The Global Emerging Markets Fund aims to give investors access to the best opportunities in emerging equity markets. The fund actively seeks out undervalued shares to maximise long-term growth. Our intent is to outperform the emerging equity benchmark over all periods of five years and longer.

The fund invests in the shares of companies which are either based in emerging countries, or earn a significant part of their revenue from emerging economies. It will be fully invested in shares at all times. The fund is mandated to use derivative instruments for efficient portfolio management purposes.

Global Emerging Markets will only invest in shares we view as being attractively valued and which may offer superior long-term investment growth.

The fund’s share selection is the result of rigorous international research conducted by Coronation’s investment team.

While we have a disciplined approach to reducing risk, shares can be volatile investments and there is a meaningful risk of capital loss over the short term. Emerging markets are generally viewed as more risky than developed markets. Global currency movements may intensify investment gains or declines.

The fund is managed to deliver the best possible returns over the long term; an investment horizon of 10 years or more is therefore ideal. It is not suitable as a single investment for investors who need to preserve their capital over five years or less.

Investors who are building wealth, and who

- are comfortable with full exposure to shares in emerging markets;
- accept that the fund may underperform the market significantly in the short term in pursuit of superior long-term gains;
- hold other investments and are looking for exposure to emerging markets;
- do not require an income from their investment.

An annual fee of 1.00% is payable.

The current provision for a fee discount of 0.15% p.a., applicable if the fund underperforms its benchmark over any rolling 60-month period, will continue to apply to the new fixed fee until 30 September 2020.

Fund expenses that are incurred in the fund include administrative, trading, custody and audit charges. All performance information is disclosed after deducting all fees and other portfolio costs.

We do not charge any fees to access or withdraw from the fund. More detail is available on www.coronation.com.

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CORONATION GLOBAL EMERGING MARKETS FUND

CLASS P as at 31 October 2020

Launch date 28 May 2013
Fund size US$ 1.25 billion
NAV 14.42
Benchmark/Performance MSCI Emerging Markets Index
Fee Hurdle
Portfolio manager/s Gavin Joubert and Suhail Suleman

PERFORMANCE AND RISK STATISTICS

GROWTH OF A US$100,000 INVESTMENT (AFTER FEES)

PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

<table>
<thead>
<tr>
<th>Period</th>
<th>Fund</th>
<th>Benchmark</th>
<th>Active Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since Launch (annualised)</td>
<td>101.63%</td>
<td>45.67%</td>
<td>55.96%</td>
</tr>
<tr>
<td>Since Launch (annualised)</td>
<td>5.85%</td>
<td>3.10%</td>
<td>2.75%</td>
</tr>
<tr>
<td>Latest 10 years (annualised)</td>
<td>4.39%</td>
<td>2.59%</td>
<td>1.80%</td>
</tr>
<tr>
<td>Latest 5 years (annualised)</td>
<td>10.48%</td>
<td>7.92%</td>
<td>2.56%</td>
</tr>
<tr>
<td>Latest 3 years (annualised)</td>
<td>3.24%</td>
<td>1.94%</td>
<td>1.30%</td>
</tr>
<tr>
<td>Latest 1 year</td>
<td>14.37%</td>
<td>8.25%</td>
<td>6.12%</td>
</tr>
<tr>
<td>Year to date</td>
<td>4.53%</td>
<td>0.87%</td>
<td>3.66%</td>
</tr>
</tbody>
</table>

RISK STATISTICS SINCE LAUNCH

<table>
<thead>
<tr>
<th>Statistic</th>
<th>Fund</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annualised Deviation</td>
<td>23.6%</td>
<td>21.7%</td>
</tr>
<tr>
<td>Sharpe Ratio</td>
<td>0.22</td>
<td>0.12</td>
</tr>
<tr>
<td>Maximum Gain</td>
<td>99.4%</td>
<td>56.3%</td>
</tr>
<tr>
<td>Maximum Drawdown</td>
<td>(49.5)%</td>
<td>(51.4)%</td>
</tr>
<tr>
<td>Positive Months</td>
<td>56.8%</td>
<td>54.1%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Statistic</th>
<th>Fund</th>
<th>Date Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highest annual return</td>
<td>106.2%</td>
<td>Mar 2009 - Feb 2010</td>
</tr>
<tr>
<td>Lowest annual return</td>
<td>(33.2)%</td>
<td>Sep 2014 - Aug 2015</td>
</tr>
</tbody>
</table>

