M&G Global Property Fund

retail investor alternative investment fund of

M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

an umbrella fund with segregated liability between sub-funds

Supplement to the Prospectus dated 21 May 2024 for M&G (South Africa) Global Funds ICAV

This supplement contains specific information in relation to the M&G Global Property Fund (the **Fund**), an open-ended fund of M&G (South Africa) Global Funds ICAV (the **ICAV**) an umbrella fund with segregated liability between Funds authorised by the Central Bank of Ireland pursuant to the provisions of the Irish Collective Asset-management Vehicle Act 2015 as a retail investor alternative investment fund.

The Directors of the ICAV, whose names appear in the Directors of the ICAV section of 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.

An investment in this Fund should not constitute a substantial portion of an investment portfolio and may not be appropriate for all investors. Please refer to the risk factors as set out under the heading "**Risk Factors**" in this Supplement. If you are in any doubt about the contents of this Supplement, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

This Supplement forms part of and should be read in conjunction with the Prospectus.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

Date: 21 May 2024

TABLE OF CONTENTS

1 DEFINITIONS

AUM means assets under management.

EPM mean efficient portfolio management.

FDI(s) means financial derivative instrument(s).

Property Securities are defined as investments in REITs and equity securities of companies engaged in the acquisition, development, ownership, leasing, management and operation of properties and certain real estate activities.

REIT(s) means real estate investment trust(s).

2 INVESTMENT OBJECTIVE

The investment objective of the Fund is to provide long-term capital growth.

There is no guarantee that the Fund will achieve its objective.

3 INVESTMENT POLICIES

3.1 Asset Class Overview

The Fund will seek to achieve its investment objective by primarily seeking exposure to a diversified portfolio of global Property Securities (being exposure of at least 80% of the Net Asset Value of the Fund to Property Securities excluding cash and ancillary liquid assets by the date six months from the date of authorisation of the Fund).

The Fund may also seek exposure to Property Securities by investing in collective investment schemes (including ETFs) that invest or seek exposure to Property Securities or other asset classes referred to below.

The Fund may also invest in debt securities of various types and maturities issued by government and/ or corporate entities.

The Fund may also use certain FDI for the purpose of EPM and hedging purposes, details of which are described below in more detail, including a range of futures, forwards, swaps and options. The Fund may also invest in repurchase and reverse repurchase agreements and engage in securities lending transactions.

Further detail in respect of each of the asset classes listed above is described below in the section entitled **Asset Class Description**.

3.2 Investment Strategy

When selecting Property Securities for investment, the Investment Manager shall have regard to potential for growth, income, liquidity and expected returns. The Investment Manager will consider whether the pricing of particular Property Securities is conducive to higher returns.

The Investment Manager employs a bottom-up stock picking approach, driven by analysis of individual securities or basket of stocks. In determining the relative attractiveness of a security, the Investment Manager considers various factors typically associated with subsequent security outperformance. These include, but are not limited to, valuation of the security, quality of the underlying assets, financial and operating risk as well as some technical factors such as historical security share price performance.

Metrics that may be employed in such analysis will include free funds from operations yield, dividend yield, price to book ratio, price to earnings ratio, enterprise value to earnings before interest, tax, depreciation and amortisation (EV/EBITDA), volatility, profitability, beta (being the measure of the volatility or systemic risk of a security or a portfolio in comparison to the market as a whole), return on assets and return on equity.

The Investment Manager will determine how the Fund will gain exposure to Property Securities. This may be through investment in Property Securities directly or indirectly through investment in equities, equity-related securities, debt instruments, collective investment schemes and through FDI. Within the options available, the Investment Manager will consider the relative costs and risks involved. Individual investments available in the market are then researched and, if appropriate, selected for the Fund.

The Investment Manager will analyse if indirect holdings through other assets offer a better risk/ reward profile than holding the underlying Property Securities directly. The Investment Manager will assess if the risk reward characteristics of an asset align with the investment objective of the Fund.

The Investment Manager may invest in debt securities where economic and market conditions result in these securities being more attractive for investment relative to Property Securities. The Investment Manager will take various factors into account when selecting debt securities for investment including the expected returns, credit spread, duration, geography, sectors and currency. Credit spread may be determined by reference to the instrument in the context of the prevailing macro environment as well as its historical performance and expected future environment.

The Fund may also invest in collective investment schemes to access expected market returns or the instrument selection skills of the underlying manager of the collective investment scheme in question.

The investment strategy of the Fund will seek to remain unconstrained by factors that are not relevant to the overall investment objective of the Fund.

Geographical Focus

The Fund will not be subject to any geographical restrictions. The Fund may invest up to 50% of its Net Asset Value in emerging markets and countries and up to 10% of its Net Asset Value in frontier markets and other countries as determined by MSCI classifications. As part of the Fund's investment in REITs, the Fund may also invest in REITs that are included on the FTSE EPRA/Nareit Global REIT Index and/or the S&P500.

The FTSE EPRA/Nareit Global REIT Index is a free-float adjusted, market capitalization-weighted index designed to track the performance of listed REITs in both developed and emerging countries worldwide. Constituents of the FTSE EPRA/Nareit Global REIT Index are screened on liquidity, size and revenue.

The S&P 500 is a stock market index that measures the stock performance of 500 large companies listed on stock exchanges in the United States. It is one of the most commonly followed equity indices. It includes many REITs. Constitutions are screened based on market capitalisation, trading volumes, and their public listing among other things.

In addition, the Fund's investment in transferable securities (save for permitted investments in unlisted securities) will be made on exchanges and markets listed in Appendix 1 to the Prospectus.

Hedging Strategy

The Base Currency of the Fund is US dollars. However, the Fund may hold assets denominated in other currencies or hold assets of issuers, the revenues or value of which may be derived from other currencies in whole or in part. The Investment Manager may hedge non-Base Currency positions or underlying exposures where it sees fit (for example, where the Investment Manager believes that the non-Base Currency may weaken against the base currency) though Shareholders should be aware that the Investment Manager may determine not to do so if it believes such course of action is in the best interest of the Fund or otherwise impracticable.

3.3 **Asset Class Description**

3.3.1 ***Property Securities***

The Fund will predominantly invest in or seek exposure to REITs and equity securities of companies engaged in the acquisition, development, ownership, leasing, management and operation of properties and certain real estate activities.

A REIT is a corporation or trust that uses pooled capital of many investors to purchase and manage property. REITs are traded on major exchanges similar to equity and are therefore classed as transferable securities as they meet the requirements of liquidity, availability of price, availability of accurate and comprehensive information and transferability.

3.3.2 ***Equity Securities***

The Fund may invest in equity securities and equity equivalents such as common shares of companies, yieldcos and American Depository Receipts (**ADRs**), Global Depository Receipts (**GDRs**) and European Depository Receipt (**EDRs**) which are certificates issued by a depository bank or investment bank, representing shares held by the bank, usually by a branch or in the country of issue of the shares, which trade independently from the shares, as an alternative to directly purchasing the underlying securities in jurisdictions where it would not be possible or practical or otherwise more beneficial for the Fund to hold the underlying securities directly and to gain exposure to such underlying securities included without directly investing in those securities**.**

Yieldcos are an asset class of publicly traded companies that are focused on returning cash flows generated from renewable energy assets to shareholders. Yieldcos are pass through stock entities designed to allow for generous dividend yields and potential long term dividend growth. Yieldcos are generally able to distribute a high percentage of their cash-flows by utilising tax incentives to minimise tax liabilities. The Fund may invest up to 10% of its Net Asset Value in yieldcos.

