and any current Unitholders’ interests in the Portfolio. The AIFM shall be entitled to waive the Anti-Dilution Levy in circumstances where the AIFM considers it appropriate to do so.

**10 Dealing Day**



Each Business Day shall constitute a Dealing Day for the Portfolio. Additional Dealing Days may be declared at the discretion of the AIFM and notified in advance to Unitholders.

## **11 Dealing Deadline**

In relation to applications for subscription, the deadline is 5.00pm (Irish time) on the Business Day preceding the relevant Dealing Day or such other deadline as the AIFM may determine and notify in advance to Unitholders.

In relation to applications for redemption, the deadline is 5:00pm (Irish time) on the Business Day preceding the relevant Redemption Day or such other deadline as the AIFM may determine and notify in advance to Unitholders.

The Directors of the AIFM may agree to waive any of the above deadlines for receipt of applications at their discretion, provided that such applications are received before the Valuation Point for the relevant Dealing Day.

## **12 Settlement Date**

In the case of subscriptions, settlement must occur by 5:00pm (Irish time) on the relevant Dealing Day. However, the AIFM (subject to prior agreement) may extend the settlement period up to 2 Business Days after the relevant Dealing Day to facilitate payment or settlement methods or by such longer period as the Directors of the AIFM may approve. The AIFM reserves the right to defer the issue of Units until receipt of cleared subscription monies by the Portfolio.

In the case of redemptions, the redemption price will normally be payable to the Unitholder within five Business Days after the relevant Redemption Day (and, in any event, not later than thirty calendar days after the relevant Redemption Day) subject to receipt by the Administrator of the redemption request, supporting information and documentation as required by the AIFM and/or the Administrator.

Redemption requests may be submitted by fax to the Administrator at +353 (0) 1 612 5779 (or such other number as may be designated for this purpose from time to time) or by email to [Ireland.ta.email.dealing@jpmorgan.com](mailto:Ireland.ta.email.dealing@jpmorgan.com). All redemption requests carried out by fax or email should, if required by the AIFM or the Administrator, be verified by Unitholders by telephone to the Administrator to confirm receipt of their fax or email instruction.

## **13 Valuation Day/Valuation Point**

Valuation Day means each Dealing Day. Additional Valuation Days may be determined at the discretion of the AIFM.

Valuation Point means the point in time by reference to which the Net Asset Value of the Portfolio is calculated which, unless otherwise specified by the Directors of the AIFM (and notified to Unitholders) with the approval of the Trustee, shall be the close of business in the relevant market on the Valuation Day.

## **14 Redemption Day**

Redemption Day means each Dealing Day. Additional Redemption Days may be determined at the discretion of the AIFM and notified to Unitholders in advance.

## **15 Net Asset Value**

The Administrator calculates the Net Asset Value per Unit as at the Valuation Point of each Dealing Day in accordance with the procedure provided for under the heading "Calculation of Net Asset Value" in the Prospectus.

## **16 Investment Objective**

The investment objective of the Portfolio is to produce long term out-performance of the Benchmark (as described below) primarily through investment in equities and equity related securities in global markets outside of the United States.

**There is no guarantee that this objective will be achieved.**

## **17 Investment Policies**

### **Investment Policy**

In order to achieve the investment objective, the Benchmark of the Portfolio will be actively managed and will invest, either directly or indirectly, at least 90% of its assets in equities and equity-related securities (such as warrants, convertible preference shares, and convertible bonds) of companies, listed or traded on a Recognised Exchange.

The Portfolio will be allowed to invest a maximum of 10% of its net assets into equities and equity-related securities of companies that are domiciled in the United States, provided that such companies have a material portion of their business activities outside of the United States and/or, are holding companies that have a material portion of their assets in companies with their registered office outside of the United States.

For purposes of measuring compliance with the thresholds set out herein, the following will not be regarded as a United States security: (i) any security of a company that is a constituent of the Benchmark or of a company that meets the criteria for inclusion in the Benchmark as a non-United States security; and (ii) any security, such as an American Depositary Receipt or a Global Depositary Receipt, that provides exposure to a security that falls within the investable universe, and such securities as described in (i) and (ii) are accordingly excluded from the 10% investment limit described above.

In the appropriate circumstances, the Portfolio may retain cash and cash equivalents such as certificates of deposit, treasury bills and notes subject to the provisions set out in the "**Investment Process**" section below. The circumstances under which the Portfolio may retain cash and/or cash equivalents include but are not limited to the holding of cash and/or cash equivalents pending reinvestment in accordance with the investment objective and policy of the Portfolio, in order to meet redemptions and/or payment of expenses and/or cover for financial derivative instruments entered into on behalf of the Portfolio.

The Portfolio may use financial derivative instruments such as futures, options, warrants, swaps, forwards (including currency forwards) for any investment purpose that is consistent with the investment objectives and policy of the Portfolio. Such derivatives will

be covered by liquid assets and will include exchange traded as well as over-the-counter transactions. The reference assets to which these derivatives relate may be equities, fixed income securities, collective investment schemes, financial indices, interest rates, foreign exchange rates and currencies. Investment in derivatives may give rise to additional exposure to these reference assets. Effective exposure to underlying assets will be subject to such limits as set out in this Investment Policy section. Furthermore, any additional exposure arising from the use of derivatives by the Portfolio, whether for investment or efficient portfolio management purposes, shall not exceed the limits set in the section entitled "**Borrowing, Leverage and Derivatives**". Examples of the manner in which the Portfolio may use derivatives are set out below and in the section entitled "**Borrowing, Leverage and Derivatives**".

The Portfolio may also invest in the units of open-ended collective investment schemes, which may include investments in other Portfolios of the Fund, in order to gain exposure to investments consistent with the investment policy of the Portfolio. Such schemes will be managed by the AIFM or other fund management companies and may or may not provide a level of investor protection equivalent to schemes authorised under Irish laws and subject to Irish regulations and conditions. The Portfolio will mainly invest in such collective investment schemes authorised in Luxembourg, Ireland, Bermuda, Isle of Man and/or the Cayman Islands.

#### *Benchmark*

The benchmark of the Portfolio is the MSCI ACWI ex USA (Net) Index (NDUEACWZ as quoted by Bloomberg) or any successor index, if revised (the "**Benchmark**"). The return of the Portfolio will be measured against the Benchmark, but it will not track the index.

#### *Securities Financing Transactions*

The Portfolio may engage in Securities Financing Transactions in accordance with the requirements of SFTR and the Central Bank Requirements. Any type of assets that may be held by the Portfolio in accordance with its investment objective and policy may be subject to such Securities Financing Transactions. The Portfolio may also use Total Return Swaps and apply these to certain types of assets held by the Portfolio as disclosed in the section "**Investment Policy**" above. The semi-annual and annual reports of the Fund will express, as an absolute amount and as a percentage of the Portfolio's assets, the amount of Portfolio assets subject to Securities Financing Transactions and Total Return Swaps. Should the Portfolio engage in Securities Financing Transactions, the expected and maximum exposure of the Portfolio to Securities Financing Transactions shall be 30% and 50% of the Net Asset Value of the Portfolio, respectively. Further details on Securities Financing Transactions are set out in the Prospectus under the heading "Securities Financing Transactions".

#### *SFDR Fund Classification: Article 8*

The Portfolio meets the classification of Article 8 under SFDR as it promotes environmental and social characteristics by applying the AIFM's Exclusion Policy, as more fully set out in the Annex I appended hereto.

Furthermore, the Investment Managers consider the ESG Policy when determining the investments to make for the Portfolio and in doing so, the Investment Managers integrate ESG factors into the investment decision-making process.

As set out in further detail in the Prospectus, the Exclusion Policy and the ESG Policy is available on Coronations website, at [www.coronation.com](http://www.coronation.com).

Further information about the environmental and social characteristics promoted by the Portfolio is available in the Annex I appended hereto.

In addition to the Annex I, please also refer to Appendix III of the Prospectus which contains disclosures required under SFDR and certain additional information relevant to this Portfolio.

## **18 Investment Process**

Each of the Investment Managers shall apply the following investment process in the selection and monitoring of the assets of the Portfolio managed by each of the Investment Managers:

The country and equity selection will be driven by the relative attractiveness of individual equity securities across the investable universe. The key factors in determining attractiveness will be the Investment Manager's assessment of valuation, risk and liquidity. In determining an appropriate valuation for a security, account will be taken of the various risks inherent within the business including the political stability of the country in which the issuer is domiciled or from which it derives a significant proportion of its earnings.

In managing the Portfolio, the Investment Manager will endeavour to achieve the investment objective through a reasonably concentrated equity selection process. The Investment Manager will actively manage the Portfolio and hence vary the allocation to countries, sectors and individual securities over time. This is not a buy and hold portfolio management strategy. The Portfolio may also invest in equities domiciled in emerging markets.

In addition to the above, where equity investments do not offer adequately attractive valuations, the Investment Manager has the ability to invest up to 10% of the Net Asset Value in cash or cash equivalents.

## **19 Assessment of the Impact of Sustainability Risk on Likely Returns**

An assessment is undertaken of the likely impacts of Sustainability Risks on the Portfolio's returns. In considering Sustainability Risks in investment decisions, the Investment Managers may forgo opportunities for the Portfolio to gain exposure to certain issuers and may choose to sell an investment when it might otherwise be disadvantageous to do so. Where a Sustainability Risk occurs in respect of an asset, there could be a negative impact on, or loss of its value. The Investment Managers have determined that the Sustainability Risk faced by the Portfolio is low. However, investors are cautioned that even where Sustainability Risks are identified, there can be no guarantee that the Investment Managers will or have correctly assessed the impact of Sustainability Risks on the Portfolio's investments or proposed investments.

The contents of Appendix III set out in more detail the manner in which the Investment Managers integrate Sustainability Risk into their investment decision-making.

## 20 **Borrowing, Leverage and Derivatives**

In accordance with the general provisions set out in the "Borrowing and Leverage" section of the Prospectus, the Investment Managers may borrow, on behalf of the Portfolio, up to 100% of the Net Asset Value of the Portfolio. Notwithstanding this, the Portfolio may borrow from banks, broker-dealers or other financial institutions or entities to bridge short-term liabilities (including to satisfy repurchase requests). Such borrowing may be secured by pledging, mortgaging or charging the Portfolio's assets.

The Portfolio may also be leveraged through its use of financial derivative instruments.

The Portfolio may use derivatives for the purposes of efficient portfolio management or for any investment purpose that is consistent with the investment objectives and policy set out above.

Examples of the ways in which financial derivative instruments may be used, which should not be taken as being exhaustive, or mutually exclusive, include:

- to hedge the currency exposure of the assets of the Portfolio into the base currency of the Portfolio;
- to hedge or reduce the Portfolio's exposure to any asset;
- as a substitute for taking a position in the underlying asset where the Investment Manager feels that derivative exposure to the underlying asset represents better value than direct exposure;
- to align the Portfolio's interest rate exposure with the Investment Manager's outlook for interest rates; and /or
- to gain an exposure to the composition and performance of a particular index, the constituents of which are consistent with the investment policy of the Portfolio.

The maximum leverage, calculated in accordance with the gross basis under the AIFM Directive, will not exceed 200% of the Net Asset Value of the Portfolio.

The maximum leverage, calculated in accordance with the commitment basis under the AIFM Directive, will not exceed 200% of the Net Asset Value of the Portfolio.

## 21 **Investment Restrictions**

The general investment restrictions set out in the "Investment and Borrowing Restrictions" section of the Prospectus apply to the Portfolio, these include restrictions requiring that:

- a. The AIFM may not acquire any shares carrying voting rights that would enable it to exercise significant influence over the management of an issuing body where such issuing body is a company that has its shares admitted to trading on a regulated market. This restriction is not applied to investment in other collective investment schemes.
- b. Where the Portfolio invests in units of a collective investment scheme managed by the AIFM or an associated or related company, the manager of the scheme in which

the investment is being made must waive any preliminary/initial charge which it is entitled to charge for its own account in relation to the acquisition of units.

- c. Where a commission is received by the AIFM by virtue of an investment in the units of another collective investment scheme managed by the AIFM or an associated or related company, this commission must be paid into the property of the Portfolio.
- d. The Portfolio may invest in other Portfolios of the Fund which in turn may also invest in other Portfolios of the Fund provided that those latter Portfolios may not cross-invest within the Fund.

In addition, the following investment restrictions apply specifically to the Portfolio:

- a. The Portfolio will not invest directly in or directly hold commodities;
- b. The Portfolio will not directly engage in short selling;
- c. The Portfolio may not invest more than 10% of net assets in other collective investment schemes;
- d. The Portfolio may not hold more than 25% of the units or shares in any other collective investment schemes;
- e. The Portfolio may not carry out sales of transferable securities when such securities are not in the ownership of the Portfolio; and
- f. The Portfolio may invest no more than:
  - (i) 10% of its Net Asset Value in transferable securities or money market instruments issued by the same body; and
  - (ii) the total value of the transferable securities and money market instruments held by the Portfolio in the issuing bodies in each of which it invests more than 5% of its Net Asset Value must not exceed 40% of the value of its Net Asset Value. This limit does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

## **22 Distributions**

It is not intended to declare any distributions.

## **23 Listing of Units**

Although listing on Euronext Dublin may be investigated in the future, there is no current intention to apply for listing of the Class Z Units or Class P Units on any exchange.

## **24 Investment Managers**

### ***Coronation Investment Management International Proprietary Limited***

Pursuant to an investment management agreement effective as of 13 December 2023 between the AIFM and Coronation Investment Management International (PTY) Ltd



("CIMI" or "**Investment Manager**") and as may be amended from time to time, CIMI is responsible for managing the investment and re-investment of the assets of the Portfolio (the "**CIMI Investment Management Agreement**").

The major activity of CIMI is asset management. CIMI, having its principal office at 7th Floor, Montclare Place, Cnr Campground and Main Road, Claremont, 7708, Cape Town, South Africa, is an FSCA regulated company incorporated and registered in South Africa to act as investment manager/investment advisor to a variety of funds. CIMI is a wholly owned subsidiary of Coronation Fund Managers Limited.

The CIMI Investment Management Agreement provides that the appointment of CIMI will continue unless and until terminated by the AIFM or CIMI giving not less than ninety (90) days' notice in writing to the other party. In certain circumstances as set out therein, the CIMI Investment Management Agreement may be terminated immediately by either party. CIMI shall not be liable to the Portfolios on account of anything done or suffered by CIMI in accordance with or in pursuance of any request or advice of the AIFM (otherwise than due to the fraud, wilful default or negligence in the performance by CIMI its servants or agents). Pursuant to the CIMI Investment Management Agreement, the AIFM undertakes to hold harmless and indemnify CIMI, its employees and agents against all actions, proceedings and claims and against all costs, demands and expenses (including legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by CIMI by reason of its performance of its duties under the terms of the CIMI Investment Management Agreement (otherwise than due to the wilful default, fraud or negligence in the performance by CIMI, its servants or agents).

#### ***Coronation International Limited***

Pursuant to an investment management agreement effective as of 13 December 2023 between the AIFM and Coronation International Limited (the "**CIL**" or "**Investment Manager**") and as may be amended from time to time, CIL is responsible for managing the investment and re-investment of the assets of the Portfolio (the "**CIL Investment Management Agreement**").

The major activity of CIL is asset management. CIL, having its principal office at 15 Sackville Street, London, W1S 3DN, United Kingdom, is an FCA regulated company incorporated and registered in the United Kingdom to act as investment manager/adviser to a variety of funds. CIL is a wholly owned subsidiary of Coronation Fund Managers Limited.

The CIL Investment Management Agreement provides that the appointment of CIL will continue unless and until terminated by the AIFM or CIL giving not less than ninety (90) days' notice in writing to the other party. In certain circumstances as set out therein, the CIL Investment Management Agreement may be terminated immediately by either party. CIL shall not be liable to the Portfolios on account of anything done or suffered by CIL in accordance with or in pursuance of any request or advice of the AIFM (otherwise than due to the fraud, wilful default or negligence in the performance by CIL its servants or agents). Pursuant to the CIL Investment Management Agreement, the AIFM undertakes to hold harmless and indemnify CIL, its employees and agents against all actions, proceedings and claims and against all costs, demands and expenses (including legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by CIL by reason of its performance of its duties under the terms of the CIL Investment Management



Agreement (otherwise than due to the wilful default, fraud or negligence in the performance by CIL, its servants or agents).

The Investment Managers may with the prior approval of the AIFM and in accordance with the requirements of the Central Bank, appoint one or more sub-investment managers, advisers or delegates if deemed necessary.

## 25 Fees

In addition to the general management and fund charges set out in the Prospectus under the heading "Management and Fund Charges - General" the following fees and expenses are payable out of the Portfolio, subject to the voluntary cap detailed below.

### ***The AIFM***

The AIFM will be entitled to an annual fee, accrued daily and payable monthly in arrears, at a rate of 0.85% of the Net Asset Value of the Portfolio attributable to Class P (plus VAT, if any).

No annual fee will be payable to the AIFM out of the assets of the Portfolio in respect of the Class Z Units.

The AIFM shall be entitled to be repaid out of the assets of the Portfolio such expenses provided for in the "Management and Fund Charges" section of the Prospectus.

### ***The Administrator***

The AIFM will pay to the Administrator out of the assets of the Portfolio an annual aggregate fee, accrued at each Valuation Point and payable monthly in arrears, at a rate of up to 0.025% of the Net Asset Value of the Portfolio (plus VAT, if any), plus additional fees related to the complexity of the Portfolio (e.g., number of classes), subject to a minimum annual fee. The minimum annual fee is US\$50,000, and applies pro rata to the Portfolio based on Net Asset Value when the aggregate fee in respect of all Portfolios under the agreement is less than US\$50,000 times the number of Portfolios under the agreement. In addition, the Administrator will be paid out of the assets of the Portfolio fees for maintaining investor records.

The Administrator shall be entitled to be repaid out of the assets of the Portfolio such expenses provided for in the "Management and Fund Charges" section of the Prospectus.

### ***The Trustee and Depositary***

The AIFM shall pay to the Trustee out of the assets of the Portfolio an annual fee in respect of the trustee and depositary services provided by it to the Portfolio, which fee shall accrue at each Valuation Point and be payable in arrears on a monthly basis, at a rate which will not exceed 0.0284% of the Net Asset Value of the Portfolio (plus VAT, if any).

Safekeeping fees for depositary services will vary from market to market, and will tend to be higher in less developed markets.

Depository service fees will also include event based transaction fees and value based safekeeping fees.

The Trustee shall be entitled to be repaid out of the assets of the relevant Portfolio all of its disbursements which shall include legal fees, courier's fees, telecommunication costs and expenses and the fees (where applicable) and out-of-pocket expenses of any sub-custodians appointed by the Trustee which will be at normal commercial rates.

The Trustee shall also be entitled to be repaid out of the assets of the Portfolio such other expenses provided for in the "Management and Fund Charges" section of the Prospectus.

The Administrator and the Trustee form part of the same group which allows the AIFM the benefit of negotiating fee rates based on the holistic service offering. This Supplement will be updated prior to the implementation of any increase in the maximum fee payable to the Administrator and/or the Trustee as set out above as determined on an aggregated basis, save for annual inflationary increases measured in accordance with the Central Statistics Office Consumer Price Index. Unitholders will be given reasonable notice of increases to the maximum aggregate administration and trustee fees, other than the aforementioned annual inflationary increases, to enable Unitholders to redeem their Units prior to implementation of such a change.

### ***Investment Managers***

The AIFM will pay to the Investment Manager, out of the AIFM fee as opposed to out of the assets of the Portfolio, an annual fee (plus VAT, if any) accrued weekly and payable monthly in arrears unless the AIFM and the Investment Manager agree otherwise.

No annual fee will be payable to the Investment Managers out of the assets of the Portfolio in respect of the Class Z Units or the Class P Units.

The Investment Managers shall be entitled to be repaid out of the assets of the Portfolio such expenses provided for in the "Management and Fund Charges" section of the Prospectus.

### ***Voluntary Expense Cap***

To the extent that certain operating expenses (i.e. all expenses other than management fees and performance fees, the cost of buying and selling assets, including brokerage and any anti-dilution levies charged, and interest) (the "**Qualifying Expenses**") exceed 0.20% per annum (the "**Cap Rate**") of the average market value of the Portfolio (the "**Voluntary Expense Cap**") over the VEC Calculation Period (as defined in this paragraph), the AIFM shall be responsible for and will reimburse the Portfolio in the amount of such excess, with such obligation arising from the time that the Voluntary Expense Cap is introduced. The calculation period for the Voluntary Expense Cap shall comprise each successive twelve month period in each financial year of the Portfolio (each a "**VEC Calculation Period**"). The Voluntary Expense Cap will be calculated as the Cap Rate multiplied by the average daily market value over the VEC Calculation Period. Where the Qualifying Expenses incurred during the VEC Calculation Period exceed the Voluntary Expense Cap at the calculation date (being the last Valuation Day of the VEC Calculation Period), the AIFM will inject the excess amount into the Portfolio. The excess amount will be payable in arrears at the end of the VEC Calculation Period and therefore actual operating expenses incurred

by the Portfolio could exceed the Voluntary Expense Cap at other points during the VEC Calculation Period. As stated above, Qualifying Expenses will include all operating expenses other than management and performance fees, the cost of buying and selling assets (including brokerage and any anti-dilution levies charged) and interest.

