

# CORONATION GLOBAL OPTIMUM GROWTH FUND

## SUPPLEMENT 10

DATED 10 DECEMBER, 2021 TO THE PROSPECTUS DATED 10 DECEMBER, 2021 OF  
CORONATION GLOBAL OPPORTUNITIES FUND

### 1. Structure

Coronation Global Optimum Growth Fund (the “**Fund**”) is a sub-fund of Coronation Global Opportunities Fund, an open-ended umbrella unit trust authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. At the date of this Supplement, the Coronation Global Opportunities Fund has ten sub-funds, the Coronation Global Opportunities Equity Fund, the Coronation Global Cash Fund, the Coronation Global Emerging Markets Fund, the Coronation All Africa Fund, the Coronation Global Capital Plus Fund, Coronation Global Managed Fund, the Coronation Global Strategic USD Income Fund, the Coronation Global Strategic GBP Income Fund, the Coronation Global Equity Select Fund and the Coronation Global Optimum Growth Fund.

A description of

- Coronation Global Opportunities 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 but not defined in this Supplement shall bear the meanings attributable to them in the Prospectus.**

The Prospectus is available from the Administrator at 200 Capital Dock, 79 Sir John Rogerson’s Quay, Dublin D02 RK57, Ireland or from the Manager at Suite 1, 2 Grand Canal Square, Macken Street, Dublin D02 A342, Ireland. The Prospectus may also be downloaded free of charge from [www.coronation.com](http://www.coronation.com).

**The Fund may invest more than 50% of its net assets in positions in markets that the Investment Manager regards as emerging markets.**

Due to the potentially high level of emerging markets exposure an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

The Fund may invest substantially in money market instruments and/or deposits with credit institutions. However, Units of the Fund are not deposits or obligations of, or guaranteed or endorsed by, any bank and the amount invested in Units may fluctuate up and/or down.

The Fund is suitable for high net worth individuals, institutional and retail investors seeking capital growth over the long term with a moderate to high level of volatility.

The Directors of the Manager of the Trust, whose names appear under the heading, “Management and Administration” in the Prospectus accept responsibility for the information contained in the Prospectus and this Supplement. 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.

**2. Classes of Units**

<b>Class</b>	<b>Designated Currency</b>
Class A Units	US Dollars
Class P Units	US Dollars
Class Q Units	US Dollars
Class Z Units	US Dollars

Class A Units, Class P Units, Class Q Units and Class Z Units (designated in US Dollars) were issued on 20 April, 2021 at an initial offer price of USD 10 per Unit and are currently issued at the Net Asset Value per Unit of the relevant Class plus the applicable sales commission (if any).

Application for an initial subscription of Class A Units must be for an amount of not less than USD15,000. Application for an initial subscription of Class P Units, Class Q Units and Class Z Units must be for an amount of not less than USD 100,000 (collectively the “**Minimum Initial Subscription**”).

Further applications by existing Unitholders or requests for redemption must be for an amount of not less than USD 5,000 in respect of Class A, Class P, Class Q and Class Z Units (the “**Minimum Transaction Size**”).

In addition, an existing Unitholder must retain Units having a Net Asset Value of not less than USD 2,500 in respect of Class A and Class Z Units and a Net Asset Value of not less than USD 10,000 in respect of Class P and Class Q Units (the “**Minimum Holding**”).

Subject to the requirements of the Central Bank, the Manager reserves the right to differentiate between Unitholders as to waive or reduce the Minimum Initial Subscription, Minimum Holding and Minimum Transaction Size, where in the best interests of the Fund to do so.

The Units in each Class rank pari passu with each other except (i) the Class Z Units will not be subject to an annual management fee; (ii) the Class Q units and the Class Z Units will only be available to managed accounts and collective investment schemes managed on a discretionary basis by companies within the Coronation group; and (iii) the Class P Units are intended for investment by investors investing through accounts managed by fund supermarkets and investor platforms. However, with the prior consent of the Manager, investment in the Class P Units will also be permitted by (a) other bulk account investors (including investments by nominee entities and other funds) and (b) investors investing directly more than USD 5 million for their own account or two or more investors, acting through a common representative, that together invest more than USD 5 million.

Subsequent to the launch of Units in a Class at the Initial Offer Price, all applications for Units in that Class must be received by the Administrator prior to 5.00 p.m. (Irish time) on the Business Day immediately preceding the relevant Dealing Day.