The equity securities that the Fund may acquire may also include closed-ended funds that trade as transferable securities. The Fund may invest up to 10% of its Net Asset Value in closed-ended funds that trade as transferable securities.

3.3.3 ***Collective Investment Schemes***

The Fund may seek to achieve its objective by investing in collective investment schemes (including ETFs, as described below in further detail) which give exposure to some or all of the asset classes referred to in section 3.3 of this Supplement.

The types of collective investment schemes in which the Fund may invest include ETFs, investment trusts, unit trusts, investment companies (with variable or fixed capital), contractual structures similar to trusts (such as common contractual funds where the underlying fund is set up based on a contract or a trust document rather than being a separate legal entity like a company). The collective investment schemes in which the Fund may invest will be regulated and may be listed or unlisted.

The Fund may invest in ETFs in order to replicate the investment exposure of specific sectors, asset classes, markets, geographies or currencies consistent with the Fund's investment objectives and in accordance with the AIF Rulebook. The regulated open-ended funds (including ETFs), will be domiciled in the EEA, the United Kingdom, US, Guernsey, Jersey or the Isle of Man meeting the requirements of the Central Bank.

The collective investment schemes in which the Fund may invest may charge subscription, redemption, management, performance, distribution, administration and/or custody fees. Accordingly, the Fund will pay indirectly, its pro rata share of the fees and expenses charged by each underlying fund as well as the operating fees and expenses of any underlying fund. All such fees and expenses will be reflected in the Net Asset Value of the Fund. The maximum level of annual management fees which the Fund may effectively incur arising from its investment in underlying funds will be 2% of the amount invested per annum. Such underlying funds may also incur performance fees over and above the annual management fees referred to above. Where a commission is received by the AIFM by virtue of an investment in the units or shares of another fund, this commission will be paid into the assets of the Fund.

The collective investment schemes in which the Fund may invest may use financial derivatives, provided the collective investment scheme's exposure is covered by the assets of that collective investment scheme as required in section 4.2.3(b) below.

Subject to section 47 of the ICAV Act, the Fund may also acquire shares in another sub-fund of the ICAV. Please refer to the section headed **Cross Investment** in the Prospectus for further detail.

3.3.4 ***Debt Securities***

The Fund may invest up to 20% of the Net Asset Value of the Fund in debt securities of various types and maturities issued by government, state-owned enterprises or corporate entities. Debt securities will include fixed rate, floating rate and variable rate notes, bonds, treasury bills. It also includes convertible bonds/debentures, preferred stock and warrants. They may be rated investment grade or below investment grade by a recognised rating agency such as Moody's or Standard & Poor's or unrated. The Fund may invest up to 5% of its Net Asset Value in warrants.

As part of its investment in debt securities, the Fund may invest up to 10% of its Net Asset Value in aggregate in asset-backed securities and/ or mortgage-backed securities (which will not embed leverage). An asset-backed security is a type of security which may be backed by or collateralised by, amongst other things, a pool of loans secured on commercial property, residential property, real estate, project finance, infrastructure, receivables and other receivables or cash flows. A mortgage-backed security is a type of asset–backed security backed by or collateralised by a pool of residential mortgages. As part of its investment in asset-backed securities and mortgage-backed securities, the Fund may invest in commercial mortgage-backed securities and residential mortgage-backed securities.

Also as part of its investment in debt securities, the Fund may invest up to 10% of its Net Asset Value in exchange-traded notes (which will not embed leverage). Exchange-traded notes reference either equity securities or baskets/ indices of equity securities which are typically issued by investment grade institutions. Exchange-traded notes generally refer to freely transferable securities traded on an exchange where the return is linked to the performance of an underlying asset or an index. The purpose for acquiring exchange-traded notes is to provide the Fund exposure to a variety of asset classes (as set out in this supplement) and to enable the Fund diversify its portfolio.

The Investment Manager may invest in such debt assets when it believes that it is preferable for the Fund to do so rather than investing in the relevant underlying Property Securities (for example where it is more efficient to purchase an exchange-traded note over a portfolio of assets rather than purchasing all the underlying assets individually).

3.3.5 ***Liquid Assets***

The Fund may hold and invest in ancillary liquid assets such as cash, trade deposits, money market instruments including but not limited to commercial paper and certificates of deposit, money market funds or equivalent short term paper including treasury bills.

Such assets may be held: (i) because the Investment Manager is unable to identify sufficient suitable investment opportunities; (ii) to protect the value of the Fund and maintain liquidity at times of falling or volatile markets; or (iii) as otherwise deemed appropriate by the Investment Manager.

3.4 **FDI**

The Fund may use FDIs for the purposes of EPM and for hedging purposes.

The indices through which the Fund may gain exposure to through its investment in FDI will be eligible indices according to the Central Bank requirements.

EPM

The Fund may use FDIs for the purposes of EPM, including for hedging purposes subject to the investment restrictions as set out in the Prospectus and within the limits laid down by the Central Bank. Permitted EPM transactions are transactions in FDIs dealt in or traded on an eligible derivatives market or permitted over-the counter derivatives.

There is no limit on the amount of the assets which may be used for EPM. In addition to the foregoing, the transactions must satisfy two broadly based-requirements:

- Transactions for EPM purposes must be economically appropriate in that they are realised in a cost effective way.

- The purpose of an EPM transaction for the Fund must be to achieve one of the following in respect of the Fund, namely (1) reduction of risk (2) reduction of cost, or (3) the generation of additional capital or income for the Fund with no, or an acceptable level of risk which is consistent with the risk profile of the Fund.

Each EPM transaction must be covered globally. There must be adequate cover from within the assets held by the Fund to meet the Fund's total exposure, taking into account the value of the underlying assets, any reasonable foreseeable market movements, counterparty risk and the time available to liquidate any positions. The global exposure may not exceed the Net Asset Value of the Fund (as calculated under the commitment approach) for the purposes of EPM transactions. Asset and cash can be used only once for cover.

Specific FDI

3.4.1 ***Forward Contracts***

A forward contract locks in the price at which an index or asset may be purchased or sold on a future date. In currency forward contracts, the contract holders are obligated to buy or sell the currency at a specified price, at a specified quantity and on a specified future date.

3.4.2 ***Futures***

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow investors to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. Frequently using futures to achieve a particular strategy instead of using the underlying or related security or index, results in lower transaction costs being incurred. The Fund may invest in futures to seek exposure to the various asset classes set out in this Supplement although it would mainly be used for the purposes of EPM and hedging.

3.4.3 ***Options***

An option represents a contract sold by one party (option writer) to another party (option holder). The contract offers the buyer the right, but not the obligation, to buy (call) or sell (put) a security or other financial asset at an agreed upon price (the strike price) during a certain period of time or on a specific date (exercise date). A currency option is a contract that grants the buyer the right, but not the obligation, to buy or sell a specified currency. An index option gives the holder the right to buy or sell the value of the underlying index. An interest rate option is a derivative whose value is based on future interest rates. There are two types of interest rate options. An interest rate call option gives the bearer the right, but not the obligation, to benefit from a rise in interest rates while an interest rate put option gives the bearer the right, but not the obligation, to profit from a decrease in interest rates.