The Voluntary Expense Cap shall apply in respect of each VEC Calculation Period until such time as at the sole discretion of the AIFM, the Voluntary Expense Cap is removed, provided that Unitholders will be given reasonable notice prior to such removal to enable them to redeem their Units if they wish.

## **26 Risk Factors**

The general risk factors set out in the "Risk Factors" section of the Prospectus apply to the Portfolio.

## **27 How to Redeem Units**

Requests for the redemption of Units should be submitted to the AIFM c/o the Administrator in accordance with the provisions set out in the Prospectus.

Requests received prior to a Dealing Deadline for a Redemption Day will be dealt with on the relevant Redemption Day and if received after the relevant Dealing Deadline will be dealt with as request for redemption for the next succeeding Redemption Day. A redemption request once given will not be capable of withdrawal unless the AIFM exercises its discretion to allow the withdrawal of the request. Applications by email or facsimile will be treated as definite orders. Any subsequent application may be sent by email, facsimile or letter.

The amount due on the redemption of Units of any class in the Portfolio will be paid by the Settlement Date at the Unitholder's risk and expense by electronic transfer to an account in the name of the Unitholder. Payment of the proceeds of redemption will only be paid on receipt by the Administrator of the original Application Form together with all supporting documentation thereto, unless the AIFM and the Administrator agree otherwise.

No Unitholder shall be entitled to realise part only of his holding of Units of any class in the Portfolio if such realisation would result in his holding of Units of such class after such realisation being below the Minimum Holding.

The AIFM may at its discretion with the consent of the Unitholder or at the request of the Unitholder satisfy a redemption request by a redemption of investments of the Portfolio in specie provided that such a redemption would not prejudice the remaining Unitholders of that Portfolio, which provisions are summarised under "In Specie Redemptions" in the Prospectus.

If the Administrator receives requests for the repurchase of Units totalling 10% or more of the outstanding Units of the Portfolio on any Dealing Day, the AIFM, may elect to restrict the total number of Units repurchased to 10% or more of the outstanding Units. In such case, redemption requests will be scaled down pro rata and the balance of outstanding redemption requests shall be treated as if they were received on each subsequent Dealing Day until all Units to which the original request related have been redeemed. Such deferred

repurchase requests will have priority over repurchase requests received on subsequent Dealing Days.

This section should be read in conjunction with the section entitled "Redemption of Units" in the Prospectus.

## ANNEX II

### Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** Coronation International Core Equity Fund  
**Legal entity identifier:** 635400H3JHJXUKMSLG56

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?



**Yes**



**No**

|   |   |
|---|---|
| <input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective:</b> ____% <div style="margin-left: 40px;"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br/><br/> <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy         </div><br><input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective:</b> ____% | <input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments <div style="margin-left: 40px;"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br/><br/> <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy<br/><br/> <input type="checkbox"/> with a social objective         </div><br><input checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b> |
|---|---|

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



## What environmental and/or social characteristics are promoted by this financial product?

The Portfolio promotes the following environmental characteristics:

**Greenhouse Gas Emissions Reduction; Climate Change Mitigation:** The transition away from fossil fuels and the reduction of toxic emissions through the exclusion of companies that engage in specific carbon-intensive activities relating to the extraction or consumption of fossil fuels that cause material harm to the environment.

The Portfolio promotes the following social characteristics:

1. **Social Sustainability:** The protection and advancement of human rights, labour rights and anti-corruption practices through the exclusion of companies that do not satisfactorily align with the principles of the UN Global Compact.
2. **Good Health and Wellbeing; Human Rights:** Health and safety-related standards through the exclusion of companies that are engaged in activities related to the production and distribution of tobacco and of controversial weapons.

In order to promote these environmental and social characteristics, the Investment Managers apply a binding set of sector-based and conduct-based exclusions when determining investments to be made. The AIFM and the Investment Managers have adopted the Exclusion Policy of Coronation Fund Managers Limited ("**Coronation**"), which can be found at the link set out in the response below to the question "Where can I find more product specific information online".

The Exclusion Policy requires exclusion of investment in companies that derive a material part of their annual revenue from activities that are generally regarded as causing material environmental or societal harm, including:

- the mining and extraction of thermal coal;
- the production of coal-based power;
- the extraction of oil from tar sands;
- the production or distribution of controversial weapons; and
- the production or distribution of tobacco and tobacco products.

The following table sets out the annual revenue thresholds that apply to each of the sector-based exclusions:

| Sector   | Revenue Threshold per annum |
|--|-----------------------------|
| <b>Tobacco production</b>                        | 20%                         |
| <b>Tobacco supply, distribution or licensing</b> | 25%                         |
| <b>Controversial weapons</b>                     | 10%                         |
| <b>Thermal coal mining and extraction</b>        | 30%                         |
| <b>Coal-based power</b>                          | 20%                         |
| <b>Oil from tar sands</b>                        | 10%                         |

As noted above, where a company's annual revenue exceeds the "Revenue Threshold" for a specific sector, then that company will be excluded from the investment universe of the Portfolio, unless there is reasonable sufficient evidence to indicate that the relevant company will not remain in breach of the Revenue Threshold going forward.

The Portfolio shall also seek exposure to companies that adhere to internationally accepted standards for human rights, labour rights (including the abolition of child labour) and environmental practices.

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Portfolio.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

As part of the investment process, the sustainability indicator that the AIFM considers to measure the environmental and/or social characteristics promoted by the Portfolio is the integration of the Exclusion Policy.

The following sustainability indicators are used to measure the success of the Investment Managers' approach to the promotion of environmental and social characteristics:

**Environmental Characteristics:**

- Number and percentage of investments where the revenue that is derived from the mining and extraction of thermal coal exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy\*);
- Number and percentage of investments where the revenue that is derived from the production of coal-based power exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy);
- Number and percentage of investments where the revenue that is derived from the extraction of oil from tar sands exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy).

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.



- Carbon emissions profile of the Portfolio \*\*, including:
  - Absolute carbon emissions and equivalents (Scope 1 and 2)\*\*\*
  - Carbon footprint and equivalents (Scope 1 and 2)
  - Weighted average carbon intensity (and equivalents) (Scope 1 and 2)

**Social Characteristics:**

- Number and percentage of investments where the revenue that is derived from the production or distribution of controversial weapons exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy).
- Number and percentage of investments where the revenue that is derived from the production or distribution of tobacco and tobacco products exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy).
- Number and percentage of investments that have been flagged as not adhering to the ten principles of the United Nations Global Compact ("**UNGC**") and where meaningful action is not being taken to address the related concerns (as defined in the Exclusion Policy).

For more details on the exclusions that apply to this Product, please refer to the Exclusion Policy which can be found at the link set out in the response below to the question "Where can I find more product specific information online".

\* Exclusions are applied in accordance with the Exclusion Policy. The Investment Managers will apply the Exclusion Policy to determine which securities meet the Exclusion Criteria, and must therefore be excluded from the investment universe of the Product.

\*\* The Product does not have specific carbon emissions targets and may exhibit an emissions profile that increases over time or is higher than a comparable benchmark. The exclusion of specified activities relating to the production or consumption of fossil fuels is expected to have a positive impact on the Product's emissions profile.

\*\*\* Scope 1 emissions are carbon emissions produced directly by a company's activities. Scope 2 emissions are carbon emissions related to the electricity that a company consumes.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

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

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



**Does this financial product consider principal adverse impacts on sustainability factors?**

☐ Yes, \_\_\_\_\_

☒ No

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

### What investment strategy does this financial product follow?

The Portfolio is an actively managed financial product that aims to produce above average long term returns primarily through investment in equities and equity related securities in global markets outside of the United States.

The Portfolio's return is measured against the MSCI ACWI ex USA (Net) Index (NDUEACWZ as quoted by Bloomberg). The investment objective is achieved by investing at least 90% of its assets in equities and equity-related securities (such as warrants, convertible preference shares and convertible bonds) of companies listed or traded on a Recognised Exchange. The Portfolio will be allowed to invest a maximum of 10% of its net assets into equities and equity-related securities of companies that are domiciled in the United States, provided that such companies have the predominant part of their business activities outside of the United States and/or, are holding companies that have the predominant part of their assets in companies with their registered office outside of the United States.

The Investment Managers follow a long-term valuation-driven investment strategy that is designed to identify and invest in securities that are expected to generate superior risk-adjusted investment returns over the long term. To achieve this, the Investment Managers perform ongoing fundamental research into the long-term prospects of each of the securities that they research, including engaging with companies to gain a better understanding of their business prospects and risks.

The Investment Managers apply a long-term investment approach which allows them to evaluate and invest in securities over long time horizons (typically 5 years and longer). The investment opportunities that are identified through the research process are combined into a portfolio of securities that aims to achieve the investment objective of the Portfolio. During the life of an investment, ESG factors are monitored on an on-going basis as part of the Investment Managers' investment process.

***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

#### ESG sectoral and conduct exclusion policy

The Portfolio is required to adhere to the Exclusion Policy adopted by the AIFM. To ensure that the environmental and social characteristics promoted by the Portfolio can be attained, the Portfolio will apply the Exclusion Policy referenced above.

For more details on the exclusions that apply to this Portfolio, please refer to the Exclusion Policy which can be found at the link set out in the response below to the question "Where can I find more product specific information online".

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Not applicable

- ***What is the policy to assess good governance practices of the investee companies?***

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The Investment Managers aim to ensure that the companies in which the Portfolio invests maintain high standards of governance, including sound management structures, employee relations, remuneration of staff and tax compliance. Companies are evaluated across a wide array of matters relating to governance. These include the composition, strength and independence of the board, executive compensation and alignment of interests, as well as ethical conduct, anti-corruption practices and the management of conflicts of interest. Practices relating to capital allocation, the protection of shareholder rights and third-party assurance and reporting are also evaluated. The Investment Managers seek transparency, engagement and comprehensive reporting, as this provides the information basis to assess whether a company adheres to high standards of corporate governance and integrates ESG considerations. Engagement with investee management and board of directors can be by way of telephone calls, online interactions, in-person meetings, letters and written statements.

The Portfolio is also required to exclude investment into any company that is considered to be engaged in practices that cause or could result in material harm to the environment and/or have a material negative societal impact, taking the ten principles of the UNGC into account.

Please refer to Coronation's ESG Policy, Proxy Voting Policy and latest annual Stewardship Report, all of which are available at the link set out in the response below to the question "Where can I find more product specific information online", for more information on how the governance practices of investee companies are incorporated into the investment process.



### **What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in specific assets.

The Portfolio aims to hold a minimum of 90% investments that are aligned with the environmental or social characteristics promoted by the Portfolio. The Portfolio aims to hold a maximum of 10% investments that are not aligned with the environmental or social characteristics promoted by the Portfolio and are not sustainable investments, and which fall into the 'other' section of the Portfolio.

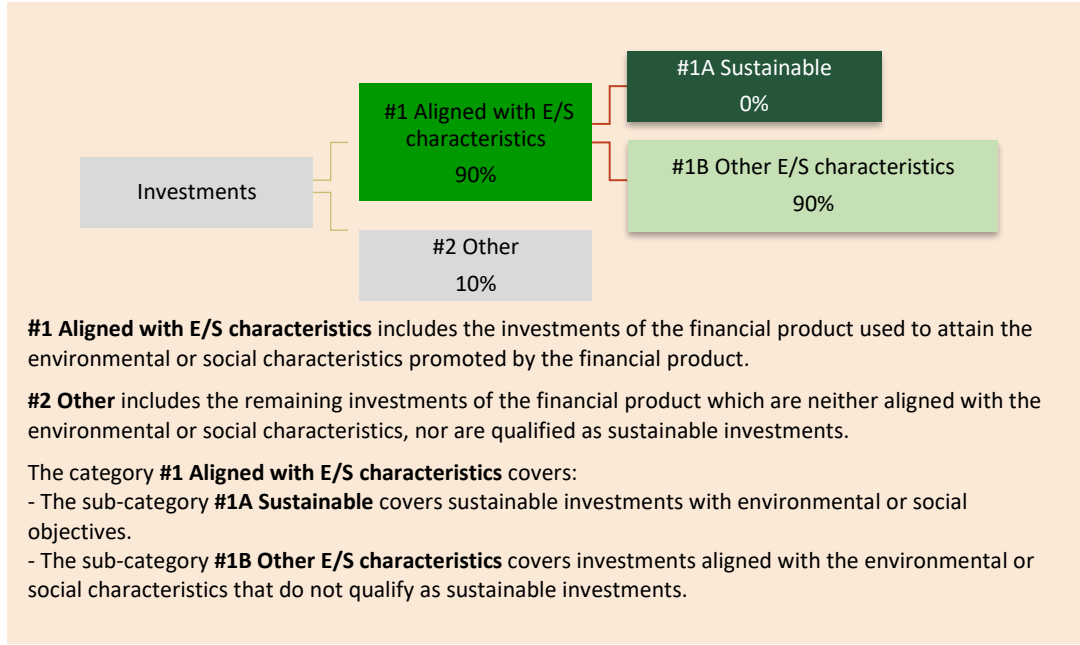
Please note that while the Investment Managers' aim is to achieve the asset allocation targets outlined above, these figures may fluctuate during the investment period and ultimately, as with any investment target, may not be attained.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The Portfolio does not commit to holding sustainable investments. The Investment Managers do not assess whether a security is Taxonomy-aligned prior to investing in that security. Any investments held by the Portfolio that are Taxonomy-aligned are incidental and not a result of a deliberate decision to invest in Taxonomy-aligned securities.

The exact asset allocation of the Portfolio will be reported in the Portfolio’s mandatory periodic report SFDR template, for the relevant reference period.



● ***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

Whilst the Portfolio may use derivatives for efficient portfolio management purposes as more fully set out in the Prospectus and the Supplement, such derivatives are not used for the purposes of attaining the environmental and social characteristics promoted by the Portfolio.



## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

- Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?

☐

Yes:

☐

In fossil gas

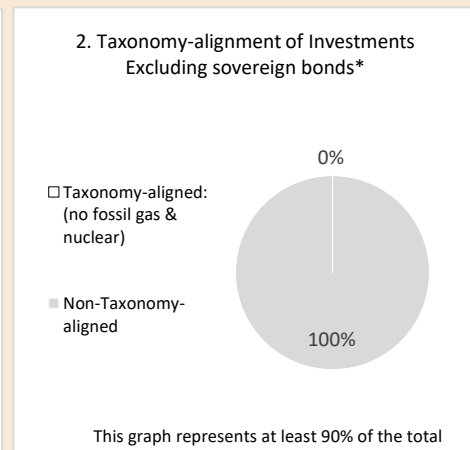
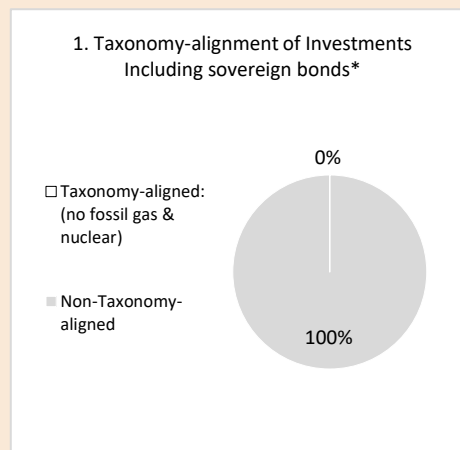
☐

In nuclear energy

☒

No

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

<sup>1</sup>Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Not applicable. The analysis and disclosure requirements introduced by the Taxonomy Regulation are very detailed and compliance with them requires the availability of multiple, specific data points in respect of each investment which the Portfolio makes. The AIFM is not committing that the Portfolio will invest in investments that qualify as environmentally sustainable for the purposes of the Taxonomy Regulation. As such, the minimum proportion of the Portfolio's investments that contribute to environmentally sustainable economic activities for the purposes of the Taxonomy Regulation will be 0%. It cannot be excluded that some of the Portfolio's holdings qualify as Taxonomy-aligned investments. Disclosures and reporting on Taxonomy alignment will develop as the EU framework evolves and data is made available by issuers.

● ***What is the minimum share of investments in transitional and enabling activities?***

Not applicable.



are

sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable.



**What is the minimum share of socially sustainable investments?**

Not applicable as the Product does not commit to invest in sustainable investments.



**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

"Other" includes the remaining investments of the Portfolio which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The "Other" section in the Portfolio is held for a number of reasons that the Investment Managers feel will be beneficial to the Portfolio, such as, but not limited to, achieving risk management, and/or to ensure adequate liquidity, hedging and collateral cover.

The Portfolio may hold cash or other fixed income instruments for any of the purposes set out in the Portfolio's Investment Policy. In accordance with this policy, these instruments are expected to comprise a small percentage of the overall market value of the Portfolio.



The Investment Managers may not promote ESG characteristics in respect of these investments.



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Not applicable.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

Not applicable.



**Where can I find more product specific information online?**

Product factsheets and other literature can be found on Coronation's website at [www.coronation.com](http://www.coronation.com).

**More product-specific information can be found on the website:**

<https://www.coronation.com/en/institutional/about-us/SustainabilityRelatedDisclosure>

## CORONATION EMERGING MARKETS EX-CHINA FUND

**Supplement 2 dated 16 April 2025 to the Prospectus of the Coronation Investment Funds dated 16 April 2025.**

### 1 Structure

Coronation Emerging Market Ex-China Fund (the "**Portfolio**") is a portfolio of Coronation Investment Funds, an open-ended umbrella unit trust established pursuant to the provisions of the Unit Trusts Act, 1990 and any regulations made thereunder and authorised by the Central Bank as a Qualifying Investor AIF pursuant to the AIF Rulebook. At the date of this Supplement, Coronation Investment Funds has established three other sub-funds being the Coronation International Core Equity Fund, Coronation Global Equity Income Fund and Coronation Emerging Markets Diversified Equity Fund. In the event that additional sub-funds are added, a full list will be maintained by the AIFM and available to investors on request.

The Fund Annex (being the annex hereof) sets out the pre-contractual disclosure template with respect to the Portfolio and has been prepared in accordance with the requirements of SFDR and contains additional information pertaining to the Portfolio in accordance with SFDR. The Fund Annex forms part of and should be read in conjunction with the Supplement. In the event of any inconsistency between the terms of the Fund Annex and the terms of the Supplement with regard to disclosure pertaining to SFDR, the Fund Annex shall prevail.

A description of

- the Fund and its management and administration
- general management and fund charges
- taxation of the Fund and its Unitholders and
- risk factors

is contained in the Prospectus. **This Supplement forms part of the Prospectus and should be read in the context of and in conjunction with the Prospectus. Capitalised terms used in this Supplement shall bear the meanings attributable to them in the Prospectus.** The Prospectus is available from

- J.P. Morgan Administration Services (Ireland) Limited, 200 Capital Dock, 79 Sir John Rogerson's Quay, Dublin D02 RK57, Ireland (the "**Administrator**"); or
- Coronation International Limited at 15 Sackville Street, London, W1S 3DN, United Kingdom (being an "**Investment Manager**" of this Portfolio); or
- Available for download from [www.coronation.com](http://www.coronation.com).

## 2 Classes of Units

### *Classes of Units*

| Class                | Designated Currency |
|----------------------|---------------------|
| <b>Class Z Units</b> | <b>USD</b>          |
| <b>Class P Units</b> | <b>USD</b>          |

The Class Z Units will only be available to accounts managed by the Coronation group and selected other investors with the prior consent of the AIFM. The Class P Units will only be available to accounts managed by fund supermarkets, platforms, or other bulk account investors and selected other investors with the prior consent of the AIFM.

The creation of additional Classes will be notified in advance to the Central Bank.

## 3 Issue Price

During the Initial Offer Period (as defined in the "**Initial Offer Period**" section below), Class Z Units (designated in US Dollars) and Class P Units (designated in US Dollars) will be issued at \$10 per Unit.

After the Initial Offer Period, Class Z Units (designated in US Dollar) and Class P Units (designated in US Dollars) will be issued at the Net Asset Value per Unit.

## 4 How to Subscribe for Units

Application for Units should be made by completing and submitting an Application Form in accordance with the provisions set out in the Prospectus to be received by the Administrator on or before the dealing deadline for subscriptions set out under the section headed "*Dealing Deadlines*".

Applications by email or facsimile will be treated as definite orders and no application will be capable of withdrawal after acceptance by the Administrator. Any subsequent application may be sent by email, facsimile or letter.

The Minimum Holding must be maintained by each Unitholder in the Portfolio (subject to the discretion of the AIFM) following any partial redemption or exchange of Units.

Unless the Administrator otherwise agrees, payment for Units must be received by the relevant Settlement Date by electronic transfer in cleared funds in the currency of the relevant Units.

This section should be read in conjunction with the section entitled "Issue of Units" in the Prospectus.

## 5 Initial Offer Period

The initial offer period for Class P Units will begin at 9.00am (Irish time) on 17 April 2025 and will continue until 5.00pm (Irish time) on 16 October 2025 (the "**Initial Offer Period**"). The Initial Offer Period may be shortened or extended by the AIFM, in accordance with any applicable requirements of the Central Bank.

The initial offer period for Class Z Units closed on 1 July 2024.

**6 Minimum Initial Investment Amount**

€100,000 or its equivalent in the relevant currency or such greater or lesser amounts as the Directors of the AIFM may, in their absolute discretion, decide, provided that the minimum initial investment in the Fund as a whole is at least €100,000 (or its foreign currency equivalent).

