

## ABSA AFRICA EQUITY FUND

### Supplement to the Prospectus dated 9 March 2021 for Sanlam Universal Funds plc

This Supplement contains specific information in relation to Absa Africa Equity Fund (the "**Fund**"), a Fund of Sanlam Universal Funds plc (the "**Company**"), an open-ended umbrella type investment company with segregated liability between its Funds, authorised by the Central Bank of Ireland (the "**Central Bank**") as an undertaking for collective investment in transferable securities pursuant to the Regulations. There are fifty-one other Funds of the Company in existence, namely:

Anchor Global Equity Fund  
Anchor Global Stable Fund  
Autus Global Equity Fund  
Bridge Global Equity Income Growth Fund  
Bridge Global Managed Growth Fund  
Bridge Global Property Income Fund  
Cameron Hume Global Fixed Income ESG Fund  
Denker Global Dividend Fund  
Denker Global Equity Fund  
Denker Global Financial Fund  
High Street Global Balanced Fund  
Perpetua Global Equity UCITS Fund  
P-Solve Inflation Plus Fund  
Rootstock Global Equity UCITS Fund  
Sanlam Accel Income Fund  
Sanlam Active UK Fund  
Sanlam African Frontier Markets Fund  
Sanlam AI Global Managed Risk Fund  
Sanlam Centre Active US Treasury Fund  
Sanlam Centre American Select Equity Fund  
Sanlam Centre Global Listed Infrastructure Fund  
Sanlam Centre Global Select Equity Fund  
Sanlam Equity Allocation Fund  
Sanlam FOUR Active European Ex-UK Equity Fund  
Sanlam FOUR Enhanced Income Fund  
Sanlam FOUR UK Income Opportunities Fund  
Sanlam Global Bond Fund  
Sanlam Global Convertible Securities Fund  
Sanlam Global Emerging Markets Fund  
Sanlam Global High Quality Fund  
Sanlam Global Property Fund  
Sanlam Global Value Fund  
Sanlam Japan Equity Fund  
Sanlam Multi-Strategy Fund  
Sanlam Real Assets Fund  
Sanlam S&P Africa Tracker Fund  
Sanlam Stable Global Fund  
Sanlam Strategic Bond Fund  
Sanlam Strategic Cash Fund  
Sanlam US Absolute Return Fund  
Sanlam US Dividend Fund  
Sanlam US Dollar Enhanced Yield Fund  
Sanlam World Equity Fund  
Satrix Emerging Markets Equity Tracker Fund  
Satrix Europe Excluding UK Equity Tracker Fund

Satrix Global Factor Enhanced Equity Fund  
Satrix North America Equity Tracker Fund  
Satrix UK Equity Tracker Fund  
Satrix World Equity Tracker Fund  
SIIP India Opportunities Fund  
Wisian Capital South Africa Equity Fund

**This Supplement forms part of and should be read in conjunction with the Prospectus dated 9 March 2021 (the "Prospectus") and the latest set of audited financial statements of the Company.**

The Directors of the Company, whose names appear in the "Directors of the Company" 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.

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

Save as disclosed herein, there has been no significant change and no significant new matter has arisen since publication of the Prospectus.

Date: 9 March 2021

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## **Investment Objective and Policies**

### **Investment Objective**

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

### **Policy and Guidelines**

The Fund will pursue its investment objective by investing up to 100% of its Net Asset Value (on a long only basis) in African equities which the Investment Manager has identified, through the application of the Investment Strategy (described below), as being undervalued and which the Investment Manager believes will increase in value to provide a profitable return for the Fund. The Fund is actively managed and will invest in equity securities of companies listed on Recognised Exchanges within Africa and also in equities that may be listed and/or traded on a Recognised Exchange outside of Africa (such as the US, Australia, Canada, EU Member States and Switzerland) as set out in Appendix I of the Prospectus, albeit that the companies issuing such equities conduct all or a significant part of their business in Africa. Investment in securities listed on Recognised Exchanges in South Africa will be limited to 20% of the Net Asset Value of the Fund.

The Fund's investment policy will not be subject to any sector restrictions. Investors will gain exposure to African markets through a concentrated portfolio of stocks.

The equity securities held by the Fund may include preference shares, ordinary shares and other securities with equity characteristics including depository receipts, all of which are traded on a Recognised Exchange.

When market conditions dictate a more defensive investment strategy and the Investment Manager considers it in the best interest of the Fund, the Fund may on a temporary basis, hold up to 25% of its Net Asset Value in liquid assets including but not limited to cash and cash equivalents (including but not limited to commercial paper, certificates of deposit, other money market instruments and treasury bills). These cash and money market instruments may be held in currencies other than the base currency of the Fund.