Subscription monies must be received by the Administrator prior to 5.00 p.m. (Irish time) on the relevant Dealing Day. The Manager (subject to prior agreement) may extend the settlement period up to 3 Business Days to facilitate payment or settlement methods. The Manager reserves the right to defer the issue of Units until receipt of cleared subscription monies by the Fund.

If payment in cleared funds in respect of a subscription has not been received by the relevant time, the Manager or its delegate may (and in the event of non-clearance of funds, shall) cancel the allotment and/or charge the investor interest at the Secured Overnight Financing Rate (SOFRINDEX as quoted by Bloomberg) + 1%, which will be paid into the Fund together with an administration fee of USD 100, which is payable to

the Manager. The Manager may waive either of such charges in whole or in part. In addition, the Manager has the right to sell all or part of the investor's holding of Units in the Fund into which the investor is subscribing or any other sub-fund of the Trust in order to meet such charges.

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

Should such additional Classes be created, the Manager reserves the right, subject to the requirements of the Central Bank, to differentiate between Unitholders as to waive any minimum initial subscription, minimum holding and minimum transaction size, where in the best interests of the Fund to do so.

A separate portfolio of assets is not maintained for each Class.

**3. Base Currency**

United States Dollars (US\$).

**4. Business Day**

Each day (except Saturday or Sunday) on which banks are generally open for ordinary business in Dublin shall constitute a Business Day or such other day or days as may be determined by the Manager and notified to Unitholders.

**5. Dealing Day**

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

**6. Valuation Day/Valuation Point**

Valuation Day means each Dealing Day. Valuation Point means close of business in the relevant market which closes last on each Valuation Day or such other time as the Manager may determine and notify to Unitholders in advance.

**7. Investment Manager**

Pursuant to an investment management agreement dated 15 September, 2015 between the Manager and Coronation Investment Management International Proprietary Limited (the "**Investment Manager**"), as amended by supplemental

agreements dated 18 March 2016 and 25 May 2018 and as may be further amended from time to time (the “**Investment Management Agreement**”), the Investment Manager was appointed as investment manager responsible for managing the investment and re-investment of the assets of the Fund, with effect from the date of this Supplement and the assets of any additional sub-funds of the Trust which it may agree in writing to act as investment manager.

The Investment Management Agreement is for an indefinite period and may be terminated by the Manager or the Investment Manager on not less than ninety days’ notice in writing (or such shorter notice as may be agreed by the parties). The Investment Management Agreement provides that the Manager shall hold harmless and indemnify the Investment Manager out of the assets of the relevant Fund from and against all actions, proceedings, claims, damages, costs, demands and expenses including, without limitation, legal and professional expenses on a full indemnity basis (“**Loss**”) which may be brought against, suffered or incurred by the Investment Manager in the performance of its duties under the Investment Management Agreement other than due to the negligence, fraud, bad faith or wilful default of the Investment Manager in the performance of its obligations hereunder and in particular (but without limitation) this indemnity shall extend to any Loss arising as a result of any error of judgement, third party default or any loss, delay, misdelivery or error in transmission of any communication to the Investment Manager or as a result of acting in good faith upon any forged document or signature and the Manager acknowledges that in discharging its obligations under the Investment Management Agreement the Investment Manager may, in the absence of manifest error, rely without enquiry upon all information supplied to it by the Manager or any persons appointed by the Manager.

The major activity of the Investment Manager is asset management. The Investment Manager, having its principal office at 7<sup>th</sup> 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 adviser to a variety of funds. The Investment Manager is a wholly owned subsidiary of Coronation Fund Managers Limited.

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

## **8. Investment Objective**

The investment objective of the Fund is to maximise long-term real returns in US Dollars by investing in a globally diversified portfolio with exposure to both developed

and emerging markets across multiple asset classes as detailed below. The Fund targets a return of the US Consumer Price Index (“US CPI”) + 4% per annum over rolling 10-year periods (“primary benchmark”).

The performance of the Fund will also be measured against a secondary composite benchmark (the “composite benchmark”) comprising a 35% allocation to the MSCI World Daily Total Return (dividends reinvested net of withholding taxes) USD Index (NDDUWI as quoted by Bloomberg), a 35% allocation to the MSCI Emerging Markets Daily Total Return (dividends reinvested net of withholding taxes) USD Index (NDUEEGF as quoted by Bloomberg) and a 30% allocation to the Barclays Global Aggregate Bond Total Return Index Unhedged USD (LEGATRUU as quoted by Bloomberg). The Fund will aim to outperform this composite benchmark over rolling 5-years.