**7 Minimum Holding**

Units representing a value of at least €100,000 or the foreign currency equivalent thereof.

**8 Base Currency**

United States dollars (US\$).

**9 Anti-Dilution Levy**

The AIFM may impose an Anti-Dilution Levy (as defined in the Prospectus) in the event of receipt for processing of net subscription or net redemption requests exceeding 5% of the Net Asset Value of the Portfolio on a Dealing Day (including subscriptions and/or redemptions which would be effected as a result of requests for switching from one Portfolio into another Portfolio). Any such levy will be deducted, on pro rata basis from Unitholders, from the subscription amount received as a separate charge in the case of net subscription requests exceeding 5% of the Net Asset Value of the Portfolio and deducted from the redemption proceeds to be paid in the case of net redemption requests exceeding 5% of the Net Asset Value of the Portfolio (including subscriptions and/or redemptions which would be effect as a result of requests for switching from one Portfolio into another Portfolio).

However where a gross single subscription and/or redemption and/or switching request exceeds 5% of the net asset value of the Portfolio on any Dealing Day (the “5% threshold”), the AIFM may at its discretion, as opposed to apportioning the anti-dilution levy on the basis as set out above, apportion the Anti-Dilution Levy, on a pro rata basis, only to the applicable subscriber(s) and/or Unitholder(s) requesting redemption and/or switching exceeding that 5% threshold. In such circumstance, the Anti-Dilution Levy payable will still be calculated by taking into account any other requests for subscriptions / redemptions to be effected on the same Dealing Day which could potentially reduce the market impact of the dealing costs to be incurred. The Anti-Dilution Levy will be deducted from the subscription amount received as a separate charge in the case of a subscription/switching request exceeding the 5% threshold and deducted from the redemption proceeds to be paid in the case of a redemption/switching request exceeding the 5% threshold.

The Anti-Dilution Levy will be paid into the Portfolio and become part of the property of the Portfolio and is designed to protect the value of the Portfolio’s underlying assets and any current Unitholders’ interests in the Portfolio. The AIFM shall be entitled to waive the Anti-Dilution Levy in circumstances where the AIFM considers it appropriate to do so.

## **10 Dealing Day**

Each Business Day shall constitute a Dealing Day for the Portfolio. Additional Dealing Days may be declared at the discretion of the AIFM and notified in advance to Unitholders.

## **11 Dealing Deadline**

In relation to applications for subscription, the deadline is 5.00pm (Irish time) on the Business Day preceding the relevant Dealing Day or such other deadline as the AIFM may determine and notify in advance to Unitholders.

In relation to applications for redemption, the deadline is 5:00pm (Irish time) on the Business Day preceding the relevant Redemption Day or such other deadline as the AIFM may determine and notify in advance to Unitholders.

The Directors of the AIFM may agree to waive any of the above deadlines for receipt of applications at their discretion, provided that such applications are received before the Valuation Point for the relevant Dealing Day.

## **12 Settlement Date**

In the case of subscriptions, settlement must occur by 5:00pm (Irish time) on the relevant Dealing Day. However, the AIFM (subject to prior agreement) may extend the settlement period up to 3 Business Days after the relevant Dealing Day to facilitate payment or settlement methods or by such longer period as the Directors of the AIFM may approve. The AIFM reserves the right to defer the issue of Units until receipt of cleared subscription monies by the Portfolio.

In the case of redemptions, the redemption price will normally be payable to the Unitholder within five Business Days after the relevant Redemption Day (and, in any event, not later than thirty calendar days after the relevant Redemption Day) subject to receipt by the Administrator of the redemption request, supporting information and documentation as required by the AIFM and/or the Administrator.

Redemption requests may be submitted by fax to the Administrator at +353 (0) 1 612 5779 (or such other number as may be designated for this purpose from time to time) or by email to [Ireland.ta.email.dealing@jpmorgan.com](mailto:Ireland.ta.email.dealing@jpmorgan.com). All redemption requests carried out by fax or email should, if required by the AIFM or the Administrator, be verified by Unitholders by telephone to the Administrator to confirm receipt of their fax or email instruction.

## **13 Valuation Day/Valuation Point**

Valuation Day means each Dealing Day. Additional Valuation Days may be determined at the discretion of the AIFM.

Valuation Point means the point in time by reference to which the Net Asset Value of the Portfolio is calculated which, unless otherwise specified by the Directors of the AIFM (and notified to Unitholders) with the approval of the Trustee, shall be the close of business in the relevant market on the Valuation Day.

#### 14 **Redemption Day**

Redemption Day means each Dealing Day. Additional Redemption Days may be determined at the discretion of the AIFM and notified to Unitholders in advance.

#### 15 **Net Asset Value**

The Administrator calculates the Net Asset Value per Unit as at the Valuation Point of each Dealing Day in accordance with the procedure provided for under the heading "Calculation of Net Asset Value" in the Prospectus.

#### 16 **Investment Objective**

The investment objective of the Portfolio is to produce long term out-performance of the Benchmark (as described below) primarily through investment in equities and equity related securities in global emerging markets.

**There is no guarantee that this objective will be achieved.**

#### 17 **Investment Policies**

The investment objective will be achieved by investing, either directly or indirectly, at least 80% of the Portfolio's assets in equities and equity-related securities (such as warrants, convertible preference shares, and convertible bonds) of companies that (i) are listed or traded on a Recognised Exchange in an Emerging Market country or a Frontier Market country; and/or (ii) have the predominant part of their business activities in an Emerging Market country or a Frontier Market country; and/or, (iii) have the predominant part of their assets in companies with their registered office in an Emerging Market country or a Frontier Market country.

**"Emerging Market"** shall mean any country other than China that is classified as an Emerging Market by MSCI Inc in accordance with the MSCI Market Classification Framework or any country, other than China, considered to be an Emerging Market by the AIFM or either of the Investment Manager in their sole discretion.

**"Frontier Market"** shall mean any country other than China that is classified as a Frontier Market by MSCI Inc in accordance with the MSCI Market Classification Framework or any country, other than China, considered to be a Frontier Market by the AIFM or either of the Investment Manager in their sole discretion.

Although it will be the normal policy of the Portfolio to deploy its assets as detailed above, where appropriately valued equity and equity related securities are not available, it may also invest in fixed income instruments, such as international sovereign, government, supranational agency, corporate, bank and other bonds (including mortgage and corporate bonds) and other debt and debt-related securities (such as debentures, notes (including corporate, sovereign, floating and fixed rate notes), asset and mortgage backed securities, certificates of deposit and commercial paper) listed or traded on recognised exchanges located worldwide. Investment in such fixed income securities will be limited to 20% of the net assets of the Portfolio. Such debt and debt-related instruments may be fixed or floating rate, where appropriate, and may be unrated or rated lower than BBB by S&P (or an equivalent rating by other recognised rating agencies).

In the appropriate circumstances, the Portfolio may retain cash and cash equivalents such as certificates of deposit, treasury bills and notes subject to the provisions set out in the **"Investment Process"** section below. The circumstances under which the Portfolio may retain cash and/or cash equivalents include but are not limited to the holding of cash and/or cash equivalents pending reinvestment in accordance with the investment objective and policy of the Portfolio, in order to meet redemptions and/or payment of expenses and/or as cover for financial derivative instruments entered into on behalf of the Portfolio. The amortised cost method of valuation shall not be used to value the money market instruments in which the Portfolio invests.

The Portfolio may use financial derivative instruments such as futures, options, warrants, swaps, forwards (including currency forwards) for purposes of efficient portfolio management or for any investment purpose that is consistent with the investment objectives and policy of the Portfolio. Such derivatives will be covered by liquid assets and will include exchange traded as well as over-the-counter transactions. The reference assets to which these derivatives relate may include equities, fixed income securities, collective investment schemes, financial indices, interest rates, foreign exchange rates and currencies. Investment in derivatives may give rise to additional exposure to these reference assets. Effective exposure to underlying assets will be subject to such limits as set out in this Investment Policy section. Furthermore, any additional exposure arising from the use of derivatives by the Portfolio, whether for investment or efficient portfolio management purposes, shall not exceed the limits set in the section entitled **"Borrowing, Leverage and Derivatives"**. Examples of the manner in which the Portfolio may use derivatives are set out below in the section entitled **"Borrowing, Leverage and Derivatives"**.

The Portfolio may also invest in the units of open-ended collective investment schemes, which may include investments in other Portfolios of the Fund, in order to gain exposure to investments consistent with the investment policy of the Portfolio. Such schemes will be managed by the AIFM or other fund management companies and may or may not provide a level of investor protection equivalent to schemes authorised under Irish laws and subject to Irish regulations and conditions. The Portfolio may invest in such collective investment schemes authorised in Luxembourg, Ireland, Bermuda, Isle of Man and/or the Cayman Islands and/or authorised in any other jurisdiction as the AIFM deems appropriate.

The Portfolio may also invest in the units of closed-ended collective investment schemes to gain exposure to investments consistent with the investment policy of the Portfolio provided not more than 20% of its Net Assets may be invested in closed-ended collective investment schemes which are not listed, traded in or dealt on a recognised exchange. Investment in units of closed-ended collective investment schemes may have lower liquidity than investment in open-ended collective investment schemes. The Portfolio may invest in such funds to the extent that it determines that such investment will not affect the Portfolio's ability to provide liquidity sufficient to meet redemptions.

The Portfolio may seek to obtain indirect exposure to asset classes, such as property and commodities (to include, but not limited to, oil, gold and iron), where suitable securities or listed derivatives representing such exposure are available to the Portfolio. Such securities or derivatives include, but are not limited to, the following:



- a. exchange traded commodities ("ETCs"). ETCs are asset backed bonds that track the performance of either: (a) a single commodity, e.g. gold; or (b) a commodity index;
- b. exchange traded notes ("ETNs") that track the performance of a commodity index;
- c. exchange traded funds ("ETFs") which track a commodity index;
- d. ETFs which track a property index; and
- e. derivatives which have a commodity index as their underlying asset.

#### *Benchmark*

The benchmark of the Portfolio is the MSCI Emerging Markets ex-China Total Return (net of withholding taxes) Index (Bloomberg ticker: M1CXBRV) or any successor index, if revised (the "**Benchmark**"). The return of the Portfolio will be measured against the Benchmark, but it will not track the index.

The Benchmark is a widely used measure of the performance of equities listed or traded on recognised exchanges located in emerging markets including markets such as Brazil and India (amongst others).

#### *Securities Financing Transactions*

The Portfolio may engage in Securities Financing Transactions in accordance with the requirements of SFTR and the Central Bank Requirements. Any type of assets that may be held by the Portfolio in accordance with its investment objective and policy may be subject to such Securities Financing Transactions. The Portfolio may also use Total Return Swaps and apply these to certain types of assets held by the Portfolio as disclosed in the section "**Investment Policy**" above. The semi-annual and annual reports of the Fund will express, as an absolute amount and as a percentage of the Portfolio's assets, the amount of Portfolio assets subject to Securities Financing Transactions and Total Return Swaps. Should the Portfolio engage in Securities Financing Transactions, the expected and maximum exposure of the Portfolio to Securities Financing Transactions shall be 30% and 50% of the Net Asset Value of the Portfolio, respectively. Further details on Securities Financing Transactions are set out in the Prospectus under the heading "Securities Financing Transactions".

#### *SFDR Fund Classification: Article 8*

The Portfolio meets the classification of Article 8 under SFDR as it promotes environmental and social characteristics by applying the AIFM's Exclusion Policy, as more fully set out in the Annex I appended hereto.

Furthermore, the Investment Manager considers the ESG Policy when determining the investments to make for the Portfolio and in doing so, the Investment Manager integrates ESG factors into the investment decision-making process.

As set out in further detail in the Prospectus, the Exclusion Policy and the ESG Policy is available on Coronation's website, at [www.coronation.com](http://www.coronation.com).

Further information about the environmental and social characteristics promoted by the Portfolio is available in the Annex I appended hereto.

In addition to the Annex I, please also refer to Appendix III of the Prospectus which contains disclosures required under SFDR and certain additional information relevant to this Portfolio.

## **18 Investment Process**

The Investment Manager shall apply the following investment process in the selection and monitoring of the assets of the Portfolio managed by the Investment Manager.

The country and equity selection will be driven by the relative attractiveness of individual equity securities across the investable universe. The key factors in determining attractiveness will be the Investment Manager's assessment of valuation, risk and liquidity. In determining an appropriate valuation for a security, account will be taken of the various risks inherent within the business including the political stability of the country in which the issuer is domiciled or from which it derives a significant proportion of its earnings.

In managing the Portfolio, the Investment Manager will endeavour to achieve the investment objective through a reasonably concentrated equity selection process. The Investment Manager will actively manage the Portfolio and hence vary the allocation to countries, sectors and individual securities over time. This is not a buy and hold portfolio management strategy.

In addition to the above, where equity investments do not offer adequately attractive valuations, the Investment Manager has the ability to invest up to 20% of the Net Assets of the Portfolio in fixed income securities and to obtain indirect exposure to asset classes, such as property and commodities as set out in the Investment Policy section above. Such investment will be based on the Investment Manager's research and assessment of fair value.

## **19 Assessment of the Impact of Sustainability Risk on Likely Returns**

An assessment is undertaken of the likely impacts of Sustainability Risks on the Portfolio's returns. In considering Sustainability Risks in investment decisions, the Investment Manager may forgo opportunities for the Portfolio to gain exposure to certain issuers and may choose to sell an investment when it might otherwise be disadvantageous to do so. Where a Sustainability Risk occurs in respect of an asset, there could be a negative impact on, or loss of its value. The Investment Manager has determined that the Sustainability Risk faced by the Portfolio is low. However, investors are cautioned that even where Sustainability Risks are identified, there can be no guarantee that the Investment Manager will or have correctly assessed the impact of Sustainability Risks on the Portfolio's investments or proposed investments.

The contents of Appendix III set out in more detail the manner in which the Investment Manager integrates Sustainability Risk into their investment decision-making.

## **20 Borrowing, Leverage and Derivatives**

In accordance with the general provisions set out in the "Borrowing and Leverage" section of the Prospectus, the Investment Manager may borrow, on behalf of the Portfolio, up to 100% of the Net Asset Value of the Portfolio. Notwithstanding this, the Portfolio may borrow from banks, broker-dealers or other financial institutions or entities to bridge short-term

liabilities (including to satisfy repurchase requests). Such borrowing may be secured by pledging, mortgaging or charging the Portfolio's assets.

The Portfolio may also be leveraged through its use of financial derivative instruments. The Portfolio may use derivatives for the purposes of efficient portfolio management or for any investment purpose that is consistent with the investment objectives and policy set out above.

Examples of the ways in which financial derivative instruments may be used, which should not be taken as being exhaustive, or mutually exclusive, include:

- to hedge the currency exposure of the assets of the Portfolio into the base currency of the Portfolio;
- to hedge or reduce the Portfolio's exposure to any asset;
- as a substitute for taking a position in the underlying asset where the Investment Manager feels that derivative exposure to the underlying asset represents better value than direct exposure;
- to align the Portfolio's interest rate exposure with the Investment Manager's outlook for interest rates; and /or
- to gain an exposure to the composition and performance of a particular index, the constituents of which are consistent with the investment policy of the Portfolio.

The maximum leverage, calculated in accordance with the gross basis under the AIFM Directive, will not exceed 200% of the Net Asset Value of the Portfolio.

The maximum leverage, calculated in accordance with the commitment basis under the AIFM Directive, will not exceed 200% of the Net Asset Value of the Portfolio.

## **21 Repurchase/Reverse Repurchase and Stock-lending Agreements and Securities Financing Transactions**

The Portfolio may use repurchase agreements, reverse repurchase agreements and/or stock lending agreements for the purposes of efficient portfolio management including reduction of risk or cost or the generation of additional capital or income for the Portfolio. Further detail in relation to the use of repurchase agreements, reverse repurchase agreements and/or stock lending agreements is provided for in the "Fund – Repurchase/Reverse Repurchase and Stock-lending Agreements" section of the Prospectus.

The Portfolio may engage in SFTs and equity swaps, as described under "Repurchase / Reverse Repurchase and Stock-Lending Arrangements" and "Securities Financing Transactions".

Further details on SFTs are set out in the Prospectus under the headings "Securities Financing Transactions", "Collateral Policy" and "Counterparty Selection Process".

## **22 Investment Restrictions**

The general investment restrictions set out in the "Investment and Borrowing Restrictions" section of the Prospectus apply to the Portfolio, these include restrictions requiring that:

- a. The AIFM may not acquire any shares carrying voting rights that would enable it to exercise significant influence over the management of an issuing body where such issuing body is a company that has its shares admitted to trading on a regulated market. This restriction is not applied to investment in other collective investment schemes.
- b. The Portfolio will not invest more than 50% of its Net Asset Value in any one unregulated investment fund other than in accordance with the AIF Rulebook and will not invest more than 50% of its Net Asset Value in another fund which itself invests more than 50% of its net assets in another investment fund.
- c. Where the Portfolio invests in units of a collective investment scheme managed by the AIFM or an associated or related company, the manager of the scheme in which the investment is being made must waive any preliminary/initial and/or ongoing charge which it is entitled to charge for its own account in relation to the acquisition of units.
- d. Where a commission is received by the AIFM by virtue of an investment in the units of another collective investment scheme managed by the AIFM or an associated or related company, this commission must be paid into the property of the Portfolio.
- e. The Portfolio may invest in other Portfolios of the Fund which in turn may also invest in other Portfolios of the Fund provided that those latter Portfolios may not cross-invest within the Fund.

## 23 Distributions

It is not intended to declare any distributions.

## 24 Listing of Units

Although listing on Euronext Dublin may be investigated in the future, there is no current intention to apply for listing of the Class Z Units or Class P Units on any exchange.

## 25 Investment Manager

### ***Coronation International Limited***

Pursuant to an investment management agreement effective as of 13 December 2023 between the AIFM and Coronation International Limited (the "**CIL**" or "**Investment Manager**") and as may be amended from time to time, CIL is responsible for managing the investment and re-investment of the assets of the Portfolio (the "**CIL Investment Management Agreement**").

The major activity of CIL is asset management. CIL, having its principal office at 15 Sackville Street, London, W1S 3DN, United Kingdom, is an FCA regulated company incorporated and registered in the United Kingdom to act as investment manager/adviser to a variety of funds. CIL is a wholly owned subsidiary of Coronation Fund Managers Limited.

The CIL Investment Management Agreement provides that the appointment of CIL will continue unless and until terminated by the AIFM or CIL giving not less than ninety (90) days' notice in writing to the other party. In certain circumstances as set out therein, the CIL Investment Management Agreement may be terminated immediately by either party. CIL shall not be liable to the Portfolios on account of anything done or suffered by CIL in accordance with or in pursuance of any request or advice of the AIFM (otherwise than due to the fraud, wilful default or negligence in the performance by CIL its servants or agents). Pursuant to the CIL Investment Management Agreement, the AIFM undertakes to hold harmless and indemnify CIL, its employees and agents against all actions, proceedings and claims and against all costs, demands and expenses (including legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by CIL by reason of its performance of its duties under the terms of the CIL Investment Management Agreement (otherwise than due to the wilful default, fraud or negligence in the performance by CIL, its servants or agents).

The Investment Managers may with the prior approval of the AIFM and in accordance with the requirements of the Central Bank, appoint one or more sub-investment managers, advisers or delegates if deemed necessary.

## 26 Fees

In addition to the general management and fund charges set out in the Prospectus under the heading "Management and Fund Charges - General" and the expenses set out under the heading "Initial Expenses", the following fees and expenses are payable out of the Portfolio, subject to the voluntary cap detailed below.

### ***The AIFM***

The AIFM will be entitled to an annual fee, accrued daily and payable monthly in arrears, at a rate of 0.85% of the Net Asset Value of the Portfolio attributable to Class P (plus VAT, if any).

No annual fee will be payable to the AIFM out of the assets of the Portfolio in respect of the Class Z Units.

The AIFM shall be entitled to be repaid out of the assets of the Portfolio such expenses provided for in the "Management and Fund Charges" section of the Prospectus.

### ***The Administrator***

The AIFM will pay to the Administrator out of the assets of the Portfolio an annual aggregate fee, accrued at each Valuation Point and payable monthly in arrears, at a rate of up to 0.025% of the Net Asset Value of the Portfolio (plus VAT, if any), plus additional fees related to the complexity of the Portfolio (e.g., number of classes), subject to a minimum annual fee. The minimum annual fee is US\$50,000, and applies pro rata to the Portfolio based on Net Asset Value when the aggregate fee in respect of all Portfolios under the agreement is less than US\$50,000 times the number of Portfolios under the agreement. In addition, the Administrator will be paid out of the assets of the Portfolio fees for maintaining investor records.

The Administrator shall be entitled to be repaid out of the assets of the Portfolio such expenses provided for in the "Management and Fund Charges" section of the Prospectus.

### ***The Trustee and Depositary***

The AIFM shall pay to the Trustee out of the assets of the Portfolio an annual fee in respect of the trustee and depositary services provided by it to the Portfolio, which fee shall accrue at each Valuation Point and be payable in arrears on a monthly basis, at a rate which will not exceed 0.0284% of the Net Asset Value of the Portfolio (plus VAT, if any).

Safekeeping fees for depositary services will vary from market to market, and will tend to be higher in less developed markets.