The Fund may also invest indirectly in equity securities through holdings in UCITS funds domiciled in a Member State and open-ended collective investment schemes, including exchange traded funds ("**CIS**") that satisfy the requirements of the Central Bank, such as Guernsey Class A Schemes, Jersey Recognised Funds and Isle of Man Authorised Schemes, including other schemes managed by the Manager or its affiliates. Investments in units of UCITS and AIFs will be limited to CIS which adhere to similar restrictions as those applying to the Fund. Investment in such CIS may not exceed 10% of the Net Asset Value of the Fund, subject to a maximum of 10% in any one CIS.

The Fund may measure its performance relative to a benchmark index (the MSCI EFM Africa Ex-South Africa) (the "**Benchmark Index**") for reference or investor communication purposes, including in the Company's annual and half-yearly reports. However the performance of the Fund relative to the Benchmark Index is not factored in any way into the investment process and the Fund does not operate any form of target to outperform the Benchmark Index. Furthermore, the Benchmark Index does not constrain the Fund from being managed on a fully discretionary basis. The Benchmark Index captures large and mid cap representation across 1 emerging market country and 13 frontier markets countries. With 31 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

**The Fund may, solely for the purposes of efficient portfolio management purposes, use the financial derivative instruments ("FDI") set out under the "Efficient Portfolio Management" section below.**

**As the Fund may invest up to 100% of its assets in equity securities of companies listed and traded in countries considered to be emerging or frontier markets (Frontier markets are considered to be less developed than emerging markets) by the Investment Manager, an**

**investment into this Fund should not constitute a substantial portion of an investment portfolio and may not be appropriate for all investors.**

### **Investment Strategy**

The Investment Manager follows a value based, bottom up approach to stock selection by focussing on companies, rather than industries or geographic regions. A bottom up approach involves looking at specific companies, analysing their financial statements, track record and business model and meeting with management to get an understanding of the business and its future plans in order to calculate a value for the business to compare to the current cost of the business based on its current share price. The Investment Manager also applies an in house screening process which involves the ranking of companies based on the difference between the company's current market value, as reflected by its share price, and that of its valuation based on historical and forward looking financial metrics such as Internal Rate of Return ("IRR") (to measure and compare the probable return of each company), discounted cash flow (to determine a present value estimate of each company) price/earnings and dividend yield (to measure the potential return on investment). For those companies where the Investment Manager determines that the market value of the company is less than that of the Investment Manager's valuation, the Investment Manager will conduct further research on the company to assess other factors such as the quality and stability of its management team (i.e, strong management team with a sound business model), its ability to generate profit and barriers to entry (i.e. obstacles that make it difficult to enter a given market) in the markets the company operates. The Investment Manager will invest in those companies which it believes will increase in value, as measured by its share price.

### **Investment Restrictions**

The general investment restrictions contained in the "Investment Restrictions" section of the Prospectus shall apply. In addition, the following investment restrictions shall apply to the Fund:

1. Short selling of securities is not permitted.
2. The Fund may not be geared or leveraged through the use of FDI and investment in any security.
3. Over the counter derivative instruments (except for forward currency transactions) are not permitted.
4. The Fund will not invest in securities that compel the Fund to accept physical delivery of a commodity.
5. The Fund will not invest in a CIS that is organised as a foreign collective investment scheme in hedge funds in accordance with the requirements of the South African legislation governing Foreign Collective Investment Schemes in Hedge Funds.
6. The Fund may only invest in a CIS which ordinarily invest in securities as defined in the South African Collective Investment Schemes Control Act No. 45 2002 governing Collective Investment Schemes in Securities.

### **Currency Hedging**

Subject to the investment restriction above, the Fund may hedge the foreign currency exposure of Share classes denominated in a currency other than the Base Currency in order that investors in the relevant Share class receive a return in the currency of that Share class substantially in line with the investment objective of the Company using currency forwards.