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

<table>
<thead>
<tr>
<th>Month</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund 2020</td>
<td>(2.0)%</td>
<td>(7.4)%</td>
<td>(15.4)%</td>
<td>8.8%</td>
<td>3.0%</td>
<td>7.6%</td>
<td>8.6%</td>
<td>4.0%</td>
<td>(1.7)%</td>
<td>1.7%</td>
<td></td>
<td></td>
<td>4.5%</td>
</tr>
<tr>
<td>Fund 2019</td>
<td>13.7%</td>
<td>3.6%</td>
<td>4.5%</td>
<td>2.7%</td>
<td>(4.0)%</td>
<td>8.8%</td>
<td>0.0%</td>
<td>(3.9)%</td>
<td>(0.9)%</td>
<td>3.0%</td>
<td>3.2%</td>
<td>6.0%</td>
<td>38.7%</td>
</tr>
<tr>
<td>Fund 2018</td>
<td>7.0%</td>
<td>(5.9)%</td>
<td>(3.3)%</td>
<td>(1.4)%</td>
<td>(5.8)%</td>
<td>(2.4)%</td>
<td>2.8%</td>
<td>(5.3)%</td>
<td>(2.7)%</td>
<td>(7.1)%</td>
<td>0.4%</td>
<td>(4.8)%</td>
<td>(25.9)%</td>
</tr>
</tbody>
</table>

PORTFOLIO DETAIL

EFFECTIVE GEOGRAPHIC EXPOSURE

Country 31 Oct 2020

Equities

- China 97.91%
- India 37.02%
- Russian Federation 10.21%
- South Africa 7.88%
- South Korea 6.31%
- Brazil 5.71%
- Netherlands 4.56%
- Mexico 3.63%
- France 3.58%
- United Kingdom 3.36%
- Other 12.85%

Cash

- USD 2.09%
- ZAR 0.19%
- Other 0.15%

TOP 10 HOLDINGS

As at 31 Oct 2020 % of Fund

- Alibaba Group Holding (China) 6.57%
- Naspers Ltd (South Africa) 5.44%
- Jd.com Inc Adr (China) 5.16%
- Housing Dev Finance Corp (India) 3.92%
- Prosus Na (China) 3.68%
- Wulangye Yiben Co Ltd (China) 3.13%
- Ping An Insurance Group Co (China) 2.92%
- Netease.com Inc (China) 2.89%
- Taiwan Semiconductor Man (Taiwan Province Of China) 2.77%
- Magnit Ojsc-spon (Russian Federation) 2.71%

SECTORAL EXPOSURE

As at 31 Oct 2020

- Consumer Discretionary 34.74%
- Consumer Staples 26.36%
- Financials 14.43%
- Communication Services 10.63%
- Information Technology 9.93%
- Industrials 1.22%
- Health Care 0.48%
- Cash 2.21%

Please refer to page 4 of the Comprehensive Fact Sheet for important additional information, including change in cost disclosures.
The Cororation Global Emerging Markets Fund returned 11.0% during the third quarter, 1.4% ahead of the 9.6% return of the benchmark MSCI Emerging Markets Index. With this outperformance, the Fund has provided a return of 2.8% in 2020, 4.0% ahead of the -1.2% return of the benchmark. If one looks back at how markets performed in the first quarter of 2020 and the general panic that accompanied the worldwide spread of the coronavirus, it is quite pleasing to have both positive absolute returns this year and alpha. Of course, the longer-term returns remain the most important consideration. In this regard, the Fund has outperformed over all meaningful time periods since inception in 2008; by 3.7% p.a. over five years, 2.1% p.a. over 10 years and 2.8% p.a. since inception just over 12 years ago.