3.4.4 ***Warrants***

A warrant is a contract which gives the contract buyer the right, but not the obligation, to exercise a feature of the warrant, such as buying a specified quantity of a particular product, asset or financial instrument, on, or up to and including, a future date (the exercise date). The 'writer' (seller) has the obligation to honour the specified feature of the contract. A warrant in the classic sense is a security that entitles the holder to buy stock of the company that issued it at a specified price. Warrants have similar characteristics to call options, but are typically longer dated. The commercial purpose of warrants can be to hedge against the movements of a particular market or financial instrument, including futures, or to gain exposure to a particular market or financial instrument instead of using a physical security.

3.4.5 ***Swaps***

Subject to the requirements laid down by the Central Bank, the Fund may enter into transactions in swaps including interest rate swaps, currency swaps and index swaps.

Under a standard interest rate swap, two counterparties agree to exchange specified cash flows for a specified period of time. Generally, a floating rate cash flow is exchanged for a series of fixed interest rate payments. The counterparty that receives the fixed rate payments obtains interest rate exposure similar to buying a fixed rate bond and the other counterparty obtains floating rate interest exposure. The exchanged cash flows are based off a "notional" amount of principal that is not physically exchanged between counterparties. Interest rate swaps are customizable and frequently trade out to 10 years, making interest rate swaps a more flexible tool to be used in managing interest rate risk along the yield curve.

A currency swap is an agreement negotiated between two parties to exchange the return on cash for the return on varying currencies. The Investment Manager may enter into currency swap contracts to take a view, either positive or negative, on the direction of currency movements.

An index swap is a swap of a market index for some other asset, such as a stock-for-stock or debt-for-stock swap.

3.4.6 ***Convertible Securities***

Convertible securities are convertible bonds, warrants and preferred stock (which will not embed leverage) which are convertible into the common equity of a company.

3.5 **Risk Management Process**

The ICAV on behalf of the Fund employs a risk management process to accurately measure, monitor and manage the various risks associated with FDIs.

The Fund will only utilise FDIs which have been included in the risk management process document that has been cleared by the Central Bank.

The Fund will utilise the commitment approach to calculate its global exposure in accordance with the requirements of the Central Bank. The Fund's maximum global exposure will not exceed 100% of the Fund's Net Asset Value (calculated using the commitment approach) and 250% of the Fund's Net Asset Value using the gross calculation methodology, being the sum of the absolute values of all positions, as per Article 7 of the Commission Delegated Regulation (EU) No 231/2013[1].

[1] *Accordingly the Fund's maximum leverage ratio will be 2:1 (calculated using the commitment method) and 3.5:1 (calculated using the gross method) as set out in Commission Delegated Regulation (EU) No 231/2013.*

Global exposure under the commitment calculation is different to that under the gross calculation as calculation under the commitment approach excludes netting and hedging exposures (giving a truer reflection of actual leverage). Such positions are included for the purposes of the gross calculation.

3.6 **EPM – Repurchase and Reverse Repurchase Agreements**

The Fund may enter into repurchase and reverse repurchase agreements for the purposes of EPM in accordance with the investment restrictions, conditions and limits laid down by the Central Bank.

Direct and indirect operational costs and fees incurred in the use of these techniques may be deducted from the revenue delivered to the Fund from the use of such techniques. All revenue from these techniques, net of direct and indirect operational costs, will be returned to the Fund. These costs and fees shall be charged at normal commercial rates and shall not include hidden revenue. The Investment Manager does not receive costs or fees for techniques of this type. The entities to which such costs and fees are paid (including whether such entities are related to the Investment Manager or the Depositary) will be disclosed in the annual report.

3.7 **EPM - Securities Financing Transactions**

The Fund may engage in securities financing transactions in order to meet its investment objective to generate income for the benefit of the Fund. The assets that can be subject to securities financing transactions are the assets described in the investment policy. It is anticipated that the expected proportion of AUM subject to securities financing transactions will be less than 50% AUM and the maximum expected proportion of AUM subject to securities financing transactions shall not exceed 50% AUM.

Further details in respect of security financing transactions are set out under the Heading **EPM – Securities Financing Transactions: Stocklending, Repurchase Agreements and Reverse Repurchase Agreements** in the Prospectus.

4 **INVESTMENT RESTRICTIONS**

4.1 The general investment restrictions as set out in the section of the Prospectus entitled Investment Restrictions shall apply.

4.2 In addition, the following additional restrictions shall apply

4.2.1 the Fund will not engage in short selling;

4.2.2 the Fund will not acquire securities that compel it to accept physical delivery of a commodity in any circumstances;

4.2.3 for as long as the Fund is approved, in terms of section 65 of the Collective Investment Schemes Control Act in South Africa for sale in South Africa

(a) the Fund's over the counter derivative positions will be limited to unlisted forward currency, interest rate, index or exchange rate swap transactions;

(b) the Fund may not be geared or leveraged (as interpreted for South African regulatory purposes) through investment in any security, including but not limited to Collective Investment Schemes and FDI (for the avoidance of doubt (i) each FDI transaction must be covered globally; and (ii) overdrafts used for funding redemption payments will not be considered to be leverage for these purposes); and

(c) the Fund may not invest more than 10% of its Net Asset Value in any one collective investment scheme.

4.2.4 the Fund cannot directly hold physical property;

4.2.5 the Fund may not invest more than 10% of its Net Asset Value in securities which are not either (i) listed on an exchange which has obtained full membership of the World Federation of Stock Exchanges or (ii) listed on an exchange in respect of which the AIFM or the Investment Manager has undertaken a comprehensive due diligence exercise which encompasses the following areas of enquiry (a) liquidation and repatriation of funds, (b) regulation, (c) regular operations, (d) recognition and (e) being open to the public.

4.3 the Fund is permitted to invest up to 10% of its Net Asset Value in other collective investment schemes.

5 BORROWING AND LEVERAGE

5.1 This section should be read in conjunction with the investment and borrowing restrictions as set out in the section headed Borrowing and Leverage in the Prospectus.

5.2 The Fund may borrow up to 10% of its Net Asset Value on a temporary basis. Such borrowings are permitted only to meet the Fund's obligations in relation to

5.2.1 the administration of the Fund relating to purchase and/ or sale transactions; and/ or

5.2.2 the redemption and/ or cancellation of Shares in the Fund.

Borrowing in relation to 5.2.1 above is only permitted for a period up to 8 calendar days and in relation to 5.2.2 for a period up to 61 calendar days.

5.3 Such restrictions shall apply where the Fund is registered for sale in South Africa and where it is a requirement of the Financial Sector Conduct Authority of South Africa to allow the Fund to be distributed to South African retail investors.

6 SOFT COMMISSIONS

The Fund does not intend to engage in any soft commission arrangements.

7 RISK FACTORS

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the Investment Risks section of the Prospectus and those referred to below. These **Risk Factors** are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making a subscription request for Shares.