As foreign exchange hedging may be utilised for the benefit of a particular Share class, its cost and related liabilities and/or benefits shall be for the account of the relevant Share class only and such currency exposures of different share classes cannot be combined or offset. Accordingly, such costs and related liabilities and/or benefits will be reflected in the Net Asset Value per Share for Shares of any such class. It may not be possible to hedge against certain events or changes, or the Investment Manager may choose not to hedge all or any of the Fund's exposure. It is expected that the extent to which such currency exposure will be hedged will range from 0% to 100% of the Net Asset Value of the relevant class. While

not the intention, over-hedged or under-hedged positions may arise due to factors outside the control of the Company or Investment Manager. Under-hedged positions will not fall short of 95% of the portion of the Net Asset Value of the share class which is to be hedged and any under-hedged positions will be kept under review to ensure it is not carried forward from month to month. Over-hedged positions will in no case exceed 105% of the Net Asset Value of the relevant class. The Investment Manager will keep that position under review and will ensure over hedged positions materially in excess of 100% will not be carried forward month to month. While holding the non-Base Currency denominated class of share will protect holders of the class from a decline in value of the US Dollar against the Share class currency, investors in the non-Base Currency denominated class of Share will not benefit when the US Dollar appreciates against the Share class currency.

Currency hedging may be undertaken to reduce the Funds' exposure to the fluctuations of the currencies in which the Funds' assets may be denominated against the Base Currency of the Fund. The Fund may employ techniques and instruments for protection against exchange risks (including foreign exchange transactions which alter the currency characteristics of transferable securities held by the Fund) and to alter the currency exposure characteristics of transferable securities in accordance with the conditions and limits set down by the Central Bank.

### **Efficient Portfolio Management**

Subject to the Investment Restrictions above, the Fund may use futures for efficient portfolio management purposes and the Fund may enter into Securities Financing Transactions in the form of securities lending arrangements only. Further details in respect of Securities Financing Transactions and applicable limits are set out in the Prospectus under the heading "Repurchase/Reverse Repurchase Agreements and Securities Lending".

**Futures:** Futures are contracts to buy or sell a standard quantity of a specific equity security (or, in some cases, receive or pay cash based on the performance of an underlying equity security) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow the Investment Manager to hedge against market risk or gain exposure to underlying equity securities. Since these contracts are marked-to-market daily, the Investment Manager may, by closing out its position, exit from its obligation to buy or sell the underlying equity securities prior to the contract's delivery date.

The commercial purpose of investing in futures is for cash management purposes, and in the case of stock lending arrangements is to generate additional income for the Fund with an acceptably low level of risk.

Further detail on the requirements relating to the Collateral Policy for the Fund is contained in the Prospectus.

### **SFDR Information**

The Investment Manager is a signatory to the Principles for Responsible Investing (UN PRI), backed by the United Nations and follows the guidelines in the Code for Responsible Investing in South Africa (CRISA). In conducting research on investment targets, both existing and prospective, the Investment Manager assesses the extent to which the investment target can continue to operate profitably while demonstrating appropriate consideration of Sustainability Risks. This assessment forms an integral part of the investment decision. For the purposes of SFDR, the Manager, in consultation with the Investment Manager, has made a determination that Sustainability Risks are therefore relevant to the investment decisions being made in respect of the Fund. However, based on the Fund's current investment objective and strategy, those Sustainability Risks are currently not likely to have a material impact on the returns of the Fund. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Further information on the Investment Manager's responsible investment policy can be found on the Investment Manager's website at [www.absainvestmentmanagement.co.za](http://www.absainvestmentmanagement.co.za).

## **Leverage**

The Fund will ensure that its use of FDI will not allow the Fund to have exposure greater than its NAV. The Fund will not therefore be leveraged by its use of FDI. The global exposure of the Fund associated with the use of FDI will be measured using the commitment approach in accordance with the requirements of the Central Bank.

## **Risk Management**

The Manager on behalf of the Fund has filed with the Central Bank its risk management policy which enables it to accurately measure, monitor and manage the various risks associated with the use of FDI. The Manager will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments. As set out in the risk management policy, the Manager will use the commitment approach for the purposes of calculating global exposure.

## **Profile of a Typical Investor**

The Fund is suitable for retail and institutional investors who are looking to achieve long-term capital growth. Investment in the Fund should be viewed as a medium to long term investment and therefore investors would be expected to have a reasonable tolerance for high volatility of Net Asset Value from time to time.

## **Listing**

An application has been made for the Class A (Euro) and Class A (GBP) shares of the Fund to be admitted to listing on the Official List and to trading on the Global Exchange Market of Euronext Dublin.

The Class A (USD) Shares in the Fund are admitted to listing on the Official List and to trading on the Global Exchange Market of Euronext Dublin.

## **GEM is not a “regulated market” as defined under the Directive on Markets in Financial Instruments 2014/65/EU.**

Neither the admission of the Class A (Euro), Class A (GBP) and Class A (USD) Shares to listing on the Official List and trading on the Global Exchange Market of Euronext Dublin nor the approval of this Supplement pursuant to the listing requirements of Euronext Dublin shall constitute a warranty or representation by Euronext Dublin as to the competence of service providers to or any other party connected with the Fund, the adequacy of information contained in this Supplement or this Prospectus or the suitability of the Fund for investment purposes.