The largest contributor to outperformance in the quarter was Wuhan, China. The Baidu (local Chinese) search engine provider returned 34% in the period, providing 0.9% of alpha to the Fund. Having clamped down hard and early – we have heard interesting first-hand accounts of the restrictions placed on daily life in China during their lockdown – China’s economy has stabilised and returned toward normality faster than anticipated and many Chinese shares have benefited from this. The second largest contributor was JD.com, up 29% to add 0.7% to alpha. JD.com can be thought of as the “Amazon” of China; a large part of what it sells is e-commerce. In spite of being already well established in the minds of the consumer, JD.com has benefited tremendously from the demand uplift that accompanied lockdowns. We spoke about the 21% revenue growth in Q1-20 in our last commentary, but Q2-20 results (reported mid-August) were even better, with revenues up 34%, well above consensus of 27%. Even more impressive was the rise in operating profit, up 75% year-on-year, with margins rising to 2.8% from 2.1% in the same period last year. This led to a 50% increase in earnings per share. All this was driven by a 30% rise in active customers. Most importantly, this operating performance was accompanied by strong free cash flow generation: Unsurprisingly, the share reacted very positively after the results announcement, moving from around $64 to as high as $83. JD.com was already the largest retailer in China heading into 2019 and this position of strength will be further enhanced by its operational performance in 2020.

Figure 1

Like several other US-listed Chinese companies, JD.com did a secondary listing in Hong Kong, raising $4bn and ended the quarter with $18bn in cash, around 15% of market cap. The secondary listing was part of a wider move by prominent Chinese companies to reduce their exposure to US capital markets over fears the US may unilaterally impose onerous requirements on Chinese companies that they may not be able to meet, as the Chinese government are not fond of foreigners exercising regulatory oversight of Chinese domiciled businesses. The list of companies that have done this now includes other Fund holdings like Alibaba, NetEase and Yum China. This transfer of trading volume toward Hong Kong is part of the investment case for the Hong Kong Stock Exchange, which is a small position in the Fund (0.5%).

Russian holding Yandex was the next largest contributor. Up 30% in the quarter, it added 0.5% to alpha. Yandex has more than doubled from the low it reached in March (under $30) and we have trimmed the position as it has appreciated, having bought when it was under pressure in Q1-20. The 2.1% position size that remains reflects the reasonable valuation and positive long-term outlook for Yandex, which has evolved beyond search to be a meaningful player in many other sectors such as ridesharing and e-commerce. More recently, Yandex has bid to acquire TCS, Russia’s largest digital bank. The last two of the top three contributors to alpha (and the combined exposure to Naspers & Prosus, which were slightly down in the quarter and cost the Fund a combined 0.9%)

The biggest detractor was the underweight in Taiwan Semiconductor Manufacturing Company (TSMC), the third-largest stock in the index. TSMC was up 43% in the quarter and the fund was underweight in Taiwan Semiconductor Manufacturing. This means that TSMC’s competitive position has probably strengthened even further. The Mexican holding company FEMSA (2.6% of Fund), fell 8% in the quarter and cost 0.5% of alpha. Mexico continues to struggle in dealing with the coronavirus and most of FEMSA’s main assets were negatively affected. The largest contributor to FEMSA, the convenience store chain Oxxo that is about half of our sum of the parts valuation, saw its operations hampered by lockdowns and bans on the sale of alcohol (a large contributor to sales). FEMSA’s 15% stake in global brewer Heineken, which makes up roughly 25% of the company’s valuation, was also hurt by the 8% decline in the share price of Heineken. Heineken has been under pressure as they index disproportionately toward premium beers, which tend to be sold on premise (where margins are higher) rather than in supermarkets (lower margin). With global cutbacks on socialising, Heineken has seen volumes fall 12% in the first half of 2020.