Depositary service fees will also include event based transaction fees and value based safekeeping fees.

The Trustee shall be entitled to be repaid out of the assets of the relevant Portfolio all of its disbursements which shall include legal fees, courier's fees, telecommunication costs and expenses and the fees (where applicable) and out-of-pocket expenses of any sub-custodians appointed by the Trustee which will be at normal commercial rates.

The Trustee shall also be entitled to be repaid out of the assets of the Portfolio such other expenses provided for in the "Management and Fund Charges" section of the Prospectus.

The Administrator and the Trustee form part of the same group which allows the AIFM the benefit of negotiating fee rates based on the holistic service offering. This Supplement will be updated prior to the implementation of any increase in the maximum fee payable to the Administrator and/or the Trustee as set out above as determined on an aggregated basis, save for annual inflationary increases measured in accordance with the Central Statistics Office Consumer Price Index. Unitholders will be given reasonable notice of increases to the maximum aggregate administration and trustee fees, other than the aforementioned annual inflationary increases, to enable Unitholders to redeem their Units prior to implementation of such a change.

### ***Investment Manager***

The AIFM will pay to the Investment Manager, out of the AIFM fee as opposed to out of the assets of the Portfolio, an annual fee (plus VAT, if any) accrued weekly and payable monthly in arrears unless the AIFM and the Investment Manager agree otherwise.

No annual fee will be payable to the Investment Manager out of the assets of the Portfolio in respect of the Class Z Units or the Class P Units.

The Investment Manager shall be entitled to be repaid out of the assets of the Portfolio such expenses provided for in the "Management and Fund Charges" section of the Prospectus.

### ***Voluntary Expense Cap***

To the extent that certain operating expenses (i.e. all expenses other than management fees and performance fees, the cost of buying and selling assets, including brokerage and any anti-dilution levies charged, and interest) (the "**Qualifying Expenses**") exceed 0.20% per annum (the "**Cap Rate**") of the average market value of the Portfolio (the "**Voluntary**



**Expense Cap**") over the VEC Calculation Period (as defined in this paragraph), the AIFM shall be responsible for and will reimburse the Portfolio in the amount of such excess, with such obligation arising from the time that the Voluntary Expense Cap is introduced. The calculation period for the Voluntary Expense Cap shall comprise each successive twelve month period in each financial year of the Portfolio (each a "**VEC Calculation Period**"). The Voluntary Expense Cap will be calculated as the Cap Rate multiplied by the average daily market value over the VEC Calculation Period. Where the Qualifying Expenses incurred during the VEC Calculation Period exceed the Voluntary Expense Cap at the calculation date (being the last Valuation Day of the VEC Calculation Period), the AIFM will inject the excess amount into the Portfolio. The excess amount will be payable in arrears at the end of the VEC Calculation Period and therefore actual operating expenses incurred by the Portfolio could exceed the Voluntary Expense Cap at other points during the VEC Calculation Period. As stated above, Qualifying Expenses will include all operating expenses other than management and performance fees, the cost of buying and selling assets (including brokerage and any anti-dilution levies charged) and interest.

The Voluntary Expense Cap shall apply in respect of each VEC Calculation Period until such time as at the sole discretion of the AIFM, the Voluntary Expense Cap is removed, provided that Unitholders will be given reasonable notice prior to such removal to enable them to redeem their Units if they wish.

## 27 Risk Factors

The general risk factors set out in the "**Risk Factors**" section of the Prospectus apply to the Portfolio.

## 28 How to Redeem Units

Requests for the redemption of Units should be submitted to the AIFM c/o the Administrator in accordance with the provisions set out in the Prospectus.

Requests received prior to a Dealing Deadline for a Redemption Day will be dealt with on the relevant Redemption Day and if received after the relevant Dealing Deadline will be dealt with as request for redemption for the next succeeding Redemption Day. A redemption request once given will not be capable of withdrawal unless the AIFM exercises its discretion to allow the withdrawal of the request. Applications by email or facsimile will be treated as definite orders. Any subsequent application may be sent by email, facsimile or letter.

The amount due on the redemption of Units of any class in the Portfolio will be paid by the Settlement Date at the Unitholder's risk and expense by electronic transfer to an account in the name of the Unitholder. Payment of the proceeds of redemption will only be paid on receipt by the Administrator of the original Application Form together with all supporting documentation thereto, unless the AIFM and the Administrator agree otherwise.

No Unitholder shall be entitled to realise part of his holding of Units of any class in the Portfolio if such realisation would result in his holding of Units of such class after such realisation being below the Minimum Holding.

The AIFM may at its discretion with the consent of the Unitholder or at the request of the Unitholder satisfy a redemption request by a redemption of investments of the Portfolio in



specie provided that such a redemption would not prejudice the remaining Unitholders of that Portfolio, which provisions are summarised under "In Specie Redemptions" in the Prospectus.

If the Administrator receives requests for the repurchase of Units totalling 10% or more of the outstanding Units of the Portfolio on any Dealing Day, the AIFM, may elect to restrict the total number of Units repurchased to 10% or more of the outstanding Units. In such case, redemption requests will be scaled down pro rata and the balance of outstanding redemption requests shall be treated as if they were received on each subsequent Dealing Day until all Units to which the original request related have been redeemed. Such deferred repurchase requests will have priority over repurchase requests received on subsequent Dealing Days.

This section should be read in conjunction with the section entitled "Redemption of Units" in the Prospectus.

## **29 Initial Expenses**

The costs of establishing the Portfolio, which are not expected to exceed €30 000 excluding any VAT and outlay will be paid by the AIFM however such costs will be recovered from the Portfolio and may be amortised over the first Accounting Period of the Portfolio's existence or such other period as the AIFM may determine and in such manner as the AIFM in its absolute discretion deems fair and shall be subject to such adjustment following the establishment of the Fund as the AIFM may determine.

## ANNEX II

### Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** Coronation Emerging Markets Ex-China Fund  
**Legal entity identifier:** 635400QULFLKMBVWLH11

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?



Yes



No



It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_\_%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It will make a minimum of **sustainable investments with a social objective:** \_\_\_\_%



It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



## What environmental and/or social characteristics are promoted by this financial product?

The Portfolio promotes the following environmental characteristics:

Greenhouse Gas Emissions Reduction; Climate Change Mitigation: The transition away from fossil fuels and the reduction of toxic emissions through the exclusion of companies that engage in specific carbon-intensive activities relating to the extraction or consumption of fossil fuels that cause material harm to the environment.

The Portfolio promotes the following social characteristics:

1. Social Sustainability: The protection and advancement of human rights, labour rights and anti-corruption practices through the exclusion of companies that do not satisfactorily align with the principles of the UN Global Compact.
2. Good Health and Wellbeing; Human Rights: Health and safety-related standards through the exclusion of companies that are engaged in activities related to the production and distribution of tobacco and of controversial weapons.

In order to promote these environmental and social characteristics, the Investment Manager applies a binding set of sector-based and conduct-based exclusions when determining investments to be made. The AIFM and the Investment Manager have adopted the Exclusion Policy of Coronation Fund Managers Limited ("**Coronation**"), which can be found at the link set out in the response below to the question "Where can I find more product specific information online".

The Exclusion Policy requires exclusion of investment in companies that derive a material part of their annual revenue from activities that are generally regarded as causing material environmental or societal harm, including:

- the mining and extraction of thermal coal;
- the production of coal-based power;
- the extraction of oil from tar sands;
- the production or distribution of controversial weapons; and
- the production or distribution of tobacco and tobacco products.

The following table sets out the annual revenue thresholds that apply to each of the sector-based exclusions:

| Sector   | Revenue Threshold per annum |
|--|-----------------------------|
| <b>Tobacco production</b>                        | 20%                         |
| <b>Tobacco supply, distribution or licensing</b> | 25%                         |
| <b>Controversial weapons</b>                     | 10%                         |
| <b>Thermal coal mining and extraction</b>        | 30%                         |
| <b>Coal-based power</b>                          | 20%                         |
| <b>Oil from tar sands</b>                        | 10%                         |

As noted above, where a company's annual revenue exceeds the "Revenue Threshold" for a specific sector, then that company will be excluded from the investment universe of the Portfolio, unless there is reasonably sufficient evidence to indicate that the relevant company will not remain in breach of the Revenue Threshold going forward.

The Portfolio shall also seek exposure to companies that adhere to internationally accepted standards for human rights, labour rights (including the abolition of child labour) and environmental practices.

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Portfolio.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

As part of the investment process, the sustainability indicator that the AIFM considers to measure the environmental and/or social characteristics promoted by the Portfolio is the integration of the Exclusion Policy.

The following sustainability indicators are used to measure the success of the Investment Manager's approach to the promotion of environmental and social characteristics:

**Environmental Characteristics:**

- Number and percentage of investments where the revenue that is derived from the mining and extraction of thermal coal exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy\*);
- Number and percentage of investments where the revenue that is derived from the production of coal-based power exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy);
- Number and percentage of investments where the revenue that is derived from the extraction of oil from tar sands exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy).

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

- Carbon emissions profile of the Portfolio \*\*, including:
  - Absolute carbon emissions and equivalents (Scope 1 and 2)\*\*\*
  - Carbon footprint and equivalents (Scope 1 and 2)
  - Weighted average carbon intensity (and equivalents) (Scope 1 and 2)

**Social Characteristics:**

- Number and percentage of investments where the revenue that is derived from the production or distribution of controversial weapons exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy).
- Number and percentage of investments where the revenue that is derived from the production or distribution of tobacco and tobacco products exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy).
- Number and percentage of investments that have been flagged as not adhering to the ten principles of the United Nations Global Compact ("UNGC") and where meaningful action is not being taken to address the related concerns (as defined in the Exclusion Policy).

For more details on the exclusions that apply to this Product, please refer to the Exclusion Policy which can be found at the link set out in the response below to the question "Where can I find more product specific information online".

\* Exclusions are applied in accordance with the Exclusion Policy. The Investment Manager will apply the Exclusion Policy to determine which securities meet the Exclusion Criteria, and must therefore be excluded from the investment universe of the Product.

\*\* The Product does not have specific carbon emissions targets and may exhibit an emissions profile that increases over time or is higher than a comparable benchmark. The exclusion of specified activities relating to the production or consumption of fossil fuels is expected to have a positive impact on the Product's emissions profile.

\*\*\* Scope 1 emissions are carbon emissions produced directly by a company's activities. Scope 2 emissions are carbon emissions related to the electricity that a company consumes.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

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

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



**Does this financial product consider principal adverse impacts on sustainability factors?**

☐ Yes, \_\_\_\_\_  
☒ No

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



**What investment strategy does this financial product follow?**

The Portfolio is an actively managed financial product that aims to produce above average long term returns primarily through investment in equities and equity related securities in global emerging markets.

The Portfolio's return is measured against the MSCI Emerging Markets ex-China Total Return (net of withholding taxes) Index (Bloomberg ticker: M1CXBRV). The investment objective is achieved by investing, either directly or indirectly, at least 80% of the Portfolio's assets in equities and equity-related securities (such as warrants, convertible preference shares, and convertible bonds) of companies that (i) are listed or traded on a Recognised Exchange in an Emerging Market country or a Frontier Market country; and/or (ii) have the predominant part of their business activities in an Emerging Market country or a Frontier Market country; and/ or, (iii) have the predominant part of their assets in companies with their registered office in an Emerging Market country or a Frontier Market country.

"Emerging Market" shall mean any country other than China that is classified as an Emerging Market by MSCI Inc in accordance with the MSCI Market Classification Framework or any country, other than China, considered to be an Emerging Market by the AIFM or the Investment Manager in their sole discretion.

"Frontier Market" shall mean any country other than China that is classified as a Frontier Market by MSCI Inc in accordance with the MSCI Market Classification Framework or any country, other than China, considered to be a Frontier Market by the AIFM or the Investment Manager in their sole discretion.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.



The Investment Manager follows a long-term valuation-driven investment strategy that is designed to identify and invest in securities that are expected to generate superior risk-adjusted investment returns over the long term. To achieve this, the Investment Manager performs ongoing fundamental research into the long-term prospects of each of the securities that they research, including engaging with companies to gain a better understanding of their business prospects and risks.

The Investment Manager applies a long-term investment approach which allows them to evaluate and invest in securities over long time horizons (typically 5 years and longer). The investment opportunities that are identified through the research process are combined into a portfolio of securities that aims to achieve the investment objective of the Portfolio. During the life of an investment, ESG factors are monitored on an on-going basis as part of the Investment Manager's investment process.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

**ESG sectoral and conduct exclusion policy**

The Portfolio is required to adhere to the Exclusion Policy adopted by the AIFM. To ensure that the environmental and social characteristics promoted by the Portfolio can be attained, the Portfolio will apply the Exclusion Policy referenced above.

For more details on the exclusions that apply to this Portfolio, please refer to the Exclusion Policy which can be found at the link set out in the response below to the question "Where can I find more product specific information online".

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Not applicable

- ***What is the policy to assess good governance practices of the investee companies?***

The Investment Manager aims to ensure that the companies in which the Portfolio invests maintain high standards of governance, including sound management structures, employee relations, remuneration of staff and tax compliance. Companies are evaluated across a wide array of matters relating to governance. These include the composition, strength and independence of the board, executive compensation and alignment of interests, as well as ethical conduct, anti-corruption practices and the management of conflicts of interest. Practices relating to capital allocation, the protection of shareholder rights and third-party assurance and reporting are also evaluated. The Investment Manager seeks transparency, engagement and comprehensive reporting, as this provides the information basis to assess whether a

**Good governance**  
practices include sound management structures, employee relations, remuneration of staff and tax compliance.

company adheres to high standards of corporate governance and integrates ESG considerations. Engagement with investee management and board of directors can be by way of telephone calls, online interactions, in-person meetings, letters and written statements.

The Portfolio is also required to exclude investment into any company that is considered to be engaged in practices that cause or could result in material harm to the environment and/or have a material negative societal impact, taking the ten principles of the UNGC into account.

Please refer to Coronation's ESG Policy, Proxy Voting Policy and latest annual Stewardship Report, all of which are available at the link set out in the response below to the question "Where can I find more product specific information online", for more information on how the governance practices of investee companies are incorporated into the investment process.



**Asset allocation**  
describes the  
share of  
investments in  
specific assets.

### **What is the asset allocation planned for this financial product?**

The Portfolio aims to hold a minimum of 80% investments that are aligned with the environmental or social characteristics promoted by the Portfolio. The Portfolio aims to hold a maximum of 20% investments that are not aligned with the environmental or social characteristics promoted by the Portfolio and are not sustainable investments, and which fall into the 'other' section of the Portfolio.

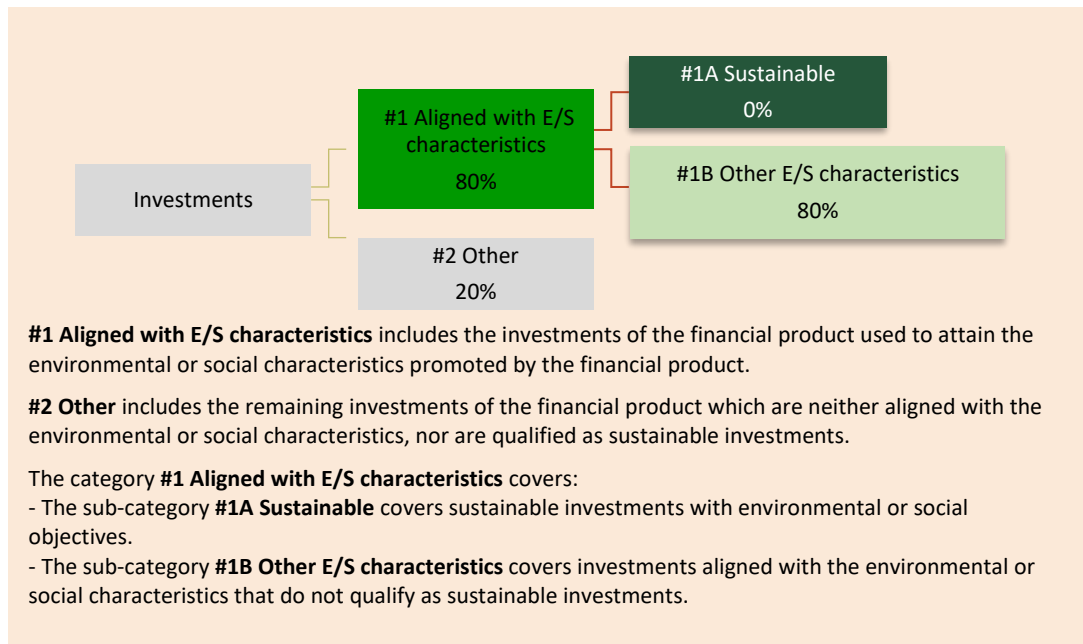
Please note that while the Investment Manager's aim is to achieve the asset allocation targets outlined above, these figures may fluctuate during the investment period and ultimately, as with any investment target, may not be attained.

The Portfolio does not commit to holding sustainable investments. The Investment Manager does not assess whether a security is Taxonomy-aligned prior to investing in that security. Any investments held by the Portfolio that are Taxonomy-aligned are incidental and not a result of a deliberate decision to invest in Taxonomy-aligned securities.

The exact asset allocation of the Portfolio will be reported in the Portfolio's mandatory periodic report SFDR template, for the relevant reference period.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Whilst the Portfolio may use derivatives for efficient portfolio management purposes as more fully set out in the Prospectus and the Supplement, such derivatives are not used for the purposes of attaining the environmental and social characteristics promoted by the Portfolio.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>2</sup>?**

☐

Yes:

☐

In fossil gas

☐

In nuclear energy

☒

No

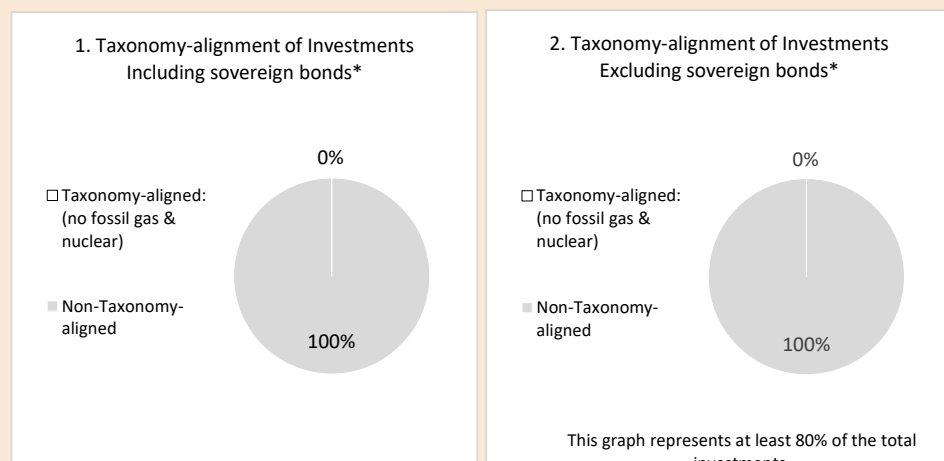
<sup>2</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

Not applicable. The analysis and disclosure requirements introduced by the Taxonomy Regulation are very detailed and compliance with them requires the availability of multiple, specific data points in respect of each investment which the Portfolio makes. The AIFM is not committing that the Portfolio will invest in investments that qualify as environmentally sustainable for the purposes of the Taxonomy Regulation. As such, the minimum proportion of the Portfolio's investments that contribute to environmentally sustainable economic activities for the purposes of the Taxonomy Regulation will be 0%. It cannot be excluded that some of the Portfolio's holdings qualify as Taxonomy-aligned investments. Disclosures and reporting on Taxonomy alignment will develop as the EU framework evolves and data is made available by issuers.

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.



are

sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable.



**What is the minimum share of socially sustainable investments?**

Not applicable as the Product does not commit to invest in sustainable investments.



**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

"Other" includes the remaining investments of the Portfolio which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The "Other" section in the Portfolio is held for a number of reasons that the Investment Manager feels will be beneficial to the Portfolio, such as, but not limited to, achieving risk management, and/or to ensure adequate liquidity, hedging and collateral cover.

The Portfolio may hold cash or other fixed income instruments for any of the purposes set out in the Portfolio's Investment Policy. In accordance with this policy, these instruments are expected to comprise a small percentage of the overall market value of the Portfolio.

The Investment Manager may not promote ESG characteristics in respect of these investments.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Not applicable.

● ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable.
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable.
- ***Where can the methodology used for the calculation of the designated index be found?***  
Not applicable.



**Where can I find more product specific information online?**

Product factsheets and other literature can be found on Coronation's website at [www.coronation.com](http://www.coronation.com).

**More product-specific information can be found on the website:**

<https://www.coronation.com/en/institutional/about-us/SustainabilityRelatedDisclosure>

## CORONATION GLOBAL EQUITY INCOME FUND

Supplement 3 dated 16 April 2025 to the Prospectus of the Coronation Investment Funds dated 16 April 2025.

### 1. Structure

Coronation Global Equity Income Fund (the "**Portfolio**") is a portfolio of Coronation Investment Funds, an open-ended umbrella unit trust established pursuant to the provisions of the Unit Trusts Act, 1990 and any regulations made thereunder and authorised by the Central Bank as a Qualifying Investor AIF pursuant to the AIF Rulebook. At the date of this Supplement, Coronation Investment Funds has established three other Portfolios being Coronation International Core Equity Fund, Coronation Emerging Markets Ex-China Fund and Coronation Emerging Markets Diversified Equity Fund. In the event that additional Portfolios are added, a full list will be maintained by the AIFM and available to investors on request.