The general risk factors set out under the heading **RISK FACTORS** section of the Prospectus apply to the Fund. In addition, the following risk factors apply to the Fund:

7.1 REIT and Property Securities Risks

The Fund will predominantly invest in property securities, including REITs. REITs in which the Fund may invest may be affected by changes in underlying real estate values, which may have an exaggerated effect to the extent that REITs in which the Fund invests may concentrate investments in particular geographic regions or property types. Additionally, rising interest rates may cause investors in REITs to demand a higher annual yield from future distributions, which may in turn decrease market prices for equity securities issued by REITs. Rising interest rates also generally increase the costs of obtaining financing, which could cause the value of a Fund's investments to decline. During periods of declining interest rates, certain mortgage REITs may hold mortgages that the mortgagors elect to prepay, which prepayment may diminish the yield on securities issued by such mortgage REITs. In addition, mortgage REITs may be affected by the ability of borrowers to repay when due the debt extended by the REIT and equity REITs may be affected by the ability of tenants to pay rent.

Certain REITs have relatively small market capitalizations, which may tend to increase the volatility of the market price of securities issued by such REITs. Furthermore, REITs are dependent upon specialized management skills, have limited diversification and are, therefore, subject to risks inherent in operating and financing a limited number of projects. REITs depend generally on their ability to generate cash flow to make distributions to investors.

7.2 Equity Risk

The Fund may invest in securities that are subject to normal market fluctuations and other risks inherent in investing in securities. The value of investments and the income from them, and therefore the value of and income from equity securities can go down as well as up and an investor may not get back the amount it invests. Equities as a class have historically outperformed other types of investments over the long term. Individual stock prices, however, tend to go up and down more dramatically over the short term. These price movements may result from factors affecting individual companies or industries, or the securities market as a whole.

The prices of individual equity securities can rise and fall with the fortunes of the companies that issue them or with general stock market conditions. Changes in the price of individual equity securities held by the Fund will affect the Net Value Asset of the Fund.

7.3 Depository Securities and Receipts Risk

In some cases, a Fund may hold securities through a depository security and receipt (an ADR, a GDR or an EDR).

A depository receipt is issued by a bank or trust company to evidence its ownership of securities of a non-local corporation. The currency of a depository receipt may be different than the currency of the non-local corporation to which it relates. The value of a depository receipt will not be equal to the value of the underlying non-local securities to which the depository receipt relates as a result of a number of factors. These factors include the fees and expenses associated with holding a depository receipt, the currency exchange relating to the conversion of foreign dividends and other foreign cash distributions into local currencies, and tax considerations such as withholding tax and different tax rates between the jurisdictions.

In addition, the rights of the Fund, as a holder of a depository receipt, may be different than the rights of holders of the underlying securities to which the depository receipt relates, and the market for a depository receipt may be less liquid than that of the underlying securities. The foreign exchange risk will also affect the value of the depository receipt and, as a consequence, the performance of the Fund holding the depository receipt. As the terms and timing with respect to the depository for a depository receipt are not within the control of the Fund or the Investment Manager and if the Investment Manager chooses only to hold depository receipts rather than the underlying security, the Fund may be forced to dispose of the depository receipt, thereby eliminating its exposure to the non-local corporation, at a time not selected by the Investment Manager of the Fund, which may result in losses to the Fund or the recognition of gains at a time which is not opportune for the Fund.

7.4 Collective Investment Scheme Risk

The Fund may invest in one or more collective investment schemes including schemes managed by the Investment Manager or its associated companies. Non-Irish domiciled collective investment schemes may not provide a level of investor protection equivalent to that provided by collective investment schemes authorised by the Central Bank.

As a unitholder of another collective investment scheme, the Fund bears, along with other unitholders, its pro-rata share of the expenses of the other collective investment scheme, including management and/or other fees. These fees would be in addition to the management fees and other expenses which the Fund bears directly in connection with its own operations. Where the Fund is the initial investor in a collective investment scheme, it may suffer a proportionally higher total expense ratio but the Fund would only seed a collective investment scheme in this manner where the Investment Manager has deemed it to be in the best long term interests of the Fund.

Where the Fund invests in a collective investment scheme which itself is leveraged, the potential loss to the investor (if the value of the assets held by such leveraged collective investment scheme falls), is greater than the loss that would be incurred if the collective investment scheme was unleveraged.

7.5 **ETF General Risks**

The Fund may invest in ETFs. There are risks to investing in ETFs generally.

7.5.1 ***Absence of an active market and lack of operating history risk***

There is no guarantee that any particular ETF will be available or will continue to be available at any time. The ETFs may be newly or recently organised investment funds with limited or no previous operating history.

7.5.2 ***Redemption risk***

The Fund's ability to realize the full value of an investment in an underlying ETF will depend on the Fund's ability to sell such ETF units or shares on a securities market. If the Fund chooses to exercise its rights to redeem ETF units or shares, then it may receive less than 100% of the relevant ETF's then current trading price per share.

7.5.3 ***Reinvestment risk***

If an underlying ETF pays distributions in cash that the Fund is not able to reinvest in additional units or shares of the ETF on a timely or cost-effective basis, then the performance of the Fund may be negatively impacted by holding such un-invested cash.

7.5.4 ***Trading price of ETFs risk***

Units or shares of an ETF may trade in the market at a premium or discount to the ETF's net asset value per unit or share and there can be no assurance that units or shares will trade at prices that reflect their net asset value. The trading price of the units or shares will fluctuate in accordance with changes in the ETF's net asset value, as well as market supply and demand on the stock exchange.

7.5.5 ***ETF index risks***

The Fund may invest in ETFs which (i) invest in securities that are included in one or more indices in substantially the same proportion as those securities are reflected in a referenced index or indices, or (ii) invest in a manner that substantially replicates the performance of such a referenced index or indices.

7.5.6 ***Calculation and termination of the indices risk***

If the computer or other facilities of the index providers or a stock exchange malfunction for any reason, calculation of the value of the indices and the determination by the manager of the prescribed number of units or shares and baskets of securities may be delayed and trading in units or shares of the ETF may be suspended for a period of time. In the event that an index provider ceases to calculate the indices or the license agreement with the manager of an ETF is terminated, the manager of the ETF may terminate the relevant ETF, change the investment objective of the ETF or seek to replicate an alternative index (subject to investor approval in accordance with the

ETF's constituting documents), or make such other arrangements as the manager determines. This may negatively impact the value of the Fund's investment in such ETF.

7.5.7 ***Cease trading of constituent securities risk***

If constituent securities of the indices cease trading at any time by order of a stock exchange, a securities regulatory authority or other relevant regulator, the manager of the ETF may suspend the exchange or redemption or units or shares of the ETF until such time as the transfer of the securities is permitted by law.

7.5.8 ***Index investment strategy risk***

The indices on which the ETFs are based were not created by the index providers for the purpose of the ETFs. The index providers have the right to make adjustments or to cease calculating the indices without regard to the particular interests of the manager of the ETF, the ETFs, or the investors in the ETF.