Other material detractors were the underweight in Alibaba – up 36%, the +/-2% return in BGF and $800m to PagSeguro in the quarter. BGF Retail and PagSeguro. Samsung needs no introduction, as the Fund has owned it at various points over the years, long before the Covid-19 pandemic. There were th...
The Global Emerging Markets Fund should be considered a long-term investment. The value of units may go down as well as up, and therefore Coronation does not make any guarantees with respect to the protection of capital or returns. Past performance is not necessarily an indication of future performance. The fund is mandated to invest up to 100% of its portfolio into foreign securities and may as a result be exposed to macroeconomic, settlement, political, tax, reporting or illiquidity risk factors that may be different to similar investments in the South African markets. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. Coronation reserves the right to close the fund to new investors if we deem it necessary to limit further inflows in order for it to be managed in accordance with its mandate. Unit trusts are allowed to engage in scrip lending and borrowing. Coronation Global Fund Managers (Ireland) Limited is authorised in Ireland and regulated by the Central Bank of Ireland. The fund is approved under Section 65 of the Collective Investment Schemes Control Act by the Financial Sector Conduct Authority of South Africa. Portfolio managed by Coronation Investment Management International (Pty) Ltd (FSP45646), an authorised financial services provider.

JP Morgan (Ireland) has been appointed as the fund’s trustees (www.jpmorgan.com; t: +333-1-612-4000), and its custodian is JP Morgan Administration Services (Ireland) Limited (www.jpmorgan.com; t: +333-1-612-4000). Coronation is a full member of the Association for Savings & Investment SA (ASISA).

HOW ARE UNITS PRICED AND AT WHAT PRICE WILL MY TRANSACTION BE EXECUTED?

Unit trusts are traded at ruling prices set on every business day. Fund valuations take place at approximately 17h00 each business day (Irish Time) and forward pricing is used. Instructions must reach Coronation before 12h00 (SA Time) one day prior to the dealing date. You can expect to receive withdrawal payouts three business days after the dealing day. Large investments or redemptions (exceeding 5% of fund value) may be subject to an anti-dilution levy to defray dealing costs and expenses. This levy, where applicable, is applied fully for the benefit of the fund.

HOW WAS THE PERFORMANCE INFORMATION INCLUDED IN THIS FACT SHEET CALCULATED?

Performance is calculated by Coronation as at the last day of the month for a lump sum investment using Class P NAV prices. Class B NAV prices were used for the period prior to the launch of Class P. All underlying price and distribution data are sourced from Morningstar. Performance figures are quoted after the deduction of all costs (including manager fees and trading costs) incurred within the fund. Note that individual investor performance may differ as a result of the actual investment date, the date of reinvestment of distributions and dividend withholding tax, where applicable. Annualised performance figures represent the geometric average return earned by the fund over the given time period. Unannualised performance represents the total return earned by the fund over the given time period, expressed as a percentage. Growth charts are shown in logarithmic scale (base 2).

WHAT IS THE TOTAL EXPENSE RATIO (TER) AND TRANSACTION COSTS (TC)?

TER is calculated as a percentage of the average net asset value of the portfolio incurred as charges, levies and fees in the management of the portfolio. The TER charged by any underlying fund held as part of a fund’s portfolio is included in the fund expenses portion of the TER, but trading and implementation costs incurred in managing the fund are excluded. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER’s. The 1 year TER is for the 12 months to end of September 2020 (updated annually). The 3 year TER is for a rolling 36-month period to the last quarter end (December, March, June and September).

Transaction costs are a necessary cost in managing a fund and impacts the fund’s return. They should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER.

The Total Investment Charge is the sum of the Total Expense Ratio (TER) and transaction costs.

ADVICE AND PLATFORM COSTS

Coronation does not provide financial advice. If you appoint an adviser, advice fees are contracted directly between you and the adviser. For more information please contact the relevant platform (Linked Investment Service Provider or Life Assurance Provider).

WHERE CAN I FIND ADDITIONAL INFORMATION?

Additional information such as daily fund prices, brochures, application forms and a schedule of fund fees and charges is available on www.coronation.com. You will also find additional information on the considerations pertinent to investing in a fund denominated in a foreign currency and domiciled in an offshore jurisdiction.

IMPORTANT INFORMATION REGARDING TERMS OF USE

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