The Fund Annex (being the annex hereof) sets out the pre-contractual disclosure template with respect to the Portfolio and has been prepared in accordance with the requirements of SFDR and contains additional information pertaining to the Portfolio in accordance with SFDR. The Fund Annex forms part of and should be read in conjunction with the Supplement. In the event of any inconsistency between the terms of the Fund Annex and the terms of the Supplement with regard to disclosure pertaining to SFDR, the Fund Annex shall prevail.

A description of

- the Fund and its management and administration
- general management and fund charges
- taxation of the Fund and its Unitholders and
- risk factors

is contained in the Prospectus. **This Supplement forms part of the Prospectus and should be read in the context of and in conjunction with the Prospectus. Capitalised terms used in this Supplement shall bear the meanings attributable to them in the Prospectus.** The Prospectus is available from

- J.P. Morgan Administration Services (Ireland) Limited, 200 Capital Dock, 79 Sir John Rogerson's Quay, Dublin D02 RK57, Ireland (the "**Administrator**"); or
- Coronation Investment Management International (PTY) Ltd at 7th Floor, Montclare Place, Cnr Campground and Main Road, Claremont, 7708, Cape Town, South Africa (being an "**Investment Manager**" of this Portfolio); or
- Available for download from [www.coronation.com](http://www.coronation.com).

### 2. Classes of Units

*Classes of Units*

| Class         | Designated Currency |
|---------------|---------------------|
| Class Z Units | USD                 |

The Class Z Units will only be available to accounts managed by the Coronation group and selected other investors with the prior consent of the AIFM.



The creation of additional Classes will be notified in advance to the Central Bank.

### **3. Issue Price**

During the Initial Offer Period (as defined in the "**Initial Offer Period**" section below), Class Z Units (designated in US Dollars) will be issued at \$10 per Unit.

After the Initial Offer Period, Class Z Units (designated in US Dollar) will be issued at the Net Asset Value per Unit.

### **4. How to Subscribe for Units**

Application for Units should be made by completing and submitting a Subscription Agreement in accordance with the provisions set out in the Prospectus to be received by the Administrator on or before the dealing deadline for subscriptions set out under the section headed "*Dealing Deadlines*".

Applications by email or facsimile will be treated as definite orders and no application will be capable of withdrawal after acceptance by the Administrator. Any subsequent application may be sent by email, facsimile or letter.

The Minimum Holding must be maintained by each Unitholder in the Portfolio (subject to the discretion of the AIFM and the requirements of the Central Bank) following any partial redemption or exchange of Units.

Unless the Administrator otherwise agrees, payment for Units must be received by the relevant Settlement Date by electronic transfer in cleared funds in the currency of the relevant Units.

This section should be read in conjunction with the section entitled "Issue of Units" in the Prospectus.

### **5. Initial Offer Period**

The initial offer period for Class Z Units closed on 22 November 2024.

### **6. Minimum Initial Investment Amount**

€100,000 or its equivalent in the relevant currency or such greater or lesser amounts as the Directors of the AIFM may, in their absolute discretion, decide, provided that the minimum initial investment in the Fund as a whole is at least €100,000 (or its foreign currency equivalent).

### **7. Minimum Holding**

Units representing a value of at least €100,000 or the foreign currency equivalent thereof.

### **8. Base Currency**

United States dollars (US\$).

### **9. Anti-Dilution Levy**

The AIFM may impose an Anti-Dilution Levy (as defined in the Prospectus) in the event of receipt for processing of net subscription or net redemption requests exceeding 5% of the Net Asset Value of the Portfolio on a Dealing Day (including subscriptions and/or redemptions which would be effected as a result of requests for switching from one Portfolio into another Portfolio).

Any such levy will be deducted, on pro rata basis from Unitholders, from the subscription amount received as a separate charge in the case of net subscription requests exceeding 5% of the Net Asset Value of the Portfolio and deducted from the redemption proceeds to be paid in the case of net redemption requests exceeding 5% of the Net Asset Value of the Portfolio (including subscriptions and/or redemptions which would be effect as a result of requests for switching from one Portfolio into another Portfolio).

However where a gross single subscription and/or redemption and/or switching request exceeds 5% of the net asset value of the Portfolio on any Dealing Day (the “5% threshold”), the AIFM may at its discretion, as opposed to apportioning the anti-dilution levy on the basis as set out above, apportion the Anti-Dilution Levy, on a pro rata basis, only to the applicable subscriber(s) and/or Unitholder(s) requesting redemption and/or switching exceeding that 5% threshold. In such circumstance, the Anti-Dilution Levy payable will still be calculated by taking into account any other requests for subscriptions / redemptions to be effected on the same Dealing Day which could potentially reduce the market impact of the dealing costs to be incurred. The Anti-Dilution Levy will be deducted from the subscription amount received as a separate charge in the case of a subscription/switching request exceeding the 5% threshold and deducted from the redemption proceeds to be paid in the case of a redemption/switching request exceeding the 5% threshold.

The Anti-Dilution Levy will be paid into the Portfolio and become part of the property of the Portfolio and is designed to protect the value of the Portfolio’s underlying assets and any current Unitholders’ interests in the Portfolio. The AIFM shall be entitled to waive the Anti-Dilution Levy in circumstances where the AIFM considers it appropriate to do so.

#### **10. Dealing Day**

Each Business Day shall constitute a Dealing Day for the Portfolio. Additional Dealing Days may be declared at the discretion of the AIFM and notified in advance to Unitholders.

#### **11. Dealing Deadline**

In relation to applications for cash subscription, the deadline is 5.00pm (Irish time) on the Business Day preceding the relevant Dealing Day or such other deadline as the AIFM may determine and notify in advance to Unitholders.

In relation to applications for redemption, the deadline is 5:00pm (Irish time) on the Business Day preceding the relevant Redemption Day or such other deadline as the AIFM may determine and notify in advance to Unitholders.

The Directors of the AIFM may agree to waive any of the above deadlines for receipt of applications at their discretion, provided that such applications are received before the Valuation Point for the relevant Dealing Day.

#### **12. Settlement Date**

In the case of subscriptions, settlement must occur by 5:00pm (Irish time) on the relevant Dealing Day. However, the AIFM (subject to prior agreement) may extend the settlement period up to 2 Business Days after the relevant Dealing Day to facilitate payment or settlement methods or by such longer period as the Directors of the AIFM may approve. The AIFM reserves the right to defer the issue of Units until receipt of cleared subscription monies by the Portfolio.

In the case of redemptions, the redemption price will normally be payable to the Unitholder within five Business Days after the relevant Redemption Day (and, in any event, not later than thirty calendar days after the relevant Redemption Day) subject to receipt by the Administrator

of the redemption request, supporting information and documentation as required by the AIFM and/or the Administrator.

Redemption requests may be submitted by fax to the Administrator at +353 (0) 1 612 5779 (or such other number as may be designated for this purpose from time to time) or by email to Ireland.ta.email.dealing@jpmorgan.com. All redemption requests carried out by fax or email should, if required by the AIFM or the Administrator, be verified by Unitholders by telephone to the Administrator to confirm receipt of their fax or email instruction.

### **13. Valuation Day/Valuation Point**

Valuation Day means each Dealing Day. Additional Valuation Days may be determined at the discretion of the AIFM.

Valuation Point means the point in time by reference to which the Net Asset Value of the Portfolio is calculated which, unless otherwise specified by the Directors of the AIFM (and notified to Unitholders) with the approval of the Trustee, shall be the close of business in the relevant market on the Valuation Day.

### **14. Redemption Day**

Redemption Day means each Dealing Day. Additional Redemption Days may be determined at the discretion of the AIFM and notified to Unitholders in advance.

### **15. Net Asset Value**

The Administrator calculates the Net Asset Value per Unit as at the Valuation Point of each Dealing Day in accordance with the procedure provided for under the heading "Calculation of Net Asset Value" in the Prospectus.

### **16. Investment Objective**

The investment objective of the Portfolio is to aim to deliver a yield higher than that of the benchmark whilst, over the longer term, achieving growth in both income and capital.

The benchmark of the Portfolio is the MSCI Daily Total Return ACWI (dividends reinvested net of withholding taxes) USD Index (NDUEACWF as quoted by Bloomberg). The return of the Portfolio will be measured against the benchmark, but it will not track the index.

**There is no guarantee that this objective will be achieved.**

### **17. Investment Policies**

The Portfolio will be actively managed and will invest almost exclusively in equities worldwide, with a minimum of 90% of its assets being invested, either directly or indirectly, in equities and equity-related securities.

The Portfolio may also invest in other transferable securities, money market instruments, cash and near cash, deposits and collective investment schemes including those managed by the Investment Manager and/or the AIFM which may include investments in other Portfolios of the Fund. The circumstances under which the Portfolio may retain cash and/or cash equivalents include but are not limited to the holding of cash and/or cash equivalents pending reinvestment in accordance with the investment objective and policies of the Portfolio, in order to meet redemptions and/or payment of expenses and/or cover for financial derivative instruments

entered into on behalf of the Portfolio. The amortised cost method of valuation shall not be used to value the money market instruments in which the Portfolio invests.

The Portfolio may use financial derivative instruments such as futures, options, warrants, swaps, forwards (including currency forwards) for any investment purpose that is consistent with the investment objectives and policies set out in this Supplement. Such derivatives will be covered by liquid assets and may include exchange traded as well as over-the-counter transactions. The reference assets to which these derivatives relate may be equities, fixed income securities, collective investment schemes, financial indices, interest rates, foreign exchange rates and currencies. Investment in derivatives may give rise to additional exposure to these reference assets. Effective exposure to underlying assets will be subject to such limits as set out in this Investment Policy section. Furthermore, any additional exposure arising from the use of derivatives by the Portfolio, whether for investment or efficient portfolio management purposes, shall not exceed the limits set out in Section 20, entitled "Borrowing, Leverage and Derivatives". Examples of the manner in which the Portfolio may use derivatives are set out below and in Section 20, entitled "Borrowing, Leverage and Derivatives".

The Portfolio may seek to obtain indirect exposure to asset classes, such as property and commodities (to include, but not limited to, oil, gold and iron), where suitable securities or listed derivatives representing such exposure are available to the Portfolio. Such securities or derivatives include, but are not limited to, the following:

- a. exchange traded commodities ("ETCs"). ETCs are asset backed bonds that track the performance of either: (a) a single commodity, e.g. gold; or (b) a commodity index;
- b. exchange traded notes ("ETNs") that track the performance of a commodity index;
- c. exchange traded funds ("ETFs") which track a commodity index;
- d. ETFs which track a property index; and
- e. derivatives which have a commodity index as their underlying asset

#### *Repurchase/Reverse Repurchase and Stock-lending Agreements and Securities Financing Transactions*

The Portfolio may use repurchase agreements, reverse repurchase agreements and/or stock lending agreements for the purposes of efficient portfolio management including reduction of risk or cost or the generation of additional capital or income for the Portfolio. Further detail in relation to the use of repurchase agreements, reverse repurchase agreements and/or stock lending agreements is provided for in the "Fund – Repurchase/Reverse Repurchase and Stock-lending Agreements" section of the Prospectus.

The Portfolio may engage in SFTs and equity swaps, as described under "Repurchase / Reverse Repurchase and Stock-Lending Arrangements" and "Securities Financing Transactions".

Further details on SFTs are set out in the Prospectus under the headings "Securities Financing Transactions", "Collateral Policy" and "Counterparty Selection Process".

#### *SFDR Fund Classification: Article 8*

The Portfolio meets the classification of Article 8 under SFDR as it promotes environmental and social characteristics by applying the AIFM's Exclusion Policy, as more fully set out in the Annex I appended hereto.

Furthermore, the Investment Manager considers the ESG Policy when determining the investments to make for the Portfolio and in doing so, the Investment Manager integrates ESG factors into the investment decision-making process.

As set out in further detail in the Prospectus, the Exclusion Policy and the ESG Policy is available on Coronation's website, at [www.coronation.com](http://www.coronation.com).

Further information about the environmental and social characteristics promoted by the Portfolio is available in the Annex I appended hereto.

In addition to the Annex I, please also refer to Appendix III of the Prospectus which contains disclosures required under SFDR and certain additional information relevant to this Portfolio.

#### **18. Assessment of the Impact of Sustainability Risk on Likely Returns**

An assessment is undertaken of the likely impacts of Sustainability Risks on the Portfolio's returns. In considering Sustainability Risks in investment decisions, the Investment Manager may forgo opportunities for the Portfolio to gain exposure to certain issuers and may choose to sell an investment when it might otherwise be disadvantageous to do so. Where a Sustainability Risk occurs in respect of an asset, there could be a negative impact on, or loss of its value. The Investment Manager has determined that the Sustainability Risk faced by the Portfolio is low. However, investors are cautioned that even where Sustainability Risks are identified, there can be no guarantee that the Investment Manager will or have correctly assessed the impact of Sustainability Risks on the Portfolio's investments or proposed investments.

The contents of Appendix III set out in more detail the manner in which the Investment Manager integrate Sustainability Risk into their investment decision-making.

#### **30 Investment Process**

The Investment Manager shall apply the following investment process in the selection and monitoring of the assets of the Portfolio:

The country and equity selection will be driven by the relative attractiveness of individual equity securities across the investable universe. The key factors in determining attractiveness will be the Investment Manager's assessment of valuation, dividend yield, sustainability of earnings and liquidity. In determining an appropriate valuation for a security, account will be taken of the various risks inherent within the business including the political stability of the country in which the issuer is domiciled or from which it derives a significant proportion of its earnings.

In managing the Portfolio, the Investment Manager will endeavour to achieve the investment objective through a reasonably concentrated equity selection process. The Investment Manager will actively manage the Portfolio and hence vary the allocation to countries, sectors and individual securities over time. This is not a buy and hold portfolio management strategy. The Portfolio may also invest in equities domiciled in emerging markets.

In addition to the above, where equity instruments do not offer adequately attractive valuations, the Investment Manager has the ability to invest up to 10% of the Net Asset Value in cash, cash equivalents, fixed income securities and to obtain indirect exposure to asset classes such as property and commodities as set out in the Investment Policy section above. Such investment will be based on the Investment Manager's research and assessment of fair value.

#### **19. Borrowing, Leverage and Derivatives**

In accordance with the general provisions set out in the "Borrowing and Leverage" section of the Prospectus, the Investment Manager may borrow, on behalf of the Portfolio, up to 100% of the Net Asset Value of the Portfolio. Notwithstanding this, the Portfolio may borrow from banks, broker-dealers or other financial institutions or entities to bridge short-term liabilities (including

satisfying repurchase requests). Such borrowing may be secured by pledging, mortgaging or charging the Portfolio's assets.

The Portfolio may also be leveraged through its use of financial derivative instruments.

The Portfolio may use derivatives for the purposes of efficient portfolio management or for any investment purpose that is consistent with the investment objectives and policies set out above.

Examples of the ways in which financial derivative instruments may be used, which should not be taken as being exhaustive, or mutually exclusive, include:

- to hedge the currency exposure of the assets of the Portfolio into the base currency of the Portfolio;
- to hedge or reduce the Portfolio's exposure to any asset;
- as a substitute for taking a position in the underlying asset where the Investment Manager feels that derivative exposure to the underlying asset represents better value than direct exposure;
- to align the Portfolio's interest rate exposure with the Investment Manager's outlook for interest rates; and /or
- to gain an exposure to the composition and performance of a particular index, the constituents of which are consistent with the investment policy of the Portfolio.

The maximum leverage, calculated in accordance with the gross basis under the AIFM Directive, will not exceed 200% of the Net Asset Value of the Portfolio. The maximum leverage, calculated in accordance with the commitment basis under the AIFM Directive, will not exceed 200% of the Net Asset Value of the Portfolio.

## **20. Investment Restrictions**

The general investment restrictions set out in the "Investment Restrictions" section of the Prospectus apply to the Portfolio, these include restrictions requiring that:

- (a) The AIFM may not acquire any shares carrying voting rights that would enable it to exercise significant influence over the management of an issuing body where such issuing body is a company that has its shares admitted to trading on a regulated market. This restriction is not applied to investment in other collective investment schemes.
- (b) Where the Portfolio invests in units of a collective investment scheme managed by the AIFM or an associated or related company, the manager of the scheme in which the investment is being made must waive any preliminary/initial charge which it is entitled to charge for its own account in relation to the acquisition of units.
- (c) Where a commission is received by the AIFM by virtue of an investment in the units of another collective investment scheme managed by the AIFM or an associated or related company, this commission must be paid into the property of the Portfolio.
- (d) The Portfolio may invest in other Portfolios of the Fund which in turn may also invest in other Portfolios of the Fund provided that those latter Portfolios may not cross-invest within the Fund.

In addition, the following investment restrictions apply specifically to the Portfolio:

- (a) The Portfolio will not invest directly in or directly hold commodities;

- (b) The Portfolio will not directly engage in short selling;
- (c) The Portfolio may not invest more than 10% of net assets in other collective investment schemes;
- (d) The Portfolio may not hold more than 25% of the units or shares in any other collective investment schemes;
- (e) The Portfolio may not invest more than 5% of its net assets in securities of a single issuer, although this limit can be increased to 10% per single body so long as the total value of all holdings exceeding 5% does not exceed 40% of the net assets of the Portfolio; and
- (f) The Portfolio may not carry out sales of transferable securities when such securities are not in the ownership of the Portfolio.

## 21. Distributions

It is not intended to declare any distributions.

## 22. Listing of Units

Although listing on Euronext Dublin may be investigated in the future, there is no current intention to apply for listing of the Class Z Units on any exchange.

## 23. Investment Manager

### ***Coronation Investment Management International Proprietary Limited***

Pursuant to an investment management agreement effective as of 13 December 2023 between the AIFM and Coronation Investment Management International (PTY) Ltd ("**CIMI**" or "**Investment Manager**") and as may be amended from time to time, CIMI is responsible for managing the investment and re-investment of the assets of the Portfolio (the "**CIMI Investment Management Agreement**").

The major activity of CIMI is asset management. CIMI, having its principal office at 7th Floor, Montclare Place, Cnr Campground and Main Road, Claremont, 7708, Cape Town, South Africa, is an FSCA regulated company incorporated and registered in South Africa to act as Investment Manager/investment advisor to a variety of funds. CIMI is a wholly owned subsidiary of Coronation Fund AIFMs Limited.

The CIMI Investment Management Agreement provides that the appointment of CIMI will continue unless and until terminated by the AIFM or CIMI giving not less than ninety (90) days' notice in writing to the other party. In certain circumstances as set out therein, the CIMI Investment Management Agreement may be terminated immediately by either party. CIMI shall not be liable to the Portfolios on account of anything done or suffered by CIMI in accordance with or in pursuance of any request or advice of the AIFM (otherwise than due to the fraud, wilful default or negligence in the performance by CIMI its servants or agents). Pursuant to the CIMI Investment Management Agreement, the AIFM undertakes to hold harmless and indemnify CIMI, its employees and agents against all actions, proceedings and claims and against all costs, demands and expenses (including legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by CIMI by reason of its performance of its duties under the terms of the CIMI Investment Management Agreement (otherwise than due to the wilful default, fraud or negligence in the performance by CIMI, its servants or agents).



The Investment Manager may with the prior approval of the AIFM and in accordance with the requirements of the Central Bank, appoint one or more sub-Investment Managers, advisers or delegates if deemed necessary.

## **24. Fees**

In addition to the general management and fund charges set out in the Prospectus under the heading "Management and Fund Charges - General" the following fees and expenses are payable out of the Portfolio, subject to the voluntary cap detailed below.

### ***The AIFM***

No annual fee will be payable to the AIFM out of the assets of the Portfolio in respect of the Class Z Units.

The AIFM shall be entitled to be repaid out of the assets of the Portfolio such expenses provided for in the "Management and Fund Charges" section of the Prospectus.

### ***The Administrator***

The AIFM will pay to the Administrator out of the assets of the Portfolio an annual aggregate fee, accrued at each Valuation Point and payable monthly in arrears, at a rate of up to 0.025% of the Net Asset Value of the Portfolio (plus VAT, if any), plus additional fees related to the complexity of the Portfolio (e.g., number of classes), subject to a minimum annual fee. The minimum annual fee is US\$50,000, and applies pro rata to the Portfolio based on Net Asset Value when the aggregate fee in respect of all Portfolios under the agreement is less than US\$50,000 times the number of Portfolios under the agreement. In addition, the Administrator will be paid out of the assets of the Portfolio fees for maintaining investor records.

The Administrator shall be entitled to be repaid out of the assets of the Portfolio such expenses provided for in the "Management and Fund Charges" section of the Prospectus.

### ***The Trustee and Depositary***

The AIFM shall pay to the Trustee out of the assets of the Portfolio an annual fee in respect of the trustee and depositary services provided by it to the Portfolio, which fee shall accrue at each Valuation Point and be payable in arrears on a monthly basis, at a rate which will not exceed 0.0284% of the Net Asset Value of the Portfolio (plus VAT, if any).

Safekeeping fees for depositary services will vary from market to market, and will tend to be higher in less developed markets.

Depositary service fees will also include event based transaction fees and value based safekeeping fees.