7.5.9 ***Rebalancing and adjustment risk***

Adjustments to baskets of securities held by ETFs to reflect rebalancing of and adjustments to the underlying indices on which they are based will depend on the ability of the manager of the ETF and its brokers to perform their respective obligations. If a designated broker fails to perform, an ETF would be required to sell or purchase, as the case may be, constituent securities of the index on which it is based in the market. If this happens, the ETF would incur additional transaction costs that would cause the performance of the ETF to deviate more significantly from the performance of such index than would otherwise be expected.

7.5.10 ***Risk of not replicating the indices***

The ETFs will not replicate exactly the performance of the underlying indices on which they are based because the total return generated will be reduced by the management fee payable to the manager of the ETF and transaction costs incurred in adjusting the portfolio of securities held by the ETFs and other expenses of the ETFs, whereas such transaction costs and expenses are not included in the calculation of such indices. It is also possible that, for a period of time, the ETFs may not fully replicate the performance of such indices due to the temporary unavailability of certain securities that are included in an index in the secondary market or due to other extraordinary circumstances.

7.5.11 ***Tracking error risk***

Deviations in the tracking by an ETF of the index on which it is based could occur for a variety of reasons. For example, where an ETF tenders securities under a successful takeover bid for less than all securities of a constituent issuer and the constituent issuer is not taken out of the applicable index, the ETF would be required to buy replacement securities for more than the takeover bid proceeds.

Adjustments to the basket of securities necessitated by the rebalancing of or adjustment to an index could affect the underlying market for constituent securities of the applicable index which in turn would be reflected in the value of that index. Similarly, subscriptions for units or shares of an ETF by designated brokers or underwriters may impact the market for constituent securities of the index, as the designated broker or underwriter seeks to buy or borrow such securities to constitute baskets of securities to deliver to the ETF as payment for the units or shares to be issued.

7.5.12 ***ETF industry sector risk***

The Fund may invest in ETFs that provide exposure to securities involving industry sector risks. Investing in one specific sector of the stock market entails greater risk (and potential reward) than investing in all sectors of the stock market. If a sector declines or falls out of favour, the share values of most or all of the companies in that sector will generally fall faster than the market as a whole.

An industry can be significantly affected by, amongst other things, supply and demand, speculation, events relating to international political and economic developments, energy conservation, environmental issues, increased competition from other providers of services, commodity prices, regulation by various government authorities, government regulation of rates charged to customers, service interruption due to environmental, operational or other mishaps, the imposition of special tariffs and changes in tax laws, regulatory policies and accounting standards and general changes in market sentiment. Moreover, it is possible that other developments, such as increasingly strict environmental and safety laws and regulations and enforcement policies thereunder and claims for damages to property or persons resulting from operations could result in substantial costs and liabilities, delays or an inability to complete projects or the abandonment of projects.

The extent of these factors cannot be accurately predicted and will change from time to time, but a combination of these factors may result in issuers not receiving an adequate return on invested capital. Many industries are very competitive and involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome.

7.6 **Debt Security Risks**

Credit risk is the risk that an issuer of a bond or other debt security will not be in a position to pay interest or repay the principal once due. Credit risk is generally lowest among issuers that have a high credit rating from an independent credit rating agency. It is generally highest among issuers that have a low credit rating or no credit rating. Debt securities issued by companies or governments in emerging or frontier markets often have higher credit risk (lower rated debt), while debt securities issued by well-established companies or by governments of developed countries tend to have lower credit risk (higher rated debt). The prices of securities with a low rating or no rating tend to fluctuate more than securities with higher ratings. They usually offer higher interest rates, which may help to compensate for the higher credit risk.

Asset-backed securities are often subject to extension and prepayment risks, which may have a substantial impact on the timing of their cashflows. The average life of each individual security may be affected by a large number of factors such as structural features (including the existence and frequency of exercise of any optional redemption, mandatory redemption or prepayment or sinking fund features), the payment or the prepayment rate of the underlying assets, a change in the repayment profile of the security held by the Fund, the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets.

Rising interest rates tend to extend the duration of mortgage-backed securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, the Fund may exhibit increased levels of volatility should it hold mortgage-backed securities. In addition, mortgage-backed securities are subject to prepayment risk. When interest rates decline, borrowers may pay off their mortgages sooner than expected. This can reduce the returns of the Fund because the Fund will have to invest that money at the lower prevailing interest rate.

Investment grade assets must have a minimum credit rating. However, even where assets exhibit these minimum ratings, their respective credit ratings may range widely and may vary over time. In particular, where such credit ratings are at the lower end of the range, the obligors of such assets may face uncertainties and exposure to adverse business, financial or economic conditions. This could lead to them being unable to meet their financial commitments despite their being regarded as issuers of investment grade debt.

Below investment grade debt securities and unrated debt securities are often speculative and involve a greater risk of default and price changes due to changes in the issuer's creditworthiness. The market prices of these debt securities fluctuate more than investment grade debt securities and may decline significantly in periods of general economic difficulty.

7.7 **Default Risk**

Investments in debt securities, specifically those which are rated below investment grade, are subject to the risk that the issuer could default on its obligations and the Fund could sustain losses on such investments. The Fund will seek to limit such risks by credit research and securities selection but there can be no assurance that the Fund will not acquire securities with respect to which the issuer subsequently defaults.

7.8 **Yield Risk**

Investments in debt securities entail certain risks including adverse income fluctuation associated with general economic conditions affecting the debt securities market, as well as adverse interest rate changes and volatility of yields. When interest rates decline, the market value of the Fund's debt securities can be expected to rise. Conversely, when interest rates rise, the market value of the Fund's debt securities can be expected to decline.

7.9 **Liquidity Risk**

Investors often describe the speed and ease with which an asset can be sold and converted into cash as its liquidity. Most of the investments owned by the Fund can usually be sold promptly at a fair price and therefore can be described as relatively liquid but the Fund may also hold investments that may become illiquid, which means they can't be sold quickly or easily. Some investments are illiquid because of legal restrictions, the nature of the investment itself, settlement terms, or for other reasons. Sometimes, there may simply be a shortage of buyers. If the Fund has trouble selling an investment, it can lose value or incur extra costs. In addition, illiquid investments may be more difficult to value accurately and may experience larger price changes. This can cause greater fluctuations in the Fund's value.

7.10 **Exchange-traded Notes Risk**

Many exchange-traded notes achieve their objectives through the use of derivatives - typically swaps - which carry counterparty risk. If the counterparty (the issuer of the derivatives) defaults, the Fund may lose all of its capital invested irrespective of the performance of the underlying assets. The daily reset features of exchange-traded notes can also have a significant impact on returns because exposure to a particular index resets at the end of every trading day, performance over a longer period can often deviate from what investors might be expecting, potentially producing inferior returns.

7.11 **FDI Risks**

The prices of FDIs, including futures and swap prices, are highly volatile. There is a general risk that the value of a particular FDI may change in a way which may be detrimental to the Fund's interests and the use of FDI techniques may not always be an effective means of, and sometimes could be counter-productive to, the Fund's investment objective. Price movements of forward contracts, futures contracts and other FDI contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. As a result of using FDIs for EPM, there is a risk that, in a rising market, potential gains may be restricted.