The MSCI World Index and the MSCI Emerging Markets Index are widely used measures of the performance of global developed market and emerging market equities respectively. The Barclays Global Aggregate Bond Total Return Index is a widely used measure of global investment-grade fixed income markets. The composite index is unmanaged, is not available for investment and does not incur expenses.

Although the Fund’s performance will be measured against the primary benchmark and composite benchmark (collectively the “Indices”) as set out above, the Fund will be actively managed. There is no intention to track the underlying Indices or to use the Indices to construct the portfolio and consequently the Fund may be wholly invested in securities which are not constituents of the Indices. While certain of the Fund’s securities may be constituents of and may have similar weightings to the Indices, the Investment Manager will use its discretion to invest in securities not included in the Indices in order to take advantage of investment opportunities. There are no risk limits applicable to the Fund defined by reference to the Indices and the investment strategy of the Fund does not restrict the extent to which the Fund’s holdings may deviate from the Indices. Consequently the Fund may deviate significantly from the primary benchmark and the composite benchmark.

## 9. Investment Policies

The investment objective will be achieved by investing in a range of equity and equity related securities, fixed income securities, cash and cash equivalents, collective investment schemes and instruments providing exposure to commodities and property. These types of instruments are collectively referred to herein as the “Asset Classes”. The portfolio will be actively managed within and across the Asset Classes according

to the Investment Manager's view of changing economic and market conditions in order to achieve the Investment Objective set out above.

The Fund will be managed with an equity bias over time, with total exposure to equities and equity-related securities expected to average between 60% and 80% of net assets over any rolling 5-year period. The balance of the net assets of the Fund will be invested in cash and cash equivalents, fixed income securities, collective investment schemes and instruments providing exposure to commodities and property.

The Fund's investment in the Asset Classes will not be limited to any particular country, region or currency. However, the transferable securities, i.e. equity and/or fixed income instruments invested in by the Fund will be primarily listed or traded in or dealt on a Recognised Exchange located worldwide.

The Fund may invest up to 100% of its Net Asset Value in countries considered by the Investment Manager to be emerging markets.

The Fund may invest up to 15% of its Net Asset Value in securities listed or traded on Russian markets. Any such investment will only be made in securities that are listed/traded on the Moscow Exchange.

#### *Equity and Equity Related Securities*

The Fund shall invest in equities and equity-related securities (such as warrants and convertible preference shares) of companies traded on a Recognised Exchange located worldwide through the application of the Investment Process (as further detailed below). There is no particular industry or sector focus to the investment in equities and equity related securities.

#### *Fixed Income Instruments*

The Fund shall invest in fixed income instruments such as international sovereign, government, supranational agency, corporate, bank and other debentures and bonds (including convertible bonds issued by corporates) and other debt securities and debt-related securities (such as corporate notes including participation notes, sovereign notes, treasury bills, negotiable certificates of deposit, certificates of deposit, commercial paper and American and/or Global Depository Receipts) listed or traded on Recognised Exchanges located worldwide. Such fixed income instruments may be fixed or floating rate, where appropriate, and may be unrated or, if rated, shall not be subject to any minimum rating other than as may be determined by the Investment Manager's credit committee provided that the Fund shall not invest more than 10% of

its Net Asset Value in fixed income securities not listed on an exchange and not issued by a government, supranational agency or bank. The Fund shall only invest in fixed income securities that are unrated or rated below BBB-, as rated by Standard & Poor's Rating Group or an equivalent rating as rated by Moody's Investors Service Limited or Fitch Ratings Limited (or equivalent rating agency) following the completion of proper due diligence on the issuer of such instruments, which in most instances will be a listed entity. The maximum investment in unrated fixed income securities will not exceed 30% of the Net Asset Value of the Fund. The credit process will include both qualitative and quantitative analyses, including the calculation of the relevant financial ratios and the performance of a peer group analysis using an internal rating system. The pricing of the instrument will be determined using a proprietary model which determines an appropriate credit spread for the instrument. The pricing model will make reference to all the available company-specific and industry-specific information as well as the expected liquidity of the instrument. For the avoidance of doubt, for purposes hereof, convertible bonds shall not be taken into account when determining whether any thresholds pertaining to fixed income securities as detailed above have been reached.

Convertible bonds will typically be issued by corporates and may give rise to equity exposure arising from any derivative deemed to be embedded therein. The Fund will not invest in contingent convertible bonds.