The Trustee shall be entitled to be repaid out of the assets of the relevant Portfolio all of its disbursements which shall include legal fees, courier's fees, telecommunication costs and expenses and the fees (where applicable) and out-of-pocket expenses of any sub-custodians appointed by the Trustee which will be at normal commercial rates.

The Trustee shall also be entitled to be repaid out of the assets of the Portfolio such other expenses provided for in the "Management and Fund Charges" section of the Prospectus.

The Administrator and the Trustee form part of the same group which allows the AIFM the benefit of negotiating fee rates based on the holistic service offering. This Supplement will be updated prior to the implementation of any increase in the maximum fee payable to the Administrator and/or the Trustee as set out above as determined on an aggregated basis, save for annual inflationary increases measured in accordance with the Central Statistics Office Consumer Price Index. Unitholders will be given reasonable notice of increases to the maximum aggregate administration and trustee fees, other than the aforementioned annual inflationary increases, to enable Unitholders to redeem their Units prior to implementation of such a change.

### ***Investment Manager***

The AIFM will pay to the Investment Manager, out of the AIFM fee as opposed to out of the assets of the Portfolio, an annual fee (plus VAT, if any) accrued daily and payable monthly in arrears, unless the AIFM and the Investment Manager agree otherwise.

No annual fee will be payable to the Investment Manager out of the assets of the Portfolio in respect of the Class Z Units.

The Investment Manager shall be entitled to be repaid out of the assets of the Portfolio such expenses provided for in the "Management and Fund Charges" section of the Prospectus.

### ***Voluntary Expense Cap***

To the extent that certain operating expenses (i.e. all expenses other than management fees and performance fees, the cost of buying and selling assets, including brokerage and any anti-dilution levies charged, and interest) (the "**Qualifying Expenses**") exceed 0.20% per annum (the "**Cap Rate**") of the average market value of the Portfolio (the "**Voluntary Expense Cap**") over the VEC Calculation Period (as defined in this paragraph), the AIFM shall be responsible for and will reimburse the Portfolio in the amount of such excess, with such obligation arising from the time that the Voluntary Expense Cap is introduced. The calculation period for the Voluntary Expense Cap shall comprise each successive twelve month period in each financial year of the Portfolio (each a "**VEC Calculation Period**"). The Voluntary Expense Cap will be calculated as the Cap Rate multiplied by the average daily market value over the VEC Calculation Period. Where the Qualifying Expenses incurred during the VEC Calculation Period exceed the Voluntary Expense Cap at the calculation date (being the last Valuation Day of the VEC Calculation Period), the AIFM will inject the excess amount into the Portfolio. The excess amount will be payable in arrears at the end of the VEC Calculation Period and therefore actual operating expenses incurred by the Portfolio could exceed the Voluntary Expense Cap at other points during the VEC Calculation Period. As stated above, Qualifying Expenses will include all operating expenses other than management and performance fees, the cost of buying and selling assets (including brokerage and any anti-dilution levies charged) and interest.

The Voluntary Expense Cap shall apply in respect of each VEC Calculation Period until such time as at the sole discretion of the AIFM, the Voluntary Expense Cap is removed, provided that Unitholders will be given reasonable notice prior to such removal to enable them to redeem their Units if they wish.

## **25. Risk Factors**

The general risk factors set out in the "**Risk Factors**" section of the Prospectus apply to the Portfolio.

## **26. How to Redeem Units**

Requests for the redemption of Units should be submitted to the AIFM c/o the Administrator in accordance with the provisions set out in the Prospectus.

Requests received prior to a Dealing Deadline for a Redemption Day will be dealt with on the relevant Redemption Day and if received after the relevant Dealing Deadline will be dealt with as request for redemption for the next succeeding Redemption Day. A redemption request once given will not be capable of withdrawal unless the AIFM exercises its discretion to allow the withdrawal of the request. Applications by email or facsimile will be treated as definite orders. Any subsequent application may be sent by email, facsimile or letter.

The amount due on the redemption of Units of any class in the Portfolio will be paid by the Settlement Date at the Unitholder's risk and expense by electronic transfer to an account in the name of the Unitholder. Payment of the proceeds of redemption will only be paid on receipt by the Administrator of the original Subscription Agreement together with all supporting documentation thereto, unless the AIFM and the Administrator agree otherwise.

No Unitholder shall be entitled to realise part of his holding of Units of any class in the Portfolio if such realisation would result in his holding of Units of such class after such realisation being below the Minimum Holding.

The AIFM may at its discretion with the consent of the Unitholder or at the request of the Unitholder satisfy a redemption request by a redemption of investments of the Portfolio in specie provided that such a redemption would not prejudice the remaining Unitholders of that Portfolio, which provisions are summarised under "In Specie Redemptions" in the Prospectus.

If the Administrator receives requests for the repurchase of Units totalling 10% or more of the outstanding Units of the Portfolio on any Dealing Day, the AIFM, may elect to restrict the total number of Units repurchased to 10% or more of the outstanding Units. In such case, redemption requests will be scaled down pro rata and the balance of outstanding redemption requests shall be treated as if they were received on each subsequent Dealing Day until all Units to which the original request related have been redeemed. Such deferred repurchase requests will have priority over repurchase requests received on subsequent Dealing Days.

This section should be read in conjunction with the section entitled "Redemption of Units" in the Prospectus.

## **31 Initial Expenses**

The costs of establishing the Portfolio, which are not expected to exceed €20,000 excluding any VAT and outlay will be paid by the AIFM however such costs will be recovered from the Portfolio and may be amortised over the first Accounting Period of the Portfolio's existence or such other period as the AIFM may determine and in such manner as the AIFM in its absolute discretion deems fair and shall be subject to such adjustment following the establishment of the Portfolio as the AIFM may determine.

## ANNEX II

### Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:** Coronation Global Equity Income Fund  
**Legal entity identifier:** 635400ZW6N3AQA4ZOO09

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?



Yes



No



It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_\_%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It will make a minimum of **sustainable investments with a social objective:** \_\_\_\_%



It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promotes E/S characteristics, but **will not make any sustainable investments**



### What environmental and/or social characteristics are promoted by this financial product?

The Portfolio promotes the following environmental characteristics:

Greenhouse Gas Emissions Reduction; Climate Change Mitigation: The transition away from fossil fuels and the reduction of toxic emissions through the exclusion of companies

that engage in specific carbon-intensive activities relating to the extraction or consumption of fossil fuels that cause material harm to the environment.

The Portfolio promotes the following social characteristics:

1. **Social Sustainability:** The protection and advancement of human rights, labour rights and anti-corruption practices through the exclusion of companies that do not satisfactorily align with the principles of the UN Global Compact.
2. **Good Health and Wellbeing; Human Rights:** Health and safety-related standards through the exclusion of companies that are engaged in activities related to the production and distribution of tobacco and of controversial weapons.

In order to promote these environmental and social characteristics, the Investment Manager applies a binding set of sector-based and conduct-based exclusions when determining investments to be made. The AIFM and the Investment Manager have adopted the Exclusion Policy of Coronation Fund AIFMs Limited ("**Coronation**"), which can be found at the link set out in the response below to the question "Where can I find more product specific information online".

The Exclusion Policy requires exclusion of investment in companies that derive a material part of their annual revenue from activities that are generally regarded as causing material environmental or societal harm, including:

- the mining and extraction of thermal coal;
- the production of coal-based power;
- the extraction of oil from tar sands;
- the production or distribution of controversial weapons; and
- the production or distribution of tobacco and tobacco products.

The following table sets out the annual revenue thresholds that apply to each of the sector-based exclusions:

| Sector   | Revenue Threshold per annum |
|--|-----------------------------|
| <b>Tobacco production</b>                        | 20%                         |
| <b>Tobacco supply, distribution or licensing</b> | 25%                         |
| <b>Controversial weapons</b>                     | 10%                         |
| <b>Thermal coal mining and extraction</b>        | 30%                         |
| <b>Coal-based power</b>                          | 20%                         |
| <b>Oil from tar sands</b>                        | 10%                         |

As noted above, where a company's annual revenue exceeds the "Revenue Threshold" for a specific sector, then that company will be excluded from the investment universe of the Portfolio, unless there is reasonable sufficient evidence to indicate that the relevant company will not remain in breach of the Revenue Threshold going forward.

The Portfolio shall also seek exposure to companies that adhere to internationally accepted standards for human rights, labour rights (including the abolition of child labour) and environmental practices.

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Portfolio.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

As part of the investment process, the sustainability indicator that the AIFM considers to measure the environmental and/or social characteristics promoted by the Portfolio is the integration of the Exclusion Policy.

The following sustainability indicators are used to measure the success of the Investment Managers' approach to the promotion of environmental and social characteristics:

**Environmental Characteristics:**

- Number and percentage of investments where the revenue that is derived from the mining and extraction of thermal coal exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy\*);
- Number and percentage of investments where the revenue that is derived from the production of coal-based power exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy);
- Number and percentage of investments where the revenue that is derived from the extraction of oil from tar sands exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy).
- Carbon emissions profile of the Portfolio \*\*, including:
  - Absolute carbon emissions and equivalents (Scope 1 and 2)\*\*\*
  - Carbon footprint and equivalents (Scope 1 and 2)
  - Weighted average carbon intensity (and equivalents) (Scope 1 and 2)

**Social Characteristics:**

- Number and percentage of investments where the revenue that is derived from the production or distribution of controversial weapons exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy).
- Number and percentage of investments where the revenue that is derived from the production or distribution of tobacco and tobacco products exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy).
- Number and percentage of investments that have been flagged as not adhering to the ten (10) principles of the United Nations Global Compact ("UNGC") and where

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

meaningful action is not being taken to address the related concerns (as defined in the Exclusion Policy).

For more details on the exclusions that apply to this Product, please refer to the Exclusion Policy which can be found at the link set out in the response below to the question "Where can I find more product specific information online".

\* Exclusions are applied in accordance with the Exclusion Policy. The Investment Manager will apply the Exclusion Policy to determine which securities meet the Exclusion Criteria, and must therefore be excluded from the investment universe of the Product.

\*\* The Product does not have specific carbon emissions targets and may exhibit an emissions profile that increases over time or is higher than a comparable benchmark. The exclusion of specified activities relating to the production or consumption of fossil fuels is expected to have a positive impact on the Product's emissions profile.

\*\*\* Scope 1 emissions are carbon emissions produced directly by a company's activities. Scope 2 emissions are carbon emissions related to the electricity that a company consumes.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable

- ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

Not applicable

- ***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

Not applicable





## Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes, \_\_\_\_\_

☒ No

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

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

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## What investment strategy does this financial product follow?

The Portfolio is an actively managed financial product that aims to produce a yield higher than that of the benchmark whilst, over the longer term, achieving growth in both income and capital.

The Portfolio's return is measured against the MSCI Daily Total Return ACWI (dividends reinvested net of withholding taxes) USD Index (NDUEACWF as quoted by Bloomberg). The investment objective is achieved by investing at least 90% of its assets in equities and equity-related securities, either directly or indirectly.

The Investment Manager follows a long-term valuation-driven investment strategy that is designed to identify and invest in securities that are expected to generate superior risk-adjusted investment returns over the long term. To achieve this, the Investment Manager performs ongoing fundamental research into the long-term prospects of each of the securities that they research, including engaging with companies to gain a better understanding of their business prospects and risks.

The Investment Manager applies a long-term investment approach which allows them to evaluate and invest in securities over long time horizons (typically 5 years and longer). The investment opportunities that are identified through the research process are combined into a portfolio of securities that aims to achieve the investment objective of the Portfolio. During the life of an investment, ESG factors are monitored on an on-going basis as part of the Investment Manager's investment process.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

#### **ESG sectoral and conduct exclusion policy**

The Portfolio is required to adhere to the Exclusion Policy adopted by the AIFM. To ensure that the environmental and social characteristics promoted by the Portfolio can be attained, the Portfolio will apply the Exclusion Policy referenced above.

For more details on the exclusions that apply to this Portfolio, please refer to the Exclusion Policy which can be found at the link set out in the response below to the question "Where can I find more product specific information online".

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Not applicable

- ***What is the policy to assess good governance practices of the investee companies?***

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The Investment Manager aims to ensure that the companies in which the Portfolio invests maintain high standards of governance, including sound management structures, employee relations, remuneration of staff and tax compliance. Companies are evaluated across a wide array of matters relating to governance. These include the composition, strength and independence of the board, executive compensation and alignment of interests, as well as ethical conduct, anti-corruption practices and the management of conflicts of interest. Practices relating to capital allocation, the protection of shareholder rights and third-party assurance and reporting are also evaluated. The Investment Manager seeks transparency, engagement and comprehensive reporting, as this provides the information basis to assess whether a company adheres to high standards of corporate governance and integrates ESG considerations. Engagement with investee management and board of directors can be by way of telephone calls, online interactions, in-person meetings, letters and written statements.

The Portfolio is also required to exclude investment into any company that is considered to be engaged in practices that cause or could result in material harm to the environment and/or have a material negative societal impact, taking the ten principles of the UNGC into account.

Please refer to Coronation's ESG Policy, Proxy Voting Policy and latest annual Stewardship Report, all of which are available at the link set out in the response below to the question "Where can I find more product specific information online", for more information on how the governance practices of investee companies are incorporated into the investment process.



## What is the asset allocation planned for this financial product?

**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

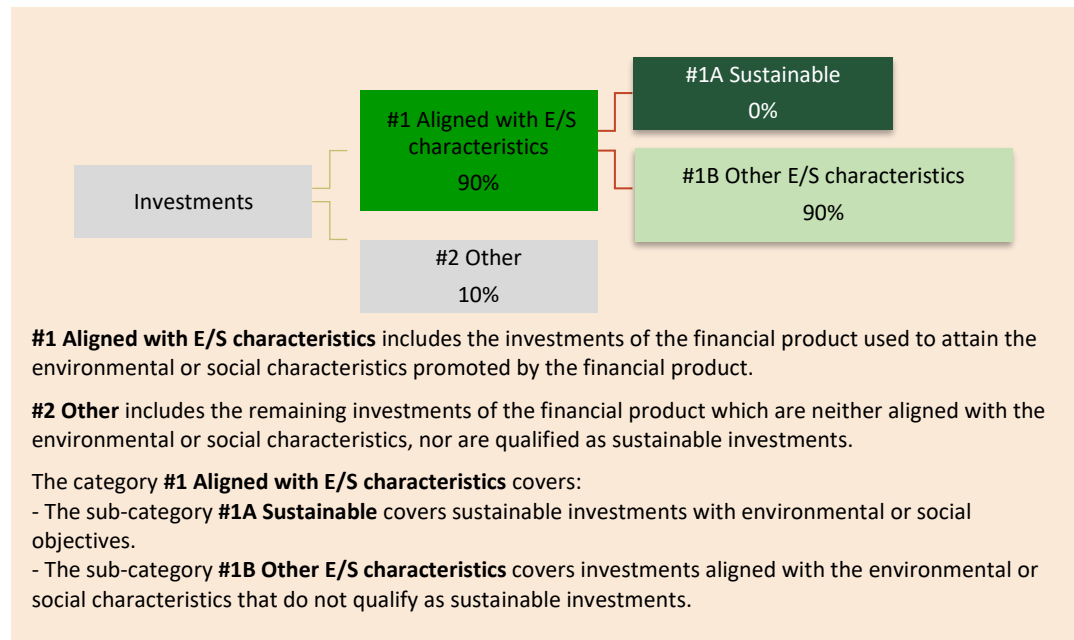
The Portfolio aims to hold a minimum of 90% investments that are aligned with the environmental or social characteristics promoted by the Portfolio. The Portfolio aims to hold a maximum of 10% investments that are not aligned with the environmental or social characteristics promoted by the Portfolio and are not sustainable investments, and which fall into the 'other' section of the Portfolio.

Please note that while the Investment Manager aim's is to achieve the asset allocation targets outlined above, these figures may fluctuate during the investment period and ultimately, as with any investment target, may not be attained.

The Portfolio does not commit to holding sustainable investments. The Investment Manager does not assess whether a security is Taxonomy-aligned prior to investing in that security. Any investments held by the Portfolio that are Taxonomy-aligned are incidental and not a result of a deliberate decision to invest in Taxonomy-aligned securities.

The exact asset allocation of the Portfolio will be reported in the Portfolio's mandatory periodic report SFDR template, for the relevant reference period.

## How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?



Whilst the Portfolio may use derivatives for efficient portfolio management purposes as more fully set out in the Prospectus and the Supplement, such derivatives are not used for the purposes of attaining the environmental and social characteristics promoted by the Portfolio.



## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission level corresponding to the best performance.

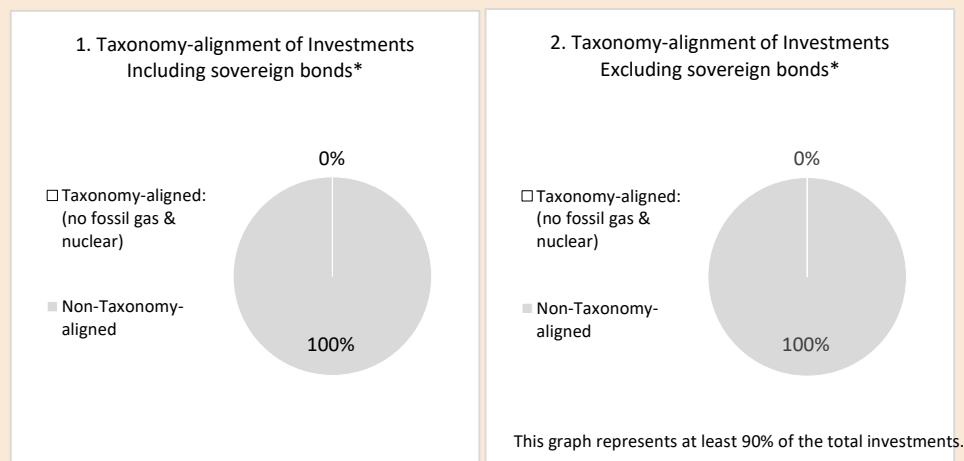
- Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>3</sup>?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

Not applicable. The analysis and disclosure requirements introduced by the Taxonomy Regulation are very detailed and compliance with them requires the availability of multiple, specific data points in respect of each investment which the Portfolio makes. The AIFM is not committing that the Portfolio will invest in investments that qualify as environmentally sustainable for the purposes of the Taxonomy Regulation. As such, the minimum proportion of the Portfolio's investments that contribute to environmentally sustainable economic activities for the purposes of the Taxonomy Regulation will be 0%. It cannot be excluded that some of the Portfolio's holdings qualify as Taxonomy-aligned investments. Disclosures and reporting on Taxonomy alignment will develop as the EU framework evolves and data is made available by issuers.

<sup>3</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.



- **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable.



- **What is the minimum share of socially sustainable investments?**

Not applicable as the Product does not commit to invest in sustainable investments.



- **What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

"Other" includes the remaining investments of the Portfolio which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The "Other" section in the Portfolio is held for a number of reasons that the Investment Manager feels will be beneficial to the Portfolio, such as, but not limited to, achieving risk management, and/or to ensure adequate liquidity, hedging and collateral cover.

The Portfolio may hold cash or other fixed income instruments for any of the purposes set out in the Portfolio's Investment Policy. In accordance with this policy, these instruments are expected to comprise a small percentage of the overall market value of the Portfolio.

The Investment Manager may not promote ESG characteristics in respect of these investments.



- **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**


Not applicable.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the designated index differ from a relevant broad market index?***  
Not applicable.
- ***Where can the methodology used for the calculation of the designated index be found?***  
Not applicable.



**Where can I find more product specific information online?**

Product factsheets and other literature can be found on Coronation's website at [www.coronation.com](http://www.coronation.com).

**More product-specific information can be found on the website:**

<https://www.coronation.com/en/institutional/about-us/SustainabilityRelatedDisclosure>

## CORONATION EMERGING MARKETS DIVERSIFIED EQUITY FUND

Supplement 4 dated 16 April 2025 to the Prospectus of the Coronation Investment Funds dated 16 April 2025.

### 1 Structure

Coronation Emerging Markets Diversified Equity Fund (the "**Portfolio**") is a portfolio of Coronation Investment Funds, an open-ended umbrella unit trust established pursuant to the provisions of the Unit Trusts Act, 1990 and any regulations made thereunder and authorised by the Central Bank as a Qualifying Investor AIF pursuant to the AIF Rulebook. At the date of this Supplement, Coronation Investment Funds has established three other Portfolios being Coronation International Core Equity Fund, Coronation Emerging Markets Ex-China Fund and Coronation Global Equity Income Fund. In the event that additional Portfolios are added, a full list will be maintained by the AIFM and available to investors on request.

The Fund Annex (being the annex hereof) sets out the pre-contractual disclosure template with respect to the Portfolio and has been prepared in accordance with the requirements of SFDR and contains additional information pertaining to the Portfolio in accordance with SFDR. The Fund Annex forms part of and should be read in conjunction with the Supplement. In the event of any inconsistency between the terms of the Fund Annex and the terms of the Supplement with regard to disclosure pertaining to SFDR, the Fund Annex shall prevail.