The use of these techniques and instruments involves certain risks, including:

a) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates;

b) imperfect correlation between the price movements of the FDI and price movements of related instruments;

c) the fact that skills needed to use these instruments are different from those needed to select the securities owned by the Fund;

d) the possible absence of a liquid market for any particular instrument at any particular time which may result in possible impediments to effective portfolio management or the ability to meet redemptions;

e) the Fund may invest in certain FDI which may involve the assumption of obligations as well as rights and assets; and

f) assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

7.12 **Counterparty Risk**

The Fund may have credit exposure to counterparties by virtue of investment positions in options, forward exchange rate and other contracts held by the Fund. To the extent that a counterparty defaults on its obligations and the Fund 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 Investment Manager may engage in various portfolio strategies on behalf of the Fund through the use of futures, options and swaps. Due to the nature of futures, cash to meet margin monies may be held by a broker and there can be no guarantee that such monies will be returned to the Fund. On execution of an option, the Fund may pay a premium to a counterparty. In the event of the insolvency or bankruptcy of the counterparty, the option premium may be lost in addition to any unrealised gains where the contract is in the money.

7.13 **Risks associated with specific types of FDI**

7.13.1 ***Futures***

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the Fund's position with cash. They carry a high degree of risk. The gearing or leverage often obtainable in futures (where applicable) trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small market movement can lead to a proportionately much larger movement in the value of the Fund's investment, and this can work against the Fund as well as for the Fund. Futures transactions have a contingent liability, and investors should be aware of the implications of this, in particular the margining requirements.

7.13.2 ***Forwards***

A forward is a contract between two parties agreeing that at a certain time in the future one party will deliver a pre-agreed quantity of some underlying asset (or its cash equivalent in the case of non-tradable underlyings) and the other party will pay a pre-agreed amount of money for it. This amount of money is called the forward price. Once the contract is signed, the two parties are legally bound by its conditions: the time of delivery, the quantity of the underlying and the forward price. Performance may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

7.13.3 ***Swaps***

Where the Fund enters into swap arrangements and FDI techniques, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and may incur significant losses. There is also a possibility that ongoing FDI transactions will be terminated unexpectedly as a result of events outside the control of the Investment Manager, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated.

7.13.4 ***Warrants***

Warrants often involve a high degree of gearing, so that a relatively small movement in the price of the underlying security results in a disproportionately large movement, favourable or unfavourable in the price of the warrant. The prices of warrants can therefore be volatile.

7.13.5 ***Convertible Securities***

The Fund may invest in convertible bonds which may be converted into or exchanged for a prescribed amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. A convertible bond entitles the holder to receive interest paid or accrued on debt or the dividend paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible bonds ordinarily provide a stream of income, which generate higher yields than those of common stocks of the same or similar issuers but lower than the yield on non-convertible debt. The price of a convertible security often reflects such variations in the price of the underlying common stock in a way that non-convertible debt does not.

The risks associated with convertible bonds, are similar to the risks associated with normal bonds, i.e. there is interest rate risk (the risk that the interest rate associated with the bond is below the prevailing market rate), credit risk (the risk that the bond par value is not paid back in part or in full), and liquidity risk (the bond may not trade frequently with a resulting large spread between the price at which bonds are sold or purchased).

7.13.6 ***Options***

Buying options involves less risk than writing options because, if the price of the underlying asset moves against the Fund, the Fund can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. However, if the Fund buys a call option on an asset contract and the Fund later exercises the option, the Fund will acquire the asset. This will expose the Fund to the risks of that particular asset.

If the Fund writes an option, the risk involved is considerably greater than buying options. The Fund may be liable for margin to maintain its position and a loss may be sustained well in excess of any premium received. By writing an option, the Fund accepts a legal obligation to purchase or sell the underlying asset if the option is exercised against the Fund however far the market price has moved away from the exercise price. If the Fund already owns the underlying asset which the Fund has contracted to sell (known as covered call options) the risk is reduced. Certain options markets operate on a margined basis under which buyers do not pay the full premium on their option at the time they purchase it. In this situation the Fund may subsequently be called upon to pay margin on the option up to the level of its premium. If the Fund fails to do so as required, the Fund's position may be closed or liquidated in the same way as a futures position.

7.14 **Repurchase Agreements Risk**

The value of the security purchased may be more or less than the price at which the counterparty has agreed to purchase the security. If the other party to a repurchase agreement should default, the Fund might suffer a delay or loss to the extent that the proceeds from the sale of the underlying securities and other collateral held by the Fund in connection with the repurchase agreement are less than the repurchase price. In addition, in the event of bankruptcy or similar proceedings of the other party to the repurchase agreement or its failure to repurchase the securities as agreed, the Fund could suffer losses, including loss of interest on or principal of the security and costs associated with delay and enforcement of the repurchase agreement.

7.15 **Reverse Repurchase Agreements Risk**

Reverse repurchase transactions involve risks in that (a) in the event of the failure of the counterparty with which cash of a Fund has been placed there is the risk that collateral received may realise less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; and that (b) (i) locking cash in transactions of excessive size or duration, (ii) delays in recovering cash placed out, or (iii) difficulty in realising collateral may restrict the ability of the Fund to meet redemption requests, security purchases or, more generally, reinvestment.

7.16 **Securities Lending / Stock Lending Risk**

Securities lending involves lending for a fee portfolio securities held by a Fund for a set period of time to willing, qualified borrowers who have posted collateral. In lending its securities, a Fund is subject to the risk that the borrower may not fulfil its obligations or go bankrupt leaving the Fund holding collateral worth less than the securities it has lent, resulting in a loss to the Fund.

As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. However, a Fund could experience delays and costs in recovering the securities loaned or in gaining access to the collateral. The collateral will typically be maintained at a value of at least equal to the market value of any securities loaned. However in the event of a sudden market movement there is a risk that the value of the collateral may fall below the value of the securities transferred.

7.17 **Currency Risk**

The Net Asset Value per Share will be computed in the Base Currency, whereas the Fund's investments may be acquired in a wide range of currencies, some of which may be affected by currency movements of a more volatile nature than those of developed countries and some of which may not be freely convertible. It may not be possible or practical to hedge against the consequent currency risk exposure and in certain instances the Investment Manager may consider it desirable not to hedge against such risk and accordingly the Fund may hold unhedged currency positions which may cause a loss to the Fund.

7.18 **Emerging and Frontier Markets Risks**

The Fund may invest in emerging or frontier markets and investors should be aware of risks attached to investing in such markets which could have an impact on the performance of the Fund. Along with Currency Risk described above, in particular, the following risks should be noted:

7.18.1 ***Settlement and Credit Risks***

The trading and settlement practices of some of the stock exchanges or markets on which the Fund may invest may not be the same as those in more developed markets, which may increase settlement risk and/or result in delays in realising investments made by the Fund. In addition, the Fund will be exposed to credit risk on parties with whom it trades and will bear the risk of settlement default. The Depositary may be instructed by the AIFM to settle transactions on a delivery free of payment basis where the AIFM (or the Investment Manager) believes that this form of settlement is common market practice. Shareholders should be aware, however, that this may result in a loss to a relevant Fund if a transaction fails to settle and the Depositary will not be liable to the relevant Fund or to the Shareholders for such a loss.