As stated above, the Fund may invest in participation notes that constitute transferable securities in accordance with UCITS requirements and which give exposure to assets consistent with the investment policy of the Fund. Such participation notes may be listed on a Recognised Exchange and/or unlisted and may be bespoke or non-bespoke to the Fund but will only be invested in where (i) it is more efficient to do so than investing directly or where it is not possible to invest directly because of restrictions in the local jurisdiction; (ii) they do not embed derivatives and therefore do not give rise to leveraged exposure; and (iii) where the participation notes are issued by corporates which have a long term minimum credit rating of BBB-, as rated by Standard & Poor's Rating Group or an equivalent rating as rated by Moody's Investors Service Limited or Fitch Ratings Limited (or equivalent rating agency). The maximum investment in participation notes will not exceed 10% of the Net Asset Value of the Fund.

The Fund is not permitted to invest in asset-backed securities, with the exception of exchanged traded commodities as detailed below.

#### *Cash and Cash Equivalents*

In the appropriate circumstances the Fund may retain cash and cash equivalents such as certificates of deposit, treasury bills and treasury notes which may or may not be



listed on Recognised Exchanges worldwide. Such circumstances may 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 Fund, in order to meet redemptions and/or payment of expenses.

#### *Property and Commodities*

The Fund may seek to obtain exposure to asset classes in which it is not permitted to directly invest, such as property and commodities, where suitable securities or listed derivatives representing such exposure are available to the Fund and may be held by the Fund under the UCITS Regulations. Such securities or derivatives include, but are not limited to, the following:

- (i) Equities of or money market instruments issued by, a company whose main business is concerned with commodities or property. Such money market instruments shall include commercial paper and fixed and/or floating rate corporate bonds;
- (ii) 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. The ETCs in which the Fund invests will not embed a derivative and will therefore not give rise to leveraged exposure;
- (iii) Exchange Traded Funds (“**ETFs**”) which track a commodity index eligible for UCITS purposes. The Fund shall not invest in ETFs domiciled in the US without, for so long as it is a requirement of the Central Bank, obtaining the prior written approval of the Central Bank for any such investment;
- (iv) Closed-ended collective investment schemes which give exposure to property; and
- (v) Cash-settled futures which have a commodity index as their underlying asset. Any such commodity index must be a UCITS eligible financial index prior to the use by the Fund of derivatives which have the relevant commodity index as their underlying asset.

Without prejudice to the Fund’s ability to invest in the instruments described in (i) to (v) above and to enter into derivatives for efficient portfolio management purposes as detailed below, the Fund shall not invest in instruments giving it indirect exposure to commodities if such instruments are not listed and traded on a Recognised Exchange located worldwide or are synthetic instruments.

Indirect exposure to commodities referred to in (ii), (iii) and (v) above will in aggregate not exceed 10% of the market value of the assets comprising the Fund.

Where the Fund wishes to invest in a non-equity instrument that is issued by a bank as the counterparty and which provides a return profile that follows, is similar to, or is clearly referenced to an index, it may only do so under the following circumstances:

- The investment is consistent with the investment policy of the Fund,
- The return profile must be clearly described in the offering documentation issued by the issuer of that instrument,
- The instrument must be fully paid for by the Fund,
- The instrument may not be synthetic. For purposes hereof, a synthetic instrument means an instrument that embeds a derivative and therefore gives rise to leveraged exposure.

As a result the instruments described in (i) to (v) above are not synthetic instruments as contemplated above. The restriction against investing in synthetic instruments as described above does not prevent the Fund from entering into derivatives for efficient portfolio management purposes as referred to below.

The Fund may only use derivatives as detailed above if such use is consistent with the investment objectives and policies of the Fund. The Directors of the Manager are of the opinion that the use of derivatives in the manner contemplated above is not likely to result in the Net Asset Value of the Fund being highly volatile and will not have a significantly negative impact on the performance of the Fund in relation to its investment objective and investment policy.

The use of derivatives in the manner outlined above will give rise to an indirect long only leveraged exposure to the relevant asset class(es). However, any exposure arising from the use of derivatives by the Fund, whether for investment or efficient portfolio management purposes (as outlined in the “Efficient Portfolio Management” section of this Supplement), will not exceed the Net Asset Value of the Fund.

*Investment into collective investment schemes:*

The Fund may invest up to 20% in aggregate of its net assets in:-

- (a) the units/shares of any one or more open-ended collective investment schemes managed by the Manager (including in one or more sub-funds of the Trust);

- and/or
- (b) the units/shares of open-ended collective investment schemes (including ETFs) managed by other fund management companies.