A description of

- the Fund and its management and administration
- general management and fund charges
- taxation of the Fund and its Unitholders and
- risk factors

is contained in the Prospectus. **This Supplement forms part of the Prospectus and should be read in the context of and in conjunction with the Prospectus. Capitalised terms used in this Supplement shall bear the meanings attributable to them in the Prospectus.** The Prospectus is available from

- J.P. Morgan Administration Services (Ireland) Limited, 200 Capital Dock, 79 Sir John Rogerson's Quay, Dublin D02 RK57, Ireland (the "**Administrator**"); or
- Coronation Investment Management International (PTY) Ltd at 7th Floor, Montclare Place, Cnr Campground and Main Road, Claremont, 7708, Cape Town, South Africa (being an "**Investment Manager**" of this Portfolio); or
- Available for download from [www.coronation.com](http://www.coronation.com).

### 2 Classes of Units

*Classes of Units*

| Class         | Designated Currency |
|---------------|---------------------|
| Class Z Units | USD                 |

The Class Z Units will only be available to accounts managed by the Coronation group and selected other investors with the prior consent of the AIFM.



The creation of additional Classes will be notified in advance to the Central Bank.

### **3 Issue Price**

During the Initial Offer Period (as defined in the "**Initial Offer Period**" section below), Class Z Units (designated in US Dollars) will be issued at \$10 per Unit.

After the Initial Offer Period, Class Z Units (designated in US Dollar) will be issued at the Net Asset Value per Unit.

### **4 How to Subscribe for Units**

Application for Units should be made by completing and submitting a Subscription Agreement in accordance with the provisions set out in the Prospectus to be received by the Administrator on or before the dealing deadline for subscriptions set out under the section headed "*Dealing Deadlines*".

Applications by email or facsimile will be treated as definite orders and no application will be capable of withdrawal after acceptance by the Administrator. Any subsequent application may be sent by email, facsimile or letter.

The Minimum Holding must be maintained by each Unitholder in the Portfolio (subject to the discretion of the AIFM and the requirements of the Central Bank) following any partial redemption or exchange of Units.

Unless the Administrator otherwise agrees, payment for Units must be received by the relevant Settlement Date by electronic transfer in cleared funds in the currency of the relevant Units.

This section should be read in conjunction with the section entitled "Issue of Units" in the Prospectus.

### **5 Initial Offer Period**

The initial offer period for Class Z Units closed on 26 March 2025.

### **6 Minimum Initial Investment Amount**

€100,000 or its equivalent in the relevant currency or such greater or lesser amounts as the Directors of the AIFM may, in their absolute discretion, decide, provided that the minimum initial investment in the Fund as a whole is at least €100,000 (or its foreign currency equivalent).

### **7 Minimum Holding**

Units representing a value of at least €100,000 or the foreign currency equivalent thereof.

### **8 Base Currency**

United States dollars (US\$).

### **9 Anti-Dilution Levy**

The AIFM may impose an Anti-Dilution Levy (as defined in the Prospectus) in the event of receipt for processing of net subscription or net redemption requests exceeding 5% of the

Net Asset Value of the Portfolio on a Dealing Day (including subscriptions and/or redemptions which would be effected as a result of requests for switching from one Portfolio into another Portfolio). Any such levy will be deducted, on pro rata basis from Unitholders, from the subscription amount received as a separate charge in the case of net subscription requests exceeding 5% of the Net Asset Value of the Portfolio and deducted from the redemption proceeds to be paid in the case of net redemption requests exceeding 5% of the Net Asset Value of the Portfolio (including subscriptions and/or redemptions which would be effect as a result of requests for switching from one Portfolio into another Portfolio).

However where a gross single subscription and/or redemption and/or switching request exceeds 5% of the net asset value of the Portfolio on any Dealing Day (the “5% threshold”), the AIFM may at its discretion, as opposed to apportioning the anti-dilution levy on the basis as set out above, apportion the Anti-Dilution Levy, on a pro rata basis, only to the applicable subscriber(s) and/or Unitholder(s) requesting redemption and/or switching exceeding that 5% threshold. In such circumstance, the Anti-Dilution Levy payable will still be calculated by taking into account any other requests for subscriptions / redemptions to be effected on the same Dealing Day which could potentially reduce the market impact of the dealing costs to be incurred. The Anti-Dilution Levy will be deducted from the subscription amount received as a separate charge in the case of a subscription/switching request exceeding the 5% threshold and deducted from the redemption proceeds to be paid in the case of a redemption/switching request exceeding the 5% threshold.

The Anti-Dilution Levy will be paid into the Portfolio and become part of the property of the Portfolio and is designed to protect the value of the Portfolio’s underlying assets and any current Unitholders’ interests in the Portfolio. The AIFM shall be entitled to waive the Anti-Dilution Levy in circumstances where the AIFM considers it appropriate to do so.

## **10 Dealing Day**

The Dealing Day for the Portfolio is the last Business Day of each calendar week and the last Business Day of each calendar month and/or such other Business Day(s) as the AIFM may determine and notify in advance to Unitholders. Additional Dealing Days may be declared at the discretion of the AIFM and notified in advance to Unitholders.

## **11 Dealing Deadline**

In relation to applications for cash subscription, the deadline is 5.00pm (Irish time) on the Business Day preceding the relevant Dealing Day or such other deadline as the AIFM may determine and notify in advance to Unitholders.

In relation to applications for redemption, the deadline is 5:00pm (Irish time) on the Business Day preceding the relevant Redemption Day or such other deadline as the AIFM may determine and notify in advance to Unitholders.

The Directors of the Manager may agree to waive any of the above deadlines for receipt of applications at their discretion, provided that such applications are received before the Valuation Point for the relevant Dealing Day.

## **12 Settlement Date**

In the case of subscriptions, settlement must occur by 5:00 pm (Irish time) on the relevant Dealing Day. However, the AIFM (subject to prior agreement) may extend the settlement period up to 2 Business Days after the relevant Dealing Day to facilitate payment or settlement methods or by such longer period as the Directors of the AIFM may approve. The AIFM reserves the right to defer the issue of Units until receipt of cleared subscription monies by the Portfolio.

In the case of redemptions, the redemption price will normally be payable to the Unitholder within five Business Days after the relevant Redemption Day (and, in any event, not later than thirty calendar days after the relevant Redemption Day) subject to receipt by the Administrator of the redemption request, supporting information and documentation as required by the AIFM and/or the Administrator.

Redemption requests may be submitted by fax to the Administrator at +353 (0) 1 612 5779 (or such other number as may be designated for this purpose from time to time) or by email to Ireland.ta.email.dealing@jpmorgan.com. All redemption requests carried out by fax or email should, if required by the AIFM or the Administrator, be verified by Unitholders by telephone to the Administrator to confirm receipt of their fax or email instruction.

### **13 Valuation Day/Valuation Point**

Valuation Day means each Dealing Day. Additional Valuation Days may be determined at the discretion of the AIFM.

Valuation Point means the point in time by reference to which the Net Asset Value of the Portfolio is calculated which, unless otherwise specified by the Directors of the AIFM (and notified to Unitholders) with the approval of the Trustee, shall be the close of business in the relevant market on the Valuation Day.

### **14 Redemption Day**

Redemption Day means each Dealing Day. Additional Redemption Days may be determined at the discretion of the AIFM and notified to Unitholders in advance.

### **15 Net Asset Value**

The Administrator calculates the Net Asset Value per Unit as at the Valuation Point of each Dealing Day in accordance with the procedure provided for under the heading "Calculation of Net Asset Value" in the Prospectus.

### **16 Investment Objective**

The investment objective of the Portfolio is to produce long term out-performance of the MSCI Emerging Markets Total Return (Net) Index (Bloomberg ticker: NDUEEGF) primarily through investment in equities and equity related securities of emerging market companies.

The benchmark of the Portfolio is the MSCI Emerging Markets Total Return (Net) Index (Bloomberg ticker: NDUEEGF) or any successor index, if revised (the "**benchmark**"). The return of the Portfolio will be measured against the benchmark, but it will not track the index. The MSCI Emerging Markets Index is a widely used measure of the performance of equities that are listed or traded on Recognised Exchanges located in emerging markets including markets such as Brazil, China and India (amongst others).

**There is no guarantee that this objective will be achieved.**

### **17 Investment Policies**

The Portfolio will be actively managed and will invest, either directly or indirectly, at least 80% of its net assets in equities and equity-related securities (such as warrants, convertible preference shares, and convertible bonds) of companies, listed or traded on a Recognised Exchange.

The Portfolio will be allowed to invest a maximum of 15% of its net assets into equities and equity-related securities of companies that are not constituents of the benchmark, provided that any such company has the predominant part of its business activities in Emerging Market countries and/or, is a holding company that has the predominant part of its assets in companies with their registered offices in Emerging Market countries. "**Emerging Market**" shall mean any country that is included in the benchmark, or any country classified by the World Bank as a low to upper middle income country. All other equity and equity-related securities held by the Portfolio must be constituents of the benchmark at the time of investment.

Any security, such as an American Depositary Receipt or a Global Depositary Receipt, that provides exposure to a security that falls within the benchmark, will be treated as a constituent of the benchmark for purposes of measuring compliance with the thresholds set out herein.

Although it will be the normal policy of the Portfolio to deploy its assets as detailed above, the Portfolio may also invest in other transferable securities.

The Portfolio may accordingly invest in fixed income instruments, such as international sovereign, government, supranational agency, corporate, bank and other bonds (including mortgage and corporate bonds) and other debt and debt-related securities (such as debentures, notes (including corporate, sovereign, floating and fixed rate notes), asset and mortgage backed securities, certificates of deposit, commercial paper), which may be unlisted or listed or traded on Recognised Exchanges located worldwide. Investment in such fixed income securities will be limited to 20% of the net assets of the Portfolio. Such debt and debt-related instruments may be fixed or floating rate, where appropriate, and may be unrated or rated lower than BBB by S&P (or an equivalent rating by other recognised rating agencies).

In the appropriate circumstances, the Portfolio may invest in money market instruments and retain cash and cash equivalents such as certificates of deposit, treasury bills and notes. The circumstances under which the Portfolio may retain cash and/or cash equivalents include but are not limited to the holding of cash and/or cash equivalents pending reinvestment in accordance with the investment objective and policies of the Portfolio, in order to meet redemptions and/or payment of expenses and/or cover for financial derivative instruments entered into by and/or on behalf of the Portfolio. The amortised cost method of valuation shall not be used to value the money market instruments in which the Portfolio invests.

The Portfolio may use financial derivative instruments such as futures, options, warrants, swaps, forwards (including currency forwards) for any investment purpose that is consistent with the investment objectives and policies set out in this Supplement. Such derivatives will be covered by liquid assets and may include exchange traded as well as over-the-counter transactions. The reference assets to which these derivatives relate may be equities, fixed income securities, collective investment schemes, financial indices, interest rates, foreign exchange rates and currencies. Investment in derivatives may give rise to additional exposure to these reference assets. Effective exposure to underlying assets will be subject to such limits as set out in this Investment Policy section. Furthermore, any additional exposure arising from the use of derivatives by the Portfolio, whether for investment or efficient portfolio management purposes, shall not exceed the limits set out in Section 20 below. Examples of the manner in which the Portfolio may use derivatives are set out below and in the Section 20 entitled "Borrowing, Leverage and Derivatives".

The Portfolio may also invest in the units of open-ended collective investment schemes, which may include investments in other Portfolios of the Fund, in order to gain exposure to investments consistent with the investment policies of the Portfolio. Such schemes will be

managed by the Manager or other fund management companies and may or may not provide a level of investor protection equivalent to schemes authorised under Irish laws and subject to Irish regulations and conditions. The Portfolio will mainly, but not exclusively, invest in such collective investment schemes authorised in Luxembourg, Ireland, Bermuda, Cayman Islands and/or the Isle of Man.

The Portfolio may also invest in the units of closed-ended collective investment schemes to gain exposure to investments consistent with the investment policies of the Portfolio. Investment in units of closed-ended collective investment schemes may have lower liquidity than investment in open-ended collective investment schemes.

The Portfolio may seek to obtain indirect exposure to asset classes, such as property and commodities (to include, but not limited to, oil, gold and iron), where suitable securities or listed derivatives representing such exposure are available to the Portfolio. Such securities or derivatives include, but are not limited to, the following:

- a. exchange traded commodities ("ETCs"). ETCs are asset backed bonds that track the performance of either: (a) a single commodity, e.g. gold; or (b) a commodity index;
- b. exchange traded notes ("ETNs") that track the performance of a commodity index;
- c. exchange traded funds ("ETFs") which track a commodity index;
- d. ETFs which track a property index; and
- e. derivatives which have a commodity index as their underlying asset

#### *Repurchase/Reverse Repurchase and Stock-lending Agreements and Securities Financing Transactions*

The Portfolio may use repurchase agreements, reverse repurchase agreements and/or stock lending agreements for the purposes of efficient portfolio management including reduction of risk or cost or the generation of additional capital or income for the Portfolio. Further detail in relation to the use of repurchase agreements, reverse repurchase agreements and/or stock lending agreements is provided for in the "Fund – Repurchase/Reverse Repurchase and Stock-lending Agreements" section of the Prospectus.

The Portfolio may engage in SFTs and equity swaps, as described under "Repurchase / Reverse Repurchase and Stock-Lending Arrangements" and "Securities Financing Transactions".

Further details on SFTs are set out in the Prospectus under the headings "Securities Financing Transactions", "Collateral Policy" and "Counterparty Selection Process".

#### *SFDR Fund Classification: Article 8*

The Portfolio meets the classification of Article 8 under SFDR as it promotes environmental and social characteristics by applying the AIFM's Exclusion Policy, as more fully set out in the Annex I appended hereto.

Furthermore, the Investment Manager consider the ESG Policy when determining the investments to make for the Portfolio and in doing so, the Investment Manager integrates ESG factors into the investment decision-making process.

As set out in further detail in the Prospectus, the Exclusion Policy and the ESG Policy is available on Coronation's website, at [www.coronation.com](http://www.coronation.com).

Further information about the environmental and social characteristics promoted by the Portfolio is available in the Annex I appended hereto.

In addition to the Annex I, please also refer to Appendix III of the Prospectus which contains disclosures required under SFDR and certain additional information relevant to this Portfolio.

## **18 Assessment of the Impact of Sustainability Risk on Likely Returns**

An assessment is undertaken of the likely impacts of Sustainability Risks on the Portfolio's returns. In considering Sustainability Risks in investment decisions, the Investment Manager may forgo opportunities for the Portfolio to gain exposure to certain issuers and may choose to sell an investment when it might otherwise be disadvantageous to do so. Where a Sustainability Risk occurs in respect of an asset, there could be a negative impact on, or loss of its value. The Investment Manager has determined that the Sustainability Risk faced by the Portfolio is low. However, investors are cautioned that even where Sustainability Risks are identified, there can be no guarantee that the Investment Manager will or have correctly assessed the impact of Sustainability Risks on the Portfolio's investments or proposed investments.

The contents of Appendix III set out in more detail the manner in which the Investment Manager integrate Sustainability Risk into their investment decision-making.

## **19 Investment Process**

The Investment Manager shall apply the following investment process in the selection and monitoring of the assets of the Portfolio:

The country and equity selection will be driven by the relative attractiveness of individual equity securities across the investable universe. The key factors in determining attractiveness will be the Investment Manager's assessment of valuation, dividend yield, sustainability of earnings and liquidity. In determining an appropriate valuation for a security, account will be taken of the various risks inherent within the business including the political stability of the country in which the issuer is domiciled or from which it derives a significant proportion of its earnings.

In managing the Portfolio, the Investment Manager will endeavour to achieve the investment objective through a reasonably concentrated equity selection process. The Investment Manager will actively manage the Portfolio and hence vary the allocation to countries, sectors and individual securities over time. This is not a buy and hold portfolio management strategy.

In addition to the above, where equity investments do not offer adequately attractive valuations, the Investment Manager has the ability to invest up to 20% of the net assets of the Portfolio in cash, cash equivalents, fixed income securities and to obtain indirect exposure to asset classes, such as property and commodities as set out in the Investment Policy section above. Such investment will be based on the Investment Manager's research and assessment of fair value.

## **20 Borrowing, Leverage and Derivatives**

In accordance with the general provisions set out in the "Borrowing and Leverage" section of the Prospectus, the Investment Manager may borrow, on behalf of the Portfolio, up to 100% of the Net Asset Value of the Portfolio. Notwithstanding this, the Portfolio may borrow from banks, broker-dealers or other financial institutions or entities to bridge short-term liabilities (including satisfying repurchase requests). Such borrowing may be secured by pledging, mortgaging or charging the Portfolio's assets.

The Portfolio may also be leveraged through its use of financial derivative instruments.

The Portfolio may use derivatives for the purposes of efficient portfolio management or for any investment purpose that is consistent with the investment objectives and policies set out above.

Examples of the ways in which financial derivative instruments may be used, which should not be taken as being exhaustive, or mutually exclusive, include:

- to hedge the currency exposure of the assets of the Portfolio into the base currency of the Portfolio;
- to hedge or reduce the Portfolio's exposure to any asset;
- as a substitute for taking a position in the underlying asset where the Investment Manager feels that derivative exposure to the underlying asset represents better value than direct exposure;
- to align the Portfolio's interest rate exposure with the Investment Manager's outlook for interest rates; and /or
- to gain an exposure to the composition and performance of a particular index, the constituents of which are consistent with the investment policy of the Portfolio.

The maximum leverage, calculated in accordance with the gross basis under the AIFM Directive, will not exceed 200% of the Net Asset Value of the Portfolio. The maximum leverage, calculated in accordance with the commitment basis under the AIFM Directive, will not exceed 200% of the Net Asset Value of the Portfolio.

## **21 Investment Restrictions**

The general investment restrictions set out in the "Investment Restrictions" section of the Prospectus apply to the Portfolio, these include restrictions requiring that:

- a. The AIFM may not acquire any shares carrying voting rights that would enable it to exercise significant influence over the management of an issuing body where such issuing body is a company that has its shares admitted to trading on a regulated market. This restriction is not applied to investment in other collective investment schemes.
- b. Where the Portfolio invests in units/ shares of a collective investment scheme managed by the AIFM or an associated or related company, the manager of the scheme in which the investment is being made must waive any preliminary/initial charge which it is entitled to charge for its own account in relation to the acquisition of units.
- c. Where a commission is received by the AIFM by virtue of an investment in the units of another collective investment scheme managed by the AIFM or an associated or related company, this commission must be paid into the property of the Portfolio.
- d. The Portfolio may invest in other Portfolios of the Fund which in turn may also invest in other Portfolios of the Fund provided that those latter Portfolios may not cross-invest within the Fund.

In addition, the following investment restrictions apply specifically to the Portfolio:

- a. The Portfolio will not invest directly in or directly hold commodities;
- b. The Portfolio will not directly engage in short selling;
- c. The Portfolio may not invest more than 10% of net assets in other collective investment schemes;



- d. The Portfolio may not hold more than 25% of the units or shares in any other collective investment schemes;
- e. The Portfolio's exposure to a country, calculated as a percentage of its net assets, must be no less than 10% below that country's benchmark weight, and no more than 10% above that country's benchmark weight; and
- f. The Portfolio may not carry out sales of transferable securities when such securities are not in the ownership of the Portfolio.

## **22 Distributions**

It is not intended to declare any distributions.

## **23 Listing of Units**

Although listing on Euronext Dublin may be investigated in the future, there is no current intention to apply for listing of the Class Z Units on any exchange.

## **24 Investment Manager**

Pursuant to an investment management agreement effective as of 13 December 2023 between the AIFM and Coronation Investment Management International (PTY) Ltd ("**CIMI**" or "**Investment Manager**") and as may be amended from time to time, CIMI is responsible for managing the investment and re-investment of the assets of the Portfolio (the "**CIMI Investment Management Agreement**").

The major activity of CIMI is asset management. CIMI, having its principal office at 7th Floor, Montclare Place, Cnr Campground and Main Road, Claremont, 7708, Cape Town, South Africa, is an FSCA regulated company incorporated and registered in South Africa to act as Investment Manager/investment advisor to a variety of funds. CIMI is a wholly owned subsidiary of Coronation Fund Managers Limited.

The CIMI Investment Management Agreement provides that the appointment of CIMI will continue unless and until terminated by the AIFM or CIMI giving not less than ninety (90) days' notice in writing to the other party. In certain circumstances as set out therein, the CIMI Investment Management Agreement may be terminated immediately by either party. CIMI shall not be liable to the Portfolios on account of anything done or suffered by CIMI in accordance with or in pursuance of any request or advice of the AIFM (otherwise than due to the fraud, wilful default or negligence in the performance by CIMI its servants or agents). Pursuant to the CIMI Investment Management Agreement, the AIFM undertakes to hold harmless and indemnify CIMI, its employees and agents against all actions, proceedings and claims and against all costs, demands and expenses (including legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by CIMI by reason of its performance of its duties under the terms of the CIMI Investment Management Agreement (otherwise than due to the wilful default, fraud or negligence in the performance by CIMI, its servants or agents).

The Investment Manager may with the prior approval of the AIFM and in accordance with the requirements of the Central Bank, appoint one or more sub-Investment Managers, advisers or delegates if deemed necessary.

## **25 Fees**

In addition to the general management and fund charges set out in the Prospectus under the heading "Management and Fund Charges - General" the following fees and expenses are payable out of the Portfolio, subject to the voluntary cap detailed below.

### ***The AIFM***

No annual fee will be payable to the AIFM out of the assets of the Portfolio in respect of the Class Z Units.

The AIFM shall be entitled to be repaid out of the assets of the Portfolio such expenses provided for in the "Management and Fund Charges" section of the Prospectus.