7.18.2 ***Regulatory and Accounting Standards Risk***

Disclosure and regulatory standards may be less stringent in certain securities markets than they are in developed countries and there may be less publicly available information on the issuers than is published by or about issuers in such developed countries. Consequently some of the publicly available information may be incomplete and/or inaccurate. In some countries the legal infrastructure and accounting and reporting standards do not provide the same degree of shareholder protection or information to investors as would generally apply in many developed countries. In particular, greater reliance may be placed by the auditors on representations from the management of a company and there may be less independent verification of information than would apply in many developed countries. The valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may also be treated differently from international accounting standards.

7.18.3 ***Political Risks***

The performance of the Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements. The Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.

7.18.4 ***Custody Risks***

Local custody services remain underdeveloped in many emerging or frontier market countries and there is a transaction and custody risk involved in dealing in such markets. In certain circumstances the Fund may not be able to recover or may encounter delays in the recovery of some of its assets. Such circumstances may include uncertainty relating to, or the retroactive application of legislation, the imposition of exchange controls or improper registration of title. In some emerging or frontier market countries evidence of title to shares is maintained in "book-entry" form by an independent registrar who may not be subject to effective government supervision, which increases the risk of the registration of the Fund's holdings of shares in such markets being lost through fraud, negligence or mere oversight on the part of such independent registrars. The costs borne by a Fund in investing and holding investments in such markets will generally be higher than in more organised securities markets.

7.18.5 ***Liquidity Risk***

Certain securities may be difficult or impossible to sell at the time and the price that the seller would like. The seller may have to lower the price to effect a secondary market sale, sell other securities instead or forego an investment opportunity, any of which could have a negative effect on fund management or performance.

7.18.6 ***Emerging and Frontier Market Debt Securities Risk***

The funds and securities selected by the Investment Manager may invest in emerging or frontier market debt securities, including short term and long term securities denominated in various currencies. These securities may be unrated or rated in the lower rating categories by the various credit rating agencies. These securities are subject to greater risk of loss or principal and interest than higher-rated securities and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. They are also generally subject to greater risk than securities with higher credit ratings in the case of deterioration of general economic conditions. Additionally, evaluating credit risk for emerging or frontier market debt securities involves great uncertainty because credit rating agencies throughout the world have different standards, making comparisons across countries difficult. Because investors generally perceive that there are greater risks associated with lower-rated securities, the yields or prices of such securities may tend to fluctuate more than those for higher-rated securities. The market for emerging or frontier market debt securities is thinner and less active than that for higher-rated securities, which can adversely affect the prices at which securities are sold. In addition, adverse publicity and investor perceptions about emerging or frontier market debt securities, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such securities.

7.19 **Legal and/or Regulatory Risk**

Legal and regulatory (including taxation) changes could adversely affect the Fund. Regulation (including taxation) of investment vehicles such as the Fund is still evolving and therefore subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future legal or regulatory (including taxation) change on the Fund is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of Shareholders.

7.20 **Changes in Legislation Risk**

There can be no assurance that income tax, securities or other law, or any administrative practice or interpretation thereof, will not be changed in a manner which adversely affects the Fund or its shareholders.

7.21 **Substantial Redemption / Subscription Risk**

The purchase or redemption of a substantial number of shares in the Fund may require the Investment Manager to change the composition of the Fund's portfolio significantly or may force the Investment Manager to buy or sell investments at unfavourable prices, which may adversely affect the Fund's returns, its overall performance and may increase the Fund's realised capital gains. Portfolio turnover for the Fund may also result in increased trading costs, and may adversely impact the Fund's overall costs of operation.

The general risk factors set out under the heading **Risk Factors** in the Prospectus apply to the Fund.

8 KEY INFORMATION FOR PURCHASING AND REPURCHASING

Base Currency is USD.

Business Day means any day (other than a Saturday or Sunday) on which banks in Dublin are open for business.

Dealing Day means every Business Day

Dealing Deadline means 14.00 (UK time) on the relevant Dealing Day, or such other day or time as the Directors may determine provided it is prior to the relevant Valuation Point and notified in advance to Shareholders.

Share Classes

Shares in the following classes are currently available for subscription:

Share Class	*Currency*	*Initial Offer Price*	*Minimum Initial Subscription***	*Minimum Additional Subscription***	*Minimum Holding Amount***	*Annual Management Fee*
Share Class A ACC	USD	US$1	US$50,000	US$1,000	US$10,000	1.05% of the Net Asset Value of the Fund
Share Class B ACC	USD	The Initial Offer Period has closed.	US$2,500,000	US$1,000	US$10,000	0.75% of the Net Asset Value of the Fund
Share Class C ACC	USD	The Initial Offer Period has closed.	US$5,000,000	US$1,000	US$10,000	0.65% of the Net Asset Value of the Fund
Share Class D ACC	USD	US$1	US$50,000,000	US$1,000	US$10,000	0.65% of the Net Asset Value of the Fund
Share Class E ACC	USD	US$1	US$100,000,000	US$1,000	US$10,000	0.55% of the Net Asset Value of the Fund
Share Class F ACC	USD	US$1	US$20,000	US$1,000	US$10,000	1.25% of the Net Asset Value of the Fund
Share Class G ACC	USD	The Initial Offer Period has closed.	US$100	US$100	US$100	Nil.

** or such greater or lesser amounts as the Directors may, in their sole discretion, decide.

Share Classes marked "ACC" are accumulating shares (**Accumulating Shares**).

It is intended that Class C ACC Shares and Class E ACC Shares will only be made available to clients of MandG Investments Southern Africa (Pty) Ltd (**M&GiSA**) or its subsidiaries where M&GISA or its subsidiaries have been appointed as investment manager.

It is intended that Class G ACC Shares will only be made available for investment to other funds of the M&G (South Africa) Global Funds ICAV, or to funds of the M&G Plc Group or any of its subsidiaries.

Initial Offer Period for Share Class A ACC, Share Class D ACC, Share Class E ACC and Share Class F ACC commenced at 9.00am (UK time) on 4 May 2021 and will continue until 5.30pm (UK time) on 21 October

2022 or such shorter or longer period as the Directors may determine on behalf of the Fund and notify to the Administrator and the Central Bank (as required).

Issue Price means, after the relevant Initial Offer Period has closed and subject to the provisions of the Prospectus and this Supplement, the Net Asset Value per Share of the relevant Share Class.

Settlement Date means, in the case of subscriptions, cleared funds and all supporting documentation must be received by no later than 14.00 (UK time) within three Business Days after the relevant Dealing Day in question (or such other time as the Directors may agree) provided that the Application Form is received by the Dealing Deadline.

In the case of redemptions, provided all documentation required by the Administrator, including that required for anti-money laundering purposes, has been received by the Administrator, proceeds will usually be paid (by wire transfer to a specified account at the Shareholder's risk and expense or by negotiable instrument) within three Business Days (or such other time as the Directors may agree) of the Dealing Day in question.

Valuation Point means 23.00 (UK time) on each Dealing Day using close of business prices in the relevant markets or such time as the Directors may determine from time to time and notify in advance to Shareholders provided that the Valuation Point shall be after the Dealing Deadline.

Preliminary Charge: Nil.