In this respect, the Fund shall primarily invest in schemes that are managed by the Manager and other international fund managers and which invest in the asset classes listed in the “Investment Policies” section of this Supplement, where the Investment Manager determines that such investment represents the optimal allocation of the assets of the Fund.

Open-ended collective investment schemes (including ETFs) invested in by the Fund may be actively or passively managed. Furthermore, such schemes will be UCITS and/or AIF schemes. However, the primary focus will be investment in UCITS schemes or sub-funds of such schemes.

The Investment Manager may also invest in closed ended collective investment schemes which give exposure to the asset classes outlined above. Any investment in closed ended collective investment schemes will only be made on the basis that such investments (i) meet the UCITS regulatory criteria to constitute an investment in transferable securities; and (ii) are listed and traded on Recognised Exchanges worldwide. The maximum investment in closed ended collective investment schemes will be limited to 20% of the Net Asset Value of the Fund.

Although the Fund in accordance with regulatory requirements may only invest in a UCITS or AIF scheme which itself can invest no more than 10% of net asset value in other UCITS or other collective investment undertakings, any investment by the Fund in other sub-funds of the Trust is limited further in that the Fund may only invest in sub-funds of the Trust that do not hold units in other sub-funds of the Trust.

The Investment Manager may invest in collective investment schemes which invest across a wide variety of listed asset classes including but not limited to equities, listed private equity funds, REITs, listed property funds, listed commodity funds, ETFs, ETCs, fixed income instruments such as international sovereign, government, supranational, agency, corporate, structured notes and bonds, which may be fixed or floating and above or below investment grade, and asset backed securities and listed money market instruments (including but not limited to bankers’ acceptances, commercial paper and/or certificates of deposit).

In addition, the Fund may engage in techniques and instruments for efficient portfolio management as set out below.

The Fund will not invest in any instrument that compels the delivery of a commodity or property and may not accept physical delivery of a commodity or property.

In addition to the requirements stated above for investments in other collective investment schemes, the Fund may not invest in any collective investment scheme of any nature that invests in or makes use of:

- (i) instruments to obtain exposure to commodities where such instruments are not listed on a Recognised Exchange located worldwide and/or are synthetic instruments; and/or
- (ii) any non-equity instrument issued by a bank as the counterparty that is fully paid for (fully funded) by the purchaser that provides a return profile, as described in the offering documentation of the instrument, that follows, is similar to, or is clearly referenced to an index, where such an instrument is a synthetic instrument; and/or
- (iii) instruments that compel the delivery of a commodity or property nor may the collective investment scheme accept physical delivery of a commodity or property; and/or
- (iv) instruments and/or techniques that could result in the collective investment scheme being geared or leveraged in excess of its net asset value contrary to the provisions of section 11 below.

#### *Investment Process*

The Fund shall invest in an asset class upon the completion of a due diligence process of a particular investment. The due diligence process applies in-depth fundamental qualitative and quantitative research in order to assess the fair value of an instrument and its inherent risk. This includes the analysis of country, industry and company-specific factors. The qualitative analysis includes an assessment of all non-financial factors that materially affect the fair value and/or risk profile of an investment including, but not limited to, the quality and incentivization of company management, corporate culture, competitive position, barriers to entry, brand strength, pricing power and the nature and predictability of revenue and earnings. The pricing of the instrument will be determined using the Investment Manager's proprietary pricing model which determines an appropriate required rate of return for the instrument. The proprietary pricing model will make reference to all the available company specific information as well as the expected liquidity of the instrument.

In particular, equity investment selection will be driven by the relative attractiveness of equity securities across the investable universe. The key factors in determining attractiveness will be valuation, risk and liquidity. The Investment Manager will buy

equities that the Investment Manager deems to be undervalued, but only if the Investment Manager is satisfied that those equities are sufficiently liquid that they can be sold in a relatively short period. 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.

Investment by the Fund in any collective investment scheme will be subject to an appropriate due diligence investigation conducted by the Investment Manager on the underlying manager and on the underlying portfolio consistent with the due diligence process outlined above.

In managing the Fund, the Investment Manager endeavours to achieve the investment objective through a concentrated equity investment selection process. The Investment Manager will actively manage the Fund and hence vary the allocation to country, sector and individual securities over time.