### ***The Administrator***

The AIFM will pay to the Administrator out of the assets of the Portfolio an annual aggregate fee, accrued at each Valuation Point and payable monthly in arrears, at a rate of up to 0.025% of the Net Asset Value of the Portfolio (plus VAT, if any), plus additional fees related to the complexity of the Portfolio (e.g., number of classes), subject to a minimum annual fee. The minimum annual fee is US\$50,000, and applies pro rata to the Portfolio based on Net Asset Value when the aggregate fee in respect of all Portfolios under the agreement is less than US\$50,000 times the number of Portfolios under the agreement. In addition, the Administrator will be paid out of the assets of the Portfolio fees for maintaining investor records.

The Administrator shall be entitled to be repaid out of the assets of the Portfolio such expenses provided for in the "Management and Fund Charges" section of the Prospectus.

### ***The Trustee and Depositary***

The AIFM shall pay to the Trustee out of the assets of the Portfolio an annual fee in respect of the trustee and depositary services provided by it to the Portfolio, which fee shall accrue at each Valuation Point and be payable in arrears on a monthly basis, at a rate which will not exceed 0.0284% of the Net Asset Value of the Portfolio (plus VAT, if any).

Safekeeping fees for depositary services will vary from market to market, and will tend to be higher in less developed markets.

Depositary service fees will also include event based transaction fees and value based safekeeping fees.

The Trustee shall be entitled to be repaid out of the assets of the relevant Portfolio all of its disbursements which shall include legal fees, courier's fees, telecommunication costs and expenses and the fees (where applicable) and out-of-pocket expenses of any sub-custodians appointed by the Trustee which will be at normal commercial rates.

The Trustee shall also be entitled to be repaid out of the assets of the Portfolio such other expenses provided for in the "Management and Fund Charges" section of the Prospectus.

The Administrator and the Trustee form part of the same group which allows the AIFM the benefit of negotiating fee rates based on the holistic service offering. This Supplement will be updated prior to the implementation of any increase in the maximum fee payable to the Administrator and/or the Trustee as set out above as determined on an aggregated basis, save for annual inflationary increases measured in accordance with the Central Statistics Office Consumer Price Index. Unitholders will be given reasonable notice of increases to the maximum aggregate administration and trustee fees, other than the aforementioned annual inflationary increases, to enable Unitholders to redeem their Units prior to implementation of such a change.

### ***Investment Manager***

The AIFM will pay to the Investment Manager, out of the AIFM fee as opposed to out of the assets of the Portfolio, an annual fee (plus VAT, if any) accrued weekly and payable monthly in arrears, unless the AIFM and the Investment Manager agree otherwise.

No annual fee will be payable to the Investment Manager out of the assets of the Portfolio in respect of the Class Z Units.

The Investment Manager shall be entitled to be repaid out of the assets of the Portfolio such expenses provided for in the "Management and Fund Charges" section of the Prospectus.

### ***Voluntary Expense Cap***

To the extent that certain operating expenses (i.e. all expenses other than management fees and performance fees, the cost of buying and selling assets, including brokerage and any anti-dilution levies charged, and interest) (the "**Qualifying Expenses**") exceed 0.20% per annum (the "**Cap Rate**") of the average market value of the Portfolio (the "**Voluntary Expense Cap**") over the VEC Calculation Period (as defined in this paragraph), the AIFM shall be responsible for and will reimburse the Portfolio in the amount of such excess, with such obligation arising from the time that the Voluntary Expense Cap is introduced. The calculation period for the Voluntary Expense Cap shall comprise each successive twelve month period in each financial year of the Portfolio (each a "**VEC Calculation Period**"). The Voluntary Expense Cap will be calculated as the Cap Rate multiplied by the average daily market value over the VEC Calculation Period. Where the Qualifying Expenses incurred during the VEC Calculation Period exceed the Voluntary Expense Cap at the calculation date (being the last Valuation Day of the VEC Calculation Period), the AIFM will inject the excess amount into the Portfolio. The excess amount will be payable in arrears at the end of the VEC Calculation Period and therefore actual operating expenses incurred by the Portfolio could exceed the Voluntary Expense Cap at other points during the VEC Calculation Period. As stated above, Qualifying Expenses will include all operating expenses other than management and performance fees, the cost of buying and selling assets (including brokerage and any anti-dilution levies charged) and interest.

The Voluntary Expense Cap shall apply in respect of each VEC Calculation Period until such time as at the sole discretion of the AIFM, the Voluntary Expense Cap is removed, provided that Unitholders will be given reasonable notice prior to such removal to enable them to redeem their Units if they wish.

## **26 Risk Factors**

The general risk factors set out in the "**Risk Factors**" section of the Prospectus apply to the Portfolio.

## **27 How to Redeem Units**

Requests for the redemption of Units should be submitted to the AIFM c/o the Administrator in accordance with the provisions set out in the Prospectus.

Requests received prior to a Dealing Deadline for a Redemption Day will be dealt with on the relevant Redemption Day and if received after the relevant Dealing Deadline will be dealt with as request for redemption for the next succeeding Redemption Day. A redemption request once given will not be capable of withdrawal unless the AIFM exercises its discretion to allow the withdrawal of the request. Applications by email or facsimile will be treated as definite orders. Any subsequent application may be sent by email, facsimile or letter.

The amount due on the redemption of Units of any class in the Portfolio will be paid by the Settlement Date at the Unitholder's risk and expense by electronic transfer to an account in the name of the Unitholder. Payment of the proceeds of redemption will only be paid on receipt by the Administrator of the original Subscription Agreement together with all supporting documentation thereto, unless the AIFM and the Administrator agree otherwise.

No Unitholder shall be entitled to realise part of his holding of Units of any class in the Portfolio if such realisation would result in his holding of Units of such class after such realisation being below the Minimum Holding, unless the AIFM, as its discretion, provides written consent thereto.

The AIFM may at its discretion with the consent of the Unitholder or at the request of the Unitholder satisfy a redemption request by a redemption of investments of the Portfolio in specie provided that such a redemption would not prejudice the remaining Unitholders of that Portfolio, which provisions are summarised under "In Specie Redemptions" in the Prospectus.

If the Administrator receives requests for the repurchase of Units totalling 10% or more of the outstanding Units of the Portfolio on any Dealing Day, the AIFM, may elect to restrict the total number of Units repurchased to 10% or more of the outstanding Units. In such case, redemption requests will be scaled down pro rata and the balance of outstanding redemption requests shall be treated as if they were received on each subsequent Dealing Day until all Units to which the original request related have been redeemed. Such deferred repurchase requests will have priority over repurchase requests received on subsequent Dealing Days.

This section should be read in conjunction with the section entitled "Redemption of Units" in the Prospectus.

## **28 Initial Expenses**

The costs of establishing the Portfolio, which are not expected to exceed €20,000 excluding any VAT and outlay will be paid by the AIFM however such costs will be recovered from the Portfolio and may be amortised over the first Accounting Period of the Portfolio's existence or such other period as the AIFM may determine and in such manner as the AIFM in its absolute discretion deems fair and shall be subject to such adjustment following the establishment of the Fund as the AIFM may determine.

## ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** Coronation Emerging Markets Diversified Equity Fund  
**Legal entity identifier:** 635400UX7KHM4AHHDE73

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?



Yes



No

☐ It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_\_%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective:** \_\_\_\_%



It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



## What environmental and/or social characteristics are promoted by this financial product?

The Portfolio promotes the following environmental characteristics:

Greenhouse Gas Emissions Reduction; Climate Change Mitigation: The transition away from fossil fuels and the reduction of toxic emissions through the exclusion of companies that engage in specific carbon-intensive activities relating to the extraction or consumption of fossil fuels that cause material harm to the environment.

The Portfolio promotes the following social characteristics:

1. **Social Sustainability:** The protection and advancement of human rights, labour rights and anti-corruption practices through the exclusion of companies that do not satisfactorily align with the principles of the UN Global Compact.
2. **Good Health and Wellbeing; Human Rights:** Health and safety-related standards through the exclusion of companies that are engaged in activities related to the production and distribution of tobacco and of controversial weapons.

In order to promote these environmental and social characteristics, the Investment Manager applies a binding set of sector-based and conduct-based exclusions when determining investments to be made. The AIFM and the Investment Manager has adopted the Exclusion Policy of Coronation Fund AIFMs Limited ("**Coronation**"), which can be found at the link set out in the response below to the question "Where can I find more product specific information online".

The Exclusion Policy requires exclusion of investment in companies that derive a material part of their annual revenue from activities that are generally regarded as causing material environmental or societal harm, including:

- the mining and extraction of thermal coal;
- the production of coal-based power;
- the extraction of oil from tar sands;
- the production or distribution of controversial weapons; and
- the production or distribution of tobacco and tobacco products.

The following table sets out the annual revenue thresholds that apply to each of the sector-based exclusions:

| Sector   | Revenue Threshold per annum |
|--|-----------------------------|
| <b>Tobacco production</b>                        | 20%                         |
| <b>Tobacco supply, distribution or licensing</b> | 25%                         |
| <b>Controversial weapons</b>                     | 10%                         |
| <b>Thermal coal mining and extraction</b>        | 30%                         |
| <b>Coal-based power</b>                          | 20%                         |
| <b>Oil from tar sands</b>                        | 10%                         |

As noted above, where a company's annual revenue exceeds the "Revenue Threshold" for a specific sector, then that company will be excluded from the investment universe of the Portfolio, unless there is reasonable sufficient evidence to indicate that the relevant company will not remain in breach of the Revenue Threshold going forward.

The Portfolio shall also seek exposure to companies that adhere to internationally accepted standards for human rights, labour rights (including the abolition of child labour) and environmental practices.

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Portfolio.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

As part of the investment process, the sustainability indicator that the AIFM considers to measure the environmental and/or social characteristics promoted by the Portfolio is the integration of the Exclusion Policy.

The following sustainability indicators are used to measure the success of the Investment Manager's approach to the promotion of environmental and social characteristics:

**Environmental Characteristics:**

- Number and percentage of investments where the revenue that is derived from the mining and extraction of thermal coal exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy\*);
- Number and percentage of investments where the revenue that is derived from the production of coal-based power exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy);
- Number and percentage of investments where the revenue that is derived from the extraction of oil from tar sands exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy).
- Carbon emissions profile of the Portfolio \*\*, including:
  - Absolute carbon emissions and equivalents (Scope 1 and 2)\*\*\*
  - Carbon footprint and equivalents (Scope 1 and 2)

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.



- Weighted average carbon intensity (and equivalents) (Scope 1 and 2)

**Social Characteristics:**

- Number and percentage of investments where the revenue that is derived from the production or distribution of controversial weapons exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy).
- Number and percentage of investments where the revenue that is derived from the production or distribution of tobacco and tobacco products exceeds the Revenue Threshold for that activity (as defined in the Exclusion Policy).
- Number and percentage of investments that have been flagged as not adhering to the ten (10) principles of the United Nations Global Compact ("**UNGC**") and where meaningful action is not being taken to address the related concerns (as defined in the Exclusion Policy).

For more details on the exclusions that apply to this Product, please refer to the Exclusion Policy which can be found at the link set out in the response below to the question "Where can I find more product specific information online".

\* Exclusions are applied in accordance with the Exclusion Policy. The Investment Manager will apply the Exclusion Policy to determine which securities meet the Exclusion Criteria, and must therefore be excluded from the investment universe of the Product.

\*\* The Product does not have specific carbon emissions targets and may exhibit an emissions profile that increases over time or is higher than a comparable benchmark. The exclusion of specified activities relating to the production or consumption of fossil fuels is expected to have a positive impact on the Product's emissions profile.

\*\*\* Scope 1 emissions are carbon emissions produced directly by a company's activities. Scope 2 emissions are carbon emissions related to the electricity that a company consumes.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable

How have the indicators for adverse impacts on sustainability factors been taken into account?

Not applicable

- — — *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable



### Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes, \_\_\_\_\_

☒ No

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

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

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### What investment strategy does this financial product follow?

The Portfolio is an actively managed financial product that aims to produce long term outperformance of the MSCI Emerging Markets Total Return (Net) Index (Bloomberg ticker NDUEEGF) primarily through investment in equities and equity related securities of emerging market companies.

The Portfolio's return is measured against the MSCI Emerging Markets Total Return (Net) Index (Bloomberg ticker: NDUEEGF). The investment objective is achieved by investing, either directly or indirectly, at least 80% of its net assets in equities and equity-related securities (such as warrants, convertible preference shares, and convertible bonds) of companies, listed or traded on a Recognised Exchange.

The Investment Manager follows a long-term valuation-driven investment strategy that is designed to identify and invest in securities that are expected to generate superior risk-

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

adjusted investment returns over the long term. To achieve this, the Investment Manager performs ongoing fundamental research into the long-term prospects of each of the securities that they research, including engaging with companies to gain a better understanding of their business prospects and risks.

The Investment Manager applies a long-term investment approach which allows them to evaluate and invest in securities over long time horizons (typically 5 years and longer). The investment opportunities that are identified through the research process are combined into a portfolio of securities that aims to achieve the investment objective of the Portfolio. During the life of an investment, ESG factors are monitored on an on-going basis as part of the Investment Manager's investment process.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

#### **ESG sectoral and conduct exclusion policy**

The Portfolio is required to adhere to the Exclusion Policy adopted by the AIFM. To ensure that the environmental and social characteristics promoted by the Portfolio can be attained, the Portfolio will apply the Exclusion Policy referenced above.

For more details on the exclusions that apply to this Portfolio, please refer to the Exclusion Policy which can be found at the link set out in the response below to the question "Where can I find more product specific information online".

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Not applicable

- ***What is the policy to assess good governance practices of the investee companies?***

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The Investment Manager aims to ensure that the companies in which the Portfolio invests maintain high standards of governance, including sound management structures, employee relations, remuneration of staff and tax compliance. Companies are evaluated across a wide array of matters relating to governance. These include the composition, strength and independence of the board, executive compensation and alignment of interests, as well as ethical conduct, anti-corruption practices and the management of conflicts of interest. Practices relating to capital allocation, the protection of shareholder rights and third-party assurance and reporting are also evaluated. The Investment Manager seeks transparency, engagement and comprehensive reporting, as this provides the information basis to assess whether a company adheres to high standards of corporate governance and integrates ESG considerations. Engagement with investee management and board of directors can be by way of telephone calls, online interactions, in-person meetings, letters and written statements.

The Portfolio is also required to exclude investment into any company that is considered to be engaged in practices that cause or could result in material harm to the environment and/or have a material negative societal impact, taking the ten principles of the UNGC into account.

Please refer to Coronation's ESG Policy, Proxy Voting Policy and latest annual Stewardship Report, all of which are available at the link set out in the response below to the question "Where can I find more product specific information online", for more information on how the governance practices of investee companies are incorporated into the investment process.



### What is the asset allocation planned for this financial product?

#### Asset allocation

describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

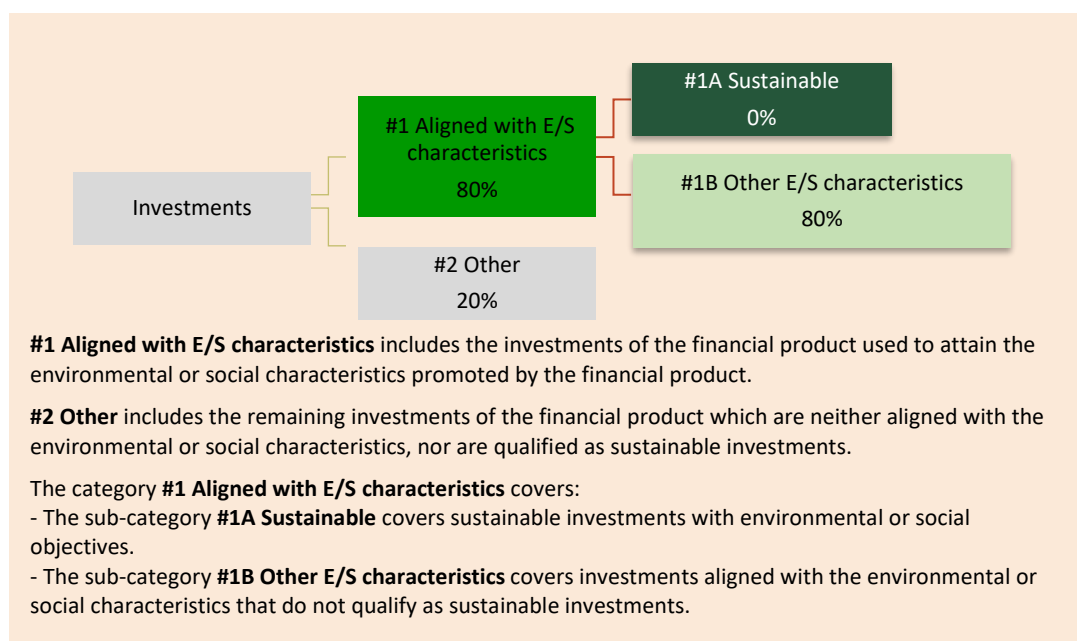
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The Portfolio aims to hold a minimum of 80% investments that are aligned with the environmental or social characteristics promoted by the Portfolio. The Portfolio aims to hold a maximum of 20% investments that are not aligned with the environmental or social characteristics promoted by the Portfolio and are not sustainable investments, and which fall into the 'other' section of the Portfolio.

Please note that while the Investment Manager's aim is to achieve the asset allocation targets outlined above, these figures may fluctuate during the investment period and ultimately, as with any investment target, may not be attained.

The Portfolio does not commit to holding sustainable investments. The Investment Manager does not assess whether a security is Taxonomy-aligned prior to investing in that security. Any investments held by the Portfolio that are Taxonomy-aligned are incidental and not a result of a deliberate decision to invest in Taxonomy-aligned securities.

The exact asset allocation of the Portfolio will be reported in the Portfolio's mandatory periodic report SFDR template, for the relevant reference period.



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Whilst the Portfolio may use derivatives for efficient portfolio management purposes as more fully set out in the Prospectus and the Supplement, such derivatives are not used for the purposes of attaining the environmental and social characteristics promoted by the Portfolio.



● **To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

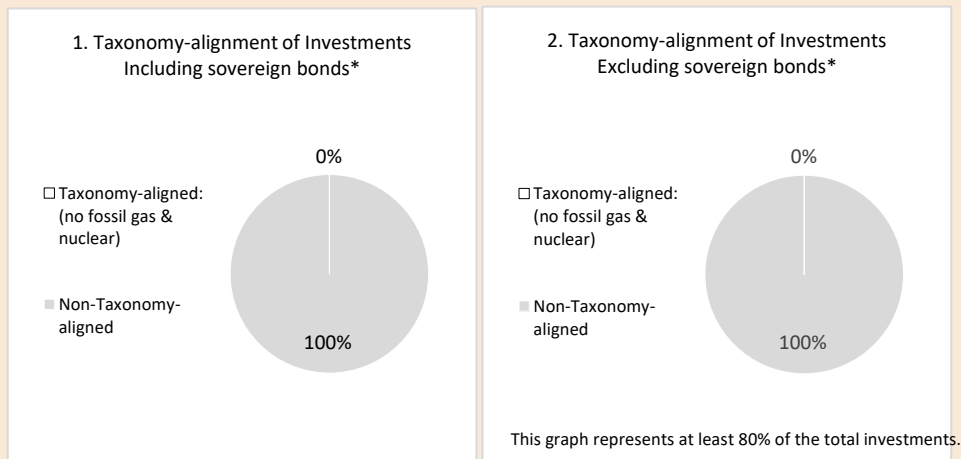
● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>4</sup>?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*




\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

<sup>4</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Not applicable. The analysis and disclosure requirements introduced by the Taxonomy Regulation are very detailed and compliance with them requires the availability of multiple, specific data points in respect of each investment which the Portfolio makes. The AIFM is not committing that the Portfolio will invest in investments that qualify as environmentally sustainable for the purposes of the Taxonomy Regulation. As such, the minimum proportion of the Portfolio's investments that contribute to environmentally sustainable economic activities for the purposes of the Taxonomy Regulation will be 0%. It cannot be excluded that some of the Portfolio's holdings qualify as Taxonomy-aligned investments. Disclosures and reporting on Taxonomy alignment will develop as the EU framework evolves and data is made available by issuers.

● ***What is the minimum share of investments in transitional and enabling activities?***

Not applicable.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable.



**What is the minimum share of socially sustainable investments?**

Not applicable as the Product does not commit to invest in sustainable investments.



**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

"Other" includes the remaining investments of the Portfolio which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The "Other" section in the Portfolio is held for a number of reasons that the Investment Manager feels will be beneficial to the Portfolio, such as, but not limited to, achieving risk management, and/or to ensure adequate liquidity, hedging and collateral cover.

The Portfolio may hold cash or other fixed income instruments for any of the purposes set out in the Portfolio's Investment Policy. In accordance with this policy, these instruments are expected to comprise a small percentage of the overall market value of the Portfolio.

The Investment Manager may not promote ESG characteristics in respect of these investments.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Not applicable.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

Not applicable.



**Where can I find more product specific information online?**

Product factsheets and other literature can be found on Coronation's website at [www.coronation.com](http://www.coronation.com).

**More product-specific information can be found on the website:**

<https://www.coronation.com/en/institutional/about-us/SustainabilityRelatedDisclosure>.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.