Exchange Charge: Nil.

Redemption Charge: Nil.

9 CHARGES AND EXPENSES

All amounts below are exclusive of VAT (if any).

9.1 Annual Management Fees

The ICAV will pay, out of the assets of the Fund, an annual management fee in respect of each share class as set out in the table above under the heading **Share Classes**. The fees of the AIFM, Investment Manager and Distributor will be paid out of the annual management fee.

Such fee shall accrue and be calculated on each Dealing Day and be payable monthly in arrears.

The AIFM and delegates of the AIFM (including the Investment Manager and the Distributor) will also be entitled to be reimbursed out of the assets of the Fund for all their own reasonable out of pocket costs and expenses.

9.2 Depositary and Administrator Fees

The ICAV shall pay from the assets of the Fund the following fees to the Depositary and the Administrator together with value added tax thereon, if applicable.

The ICAV shall pay the Depositary a base trustee fee up to a maximum of 0.05% per annum of the Net Asset Value of the Fund accrued daily and payable monthly in arrears.

The ICAV shall pay the Administrator (including all fees payable to the transfer agent) a base fee which shall not exceed 0.40% per annum of the Net Asset Value of the Fund. The Administrator's fees will be accrued daily and payable monthly in arrears.

The Depositary and Administrator will also be entitled to be reimbursed their reasonable out of pocket expenses from the assets of the Fund in respect of which such charges and expenses were incurred.

The Depositary is further entitled to be reimbursed any sub-custody fees and expenses, at normal commercial rates.

9.3 Establishment Costs and Expenses

The costs of establishing this Fund, obtaining authorisation from any authority, filing fees, the preparation and printing of this Supplement, marketing costs and the fees of all professionals relating to such establishment are not expected to exceed €50,000 (excluding VAT). These costs will be borne by the Fund and amortised over the first five years of the Fund's operation (or such other period as may be determined by the Directors at their discretion).

In addition, the Fund may also incur a portion of the original set up costs of the ICAV.

This section should be read in conjunction with the establishment costs and expenses section headed **Establishment Costs and Expenses** in the Prospectus.

9.4 Anti-Dilution Levy

When there are net subscriptions or net redemptions the Fund may add to the subscription price or deduct from the redemption proceeds respectively, an Anti-Dilution Levy. Any such levy shall be retained for the benefit of the Fund and the Directors reserve the right to apply this levy at any time. Further details are set out in the section of the Prospectus headed **Liquidity Risk Management**.

This **Charges and Expenses** section should be read in conjunction with the section in the Prospectus entitled **Fees and Expenses**.

10 DIVIDEND POLICY

No dividends will be paid in respect of Accumulating Shares. The net income attributable to Accumulating Shares will be retained by the Fund and form part of the Net Asset Value of such classes.

This section should be read in conjunction with the **Dividend Policy** section of the Prospectus.

11 SUBSCRIPTION FOR SHARES

Applications for Shares should be made on the Application Form and be submitted in accordance with the provisions set out in the Prospectus to be received by the Administrator on or before the Dealing Deadline for the relevant Dealing Day.

The Minimum Shareholding must be maintained by each Shareholder in the Fund (subject to the discretion of the Directors) following any partial redemption, exchange or transfer of Shares.

Payment in respect of the issue of Shares must be made by the relevant Settlement Date by electronic transfer in cleared funds in the currency of the relevant Share Class (subject to the discretion of the Directors to accept payment at a later date or in other currencies).

The Directors may issue Shares of any Class and, with the consent of the Central Bank and without notice to the Shareholders, create new Classes of Shares on such terms as they may from time to time determine in accordance with the requirements of the Central Bank. Shares of any particular class may accommodate different subscriptions and/or redemption and/or dividend provisions and/or charges and/or fee arrangements.

This section should be read in conjunction with the section in the Prospectus entitled **Subscription for Shares**.

12 REDEMPTION OF SHARES

When the Fund meets a redemption request in cash, the amount due on the redemption of Shares on a particular Dealing Day will be paid by the Settlement Date by electronic transfer to an account in the name of the Shareholder. Payment of any proceeds of redemption will only be paid after receipt by the Administrator of any relevant redemption documentation (including any anti-money laundering documentation requested).

No Shareholder shall be entitled to request redemption of part only of its holding of Shares of any class in the Fund if such realisation would result in its holding of Shares of such class after such realisation being below the applicable Minimum Shareholding (subject to the discretion of the Directors to allow for this).

In the event that a Shareholder requires payment of redemption proceeds to an account other than that specified in the Application Form, the Shareholder must provide an original request in writing, executed by an authorised signatory of the Shareholder, to the Administrator on or prior to the receipt of the redemption request form. No third party payments will be made.

This section should be read in conjunction with the section in the Prospectus entitled **Redemption of Shares**.

13 INVESTMENT MANAGER

The AIFM has appointed M&G Investment Management Limited (**MAGIM**) as Investment Manager of the Fund to provide discretionary investment management services to the Fund pursuant to an investment management agreement. The Investment Manager was incorporated in England and Wales on 5 August 1968 as a private company limited by shares and is ultimately wholly owned by M&G plc. As at June 2021, the Investment Manager manages approximately £296bn in assets. The Investment Manager is based in London and is a leading retail and institutional fund manager. The Investment Manager is authorised and regulated by the Financial Conduct Authority.

Delegation by the AIFM

The AIFM delegates the following services to MAGIM pursuant to an investment management agreement:

- responsibility for the management and investment of the assets and investments of the Fund;
- dealing services, in equity securities, fixed income, foreign exchange, derivatives, cash deposits or such other instruments as may be required from time to time;
- collateral management services;
- transaction reporting services (as appropriate); and
- back office services associated with the provision of the above services, including record keeping, trade confirmation, trade settlement and regulatory compliance.

14 DISTRIBUTOR

The AIFM will be the distributor of the fund except in the jurisdictions for which MandG Investments Unit Trusts South Africa (RF) Ltd (the **Distributor**) has been appointed to act as distributor of the Fund pursuant to the Distribution Agreement described below to which reference to the Fund has been added and will promote the distribution and marketing of the shares in the jurisdictions noted in the agreement.

The Distribution Agreement dated 26 May 2017 as novated pursuant to an agreement dated 21 April 2022 between PGF Management Company (Ireland) Limited, the AIFM, the ICAV and the Distributor provides for the appointment of the Distributor. The Distributor has authority pursuant to the Distribution Agreement to delegate some or all of its duties as distributor to sub-distributors in accordance with the requirements of the

Central Bank, only with the prior consent of the Fund in writing. The Distributor is regulated by a competent regulatory authority. The Distribution Agreement for the Fund contains provisions that meet the requirements of the Irish AIFM Regulations and includes the rights and obligations of the Fund and the Distributor, the instruction and termination rights, rights of information, rights of inspection and access to books and records.

Local regulations in EEA countries may require the appointment of paying agents and the maintenance of accounts by such agents through which subscriptions and redemption monies may be paid.

Investors who choose or are obliged under local regulations to pay/receive subscription/redemption monies via an intermediary entity rather than directly to the depositary of the Fund may bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the depositary for the account of the ICAV and (b) redemption monies payable by such intermediate entity to the relevant investor.