The Fund does not have as its objective sustainable investment, nor does it promote environmental or social characteristics. As a result, the Fund does not fall within the scope of Article 5 or Article 6 of Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment. The investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

## **10. Efficient Portfolio Management**

The Fund may engage in techniques and instruments such as financial derivative instruments and when issued and/or delayed delivery securities for the purposes of efficient portfolio management including reduction of risk or cost or the generation of additional capital or income for the Fund (subject to the conditions and within the limits laid down by the Central Bank). Such techniques and instruments are set out in Appendix III to the Prospectus and include the use of the following financial derivative instruments; futures, options, swap contracts, forward foreign exchange contracts, interest and exchange rate swap contracts.

There is no intention to enter into short derivative positions other than for hedging.

The Fund may utilise only listed financial derivative instruments, except in the case of currency and interest rate financial derivative instruments which can be traded over the counter.

It is not intended to hedge against changes in the exchange rate between the Base Currency of the Fund and the designated currency of the Asset Classes in which the portfolio invests.

Although the use of derivatives for efficient portfolio management purposes will give rise to an additional exposure, any such additional exposure may not exceed the Net Asset Value of the Fund. Accordingly the use of instruments & techniques for efficient portfolio management purposes may not result in the Fund being leveraged in excess of 100% of the Net Asset Value of the Fund. Furthermore, the Fund must at all times hold (i) liquid assets which are sufficient to cover the additional exposure arising from the use of derivatives which are cash settled and (ii) where required in accordance with the Central Bank Requirements, hold the underlying assets of derivatives that are not cash settled in order to cover the additional exposure arising from the use of such derivatives.

The use of derivative instruments for the purposes outlined above may expose the Fund to the risks disclosed under the headings “Derivatives and Techniques and Instruments Risk” and “Currency Risk” in the Risk Factors section of the Prospectus.

The Manager expects that the use of derivatives by the Fund may result in a low impact on the performance of the Fund in relation to its investment objectives and policies.

The Manager will employ a risk management process which will enable it to accurately monitor, manage and measure the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Fund will not utilise financial derivatives which have not been included in the risk management process until such time as a revised risk management process has been submitted to the Central Bank. The Manager will provide on request to Unitholders supplementary information relating to the risk management methods employed by the Fund including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

## **11. Leverage and Global Exposure**

The Fund will ensure that its use of derivatives as contemplated in Sections 9, 10 and 12 will not result in the Fund having global exposure in excess of its Net Asset Value. Accordingly, the Fund will not be leveraged or geared by its use of FDI if this results in global exposure in excess of its Net Asset Value. The global exposure and leverage of the Fund as a result of its use of derivatives will be measured using the commitment approach and the maximum global exposure will be 100%.

## 12. Securities Financing Transactions and Equity Swaps

The Fund may in accordance with the provisions of section 10 above engage in SFTs and equity swaps, as described under “Repurchase / Reverse Repurchase and Stock-Lending Arrangements for the Purposes of Efficient Portfolio Management” and “Financial Derivative Instruments”. The types of assets that will be subject to securities financing transactions and equity swaps will be equity securities.

Further details on SFTs are set out in the Prospectus under the headings “Securities Financing Transactions and Equity Swaps, “Collateral Policy” and “Counterparty Selection Process”.

## 13. Distributions

It is not intended to declare any distributions.

## 14. Fees

In addition to the general management and fund charges set out in the Prospectus under the heading “Fees and Expenses” the following fees and expenses are payable out of the Fund:

### *The Manager*

The Manager will be entitled to an annual fee, accrued daily and payable monthly in arrears, at a rate of 1.35% per annum of the Net Asset Value of the Fund attributable to Class A Units (plus VAT, if any).

The Manager will be entitled to an annual fee, accrued daily and payable monthly in arrears, at a rate of 0.95% per annum of the Net Asset Value of the Fund attributable to Class P Units (plus VAT, if any).

The Manager will be entitled to an annual fee, accrued daily and payable monthly in arrears, at a rate of 0.45% per annum of the Net Asset Value of the Fund attributable to Class Q Units (plus VAT, if any).

The annual fee payable to the Manager in respect of any present or future Class of Unit shall not exceed 2% per annum of the Net Asset Value of the Fund attributable to that Class. Such maximum annual fee may not be increased without the approval of Unitholders of the relevant Class on the basis of a majority of votes cast at a general meeting of Unitholders of the relevant Class.

This Supplement will be updated prior to the implementation of any change in the management fee payable to the Manager as set out above.

Unitholders in the relevant Class will be given reasonable notice of any change in the management fee to enable them to redeem their Units prior to implementation of such a change.

#### *The Administrator*

The Manager will pay to the Administrator out of the assets of the Fund 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 Fund (plus VAT, if any), plus additional fees related to the complexity of the Fund (e.g., number of classes), subject to a minimum annual fee. The minimum annual fee is US\$50,000 per Fund, and applies pro rata to each Fund based on Net Asset Value when the aggregate fee in respect of all Funds under the agreement is less than US\$50,000 times the number of Funds under the agreement.

In addition, the Administrator will be paid out of the assets of the Fund fees for maintaining investor records including the provision of reports to allow the Fund to fulfil its obligations under the Common Reporting Standard and the Foreign Account Tax Compliance Act. These fees are dependent on the number of investors and the number of transactions and are not expected to exceed US\$15,000 per annum.

The Administrator shall be entitled to be repaid out of the assets of the Fund such expenses provided for in the “Fees and Expenses” section of the Prospectus.

#### *The Trustee*

The Manager shall pay to the Trustee out of the assets of the Fund an annual fee in respect of the trustee and depositary services provided by it to the Fund, which fee shall accrue at each Valuation Point and be payable in arrears on a monthly basis, at a rate which will not exceed 0.0275% of the Net Asset Value of the Fund (plus VAT, if any), subject to a minimum annual fee. The minimum annual fee is US\$36,000 per Fund, and applies pro rata to each Fund based on Net Asset Value when the aggregate fee in respect of all Funds under the agreement is less than US\$36,000 times the number of Funds under the agreement.

The Manager will also pay to the Trustee out of the assets of the Fund fees of:



- (i) up to 0.02% per annum of the value of investment funds held in safekeeping and up to US\$250 per transaction in respect of investment funds trade settlements; and
- (ii) up to 0.50% per annum of the value of all other securities held in safekeeping and up to US\$100 per transaction in respect of trade settlements for all other securities.

The fees for depositary services for direct investment in equities, and other securities, will vary from market to market, and will tend to be higher in less developed markets. Depositary service fees will include event based transaction fees and value based safekeeping fees.

This Supplement will be updated prior to the implementation of any change in the maximum fee payable to the Trustee as set out above. Unitholders will be given reasonable notice of such change to enable them to redeem their Units prior to implementation of such a change.

The Trustee shall be entitled to be repaid out of the assets of the Fund such expenses provided for in the “Fees and Expenses” section of the Prospectus.

#### *The Investment Manager*

The Manager will pay to the Investment Manager out of the Manager’s annual fee as opposed to out of the assets of the Fund an annual fee (plus VAT, if any), accrued daily and payable monthly in arrears. The Investment Manager shall be responsible for discharging from its annual fee, the fees and all reasonable and properly vouched out-of-pocket expenses (plus VAT, if any) of any Sub-Investment Manager appointed by the Investment Manager with the approval of the Manager and in accordance with the requirements of the Central Bank.

#### *Fee Provisions relating to Investment in Collective Investment Schemes*

Where the Fund invests in the units/shares of another collective investment scheme managed directly or by delegation by the Manager or by any other company with which the Manager is linked by common management or control, the Manager or other company must waive the preliminary/initial/redemption charge which it is entitled to charge for its own account.

Where the Manager invests the assets of the Fund in another sub-fund of the Trust (which itself may not hold units in any other sub-fund of the Trust), the rate of the annual management fee which Unitholders in the Fund may be charged in respect of that

portion of the Fund's assets invested in the other sub-fund of the Trust (whether such fee is paid directly at the Fund level, indirectly at the level of the other sub-fund or a combination of both) may not exceed the rate of the maximum annual management fee which Unitholders in the Fund may be charged in respect of the balance of the Fund's assets, such that there will be no double charging of the annual management fee to the Fund as a result of its investments in the other sub-fund. This provision is also applicable to the annual fee charged by an Investment Manager where that fee is paid directly out of the assets of the Fund.

Where commission is received by the Manager or the Investment Manager by virtue of an investment in the units of another collective investment scheme, this commission must be paid into the property of the Fund.

#### *Anti-dilution Levy*

The Manager reserves the right to impose "an anti-dilution levy" representing a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold), and other dealing costs ("Dealing Costs") relating to the acquisition or disposal of assets in the event of receipt for processing of net subscription or net redemption requests exceeding 5% of the Net Asset Value of the Fund (including subscriptions and/or redemptions which would be effected as a result of requests for conversion from one Fund into another Fund). Any such levy will be deducted 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 Fund 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 Fund (including subscriptions and/or redemptions which would be effect as a result of requests for conversion from one Fund into another fund). The anti-dilution levy will be paid into the Fund and become part of the property of the Fund and is designed to protect both the value of the Fund's underlying assets, and the current Unitholders' interests in the Fund.

#### *Initial Expenses*

All expenses incurred with the establishment of the Fund and initial offer of Units of the Fund will be borne by the Manager initially but subsequently recharged to the Fund upon which such expenses will be amortised over one year or such other period as the Manager may determine and in such manner as the Manager in its absolute discretion deems fair. Such establishment expenses are estimated to amount to EUR18,500.

## Voluntary Expense Cap

To the extent that certain operating expenses (the “Qualifying Expenses”) exceed 0.10% per annum (the “Cap Rate”) of the average Net Asset Value of the Fund (the “Voluntary Expense Cap”) over the VEC Calculation Period (as defined in this paragraph), the Manager shall be responsible for and reimburse the Fund 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 Fund (each a “VEC Calculation Period”), provided that the first calculation period will commence from the time in the particular financial year of the Fund that the Voluntary Expense Cap was introduced to the last day of such financial year. The Voluntary Expense Cap will be calculated as the Cap Rate multiplied by the average daily Net Asset Value over the VEC Calculation Period. Where the Qualifying Expenses (i.e. all expenses other than management fees, the cost of buying and selling assets, including brokerage and any anti-dilution levies charged, and interest) 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 Manager will inject the excess amount into the Fund. The excess amount will be payable in arrears at the end of the VEC Calculation Period and therefore actual operating expenses incurred by the Fund 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 fees, the cost of buying and selling assets (including brokerage and any anti-dilution levies charged) and interest.

Notwithstanding the foregoing, the Manager shall be entitled to adjust the accrued Qualifying Expenses within the Fund at any Valuation Point to ensure that the accrued expenses realistically reflect the excess amount expected to be paid by the Manager in terms of the Voluntary Expense Cap in respect of the Qualifying Expenses incurred by the Fund from the start of the relevant VEC Calculation Period.

The Voluntary Expense Cap shall apply until such time as at the sole discretion of the Manager, 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.

### **15. Additional Risk Factor**

Potential investors should consider the risks referred to in the “Risk Factors” section of the Prospectus. In addition, the following risk factor is specific to the Fund:

### *Investment in Russia*

Investments in companies organised in or who principally do business in the independent states that were once part of the Soviet Union, including the Russian Federation, pose special risks, including economic and political unrest and may lack a transparent and reliable legal system for enforcing the rights of creditors and Unitholders of the Fund. The concept of fiduciary duty is not well established and rules regulating corporate governance are undeveloped. Unitholders may, therefore, suffer dilution or loss of investment due to the actions of management without satisfactory legal remedy.

Evidence of legal title to shares in a Russian company is maintained in book entry form. In order to register an interest of the Fund's shares, an individual must travel to the company's registrar and open an account with the registrar. The individual will be provided with an extract of the share register detailing his interests but the only document recognised as conclusive evidence of title is the register itself. Registrars are not subject to effective government supervision. There is a possibility that the Fund could lose its registration through fraud, negligence, oversight or catastrophe such as fire. Registrars are not required to maintain insurance against these occurrences and are unlikely to have sufficient assets to compensate the Fund in the event of loss. In other circumstances such as the insolvency of a sub-custodian or registrar, or retroactive application of legislation, the Fund may not be able to establish title to investments made and may suffer loss as a result. In such circumstances, the Fund may find it impossible to enforce its rights against third parties. Neither the Manager, the Investment Manager, the Trustee nor any of their agents make any representation or warranty in respect of, or in guarantee of, the operations or performance of any registrar or sub-custodian.

While the Fund may invest to a limited extent in Russian equities listed or traded on the Moscow Exchange, the exposure to Russian listed/traded equities shall not exceed 15% of the Net Asset Value of the Fund.

## **16. Redemption of Units**

All redemption requests must be received by the Administrator prior to 5.00 p.m. (Irish time) on the Business Day immediately preceding the relevant Dealing Day.

The redemption price will normally be payable to the Unitholder within three Business Days after the deadline for receipt of redemption requests.

**17. Publication of Net Asset Value**

The most up-to-date Net Asset Value per Unit will be published on [www.bloomberg.com](http://www.bloomberg.com) and updated following each calculation of the Net Asset Value.

The relevant Bloomberg Code for each Unit Class is as follows:

Unit Class	Bloomberg Code
Class A	CORGOGA ID
Class P	CORGOGP ID
Class Q	CORGOGQ ID
Class Z	CORGOGZ ID