As at the date of this Supplement, no Director nor their spouses nor their infant children or any person closely associated have any interest in the Shares of the Fund or any options in respect of such capital.

As at the date of this document the Fund does not have any loan capital (including term loans) outstanding or created but unissued or any outstanding mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts, liabilities under acceptance (other than normal trade bills) or acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities which are material in nature.

Save as disclosed herein there has been no significant change and no significant new matter has arisen since the date of the Prospectus.

The Directors confirm that there has been no significant change in the financial or trading position of the Company since 31 December 2018, the date of the latest financial statements of the Company.

## **Investment Manager**

### **Absa Asset Management (Pty) Limited**

Absa Asset Management (Pty) Limited is a company incorporated in South Africa and having its registered office and place of business at Barclays Sandton South Campus, 15 Alice Lane, 2nd Floor, South Africa. It provides, inter alia, discretionary portfolio management services and investment advisory services for private as well as for institutional clients in all areas of international securities business. Absa Asset Management (Pty) Limited is regulated by the Financial Sector Conduct Authority ("FSCA") in South Africa and is a wholly owned subsidiary of Absa Limited.

## **Borrowings**

In accordance with the general provisions contained in the "Borrowing and Lending Powers" section of the Prospectus, the Fund may borrow up to 10% of its Net Asset Value of the Fund on a temporary basis. Such borrowings are permitted only to meet the Fund's obligation in relation to (i) the administration of the Fund relating to purchase or sale transaction; and/or (ii) the redemption or cancellation of shares in the Fund. Borrowings in relation to (i) above are only permitted for a period of up to 8 calendar days, and 61 calendar days in respect of (ii) in order to comply with the FSCA and to allow for the Fund to be distributed to South African retail investors. However, at all times borrowings on behalf of the Fund will be in accordance with the Regulations and the requirements of the Central Bank.

## **Risk Factors**

This Fund is a relatively high risk fund in relation to other asset classes due to its equity based investment approach and the emerging and frontier markets it is invested in.

The main risks to the value of the Fund's assets arise from price volatility, liquidity constraints, and exchange rates. The risk factors set out in the "Risk Factors" section of the Prospectus apply to the Fund. In addition, the following risk factors apply.

The risk factors set out in the "Risk Factors" section of the Prospectus apply to the Fund. In addition, the following risk factors apply to the Fund:

### *Currency Risk*

Holders of non-Base currency denominated Share Classes will be subject to exchange risk in relation to the Base currency. If necessary, a currency conversion may be carried out on subscription, redemption and switching of shares at prevailing exchange rates.

Any gains/losses on and costs of the currency hedging shall accrue solely to the Share Class in respect of which the currency hedging is entered into.

### *Emerging and Frontier Markets*

Investing in emerging and frontier markets involves additional risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (i) increased risk of nationalisation or expropriation of assets or confiscatory taxation; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalisation of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for US dollars; (viii) increased likelihood of governmental decisions to cease support of economic reform programmes or to impose centrally planned economies; (ix) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (x) less extensive regulation of the securities markets; (xi) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xii) less protection through registration of assets and (xiii) less developed corporate laws regarding fiduciary

duties of officers and directors and protection of shareholders.

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

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

#### *Settlement and Clearing Risk*

The trading and settlement practices on some of the exchanges or markets on which the Fund may invest may not be the same as those in more developed markets of Western Europe and the United States. In particular, some or all of the following additional risks may be associated with settlement and clearing of securities transactions in emerging market countries. These additional risks include delays experienced in repatriation of sales proceeds due to local exchange controls, an uncertain legal and regulatory environment and the possibility that bargains may be settled by a free delivery of stock with payment of cash in an uncollateralised manner. That may increase settlement and clearing risk and/or result in delays in realising investments made by the Fund.

#### *Depositary Risk*

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

#### *Liquidity Risk*

In extreme market conditions, it may be difficult for the Fund to realise an investment on short notice without suffering a discount to market value.

#### *Risks associated with Financial Derivative Instruments*

Derivatives (such as futures and forward exchange contracts) are highly specialised instruments that require investment techniques and risk analyses different from those associated with equities and debt securities. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into and the ability to assess the risk that a derivative transaction adds to a portfolio.

Where the Fund enters into derivative 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 derivative 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. Any investment in FDI will be fully covered, either by similar underlying investments or cash, as appropriate in the relevant circumstances.

Derivatives do not always perfectly or even highly correlate or track the value of the securities, sales or indices they are designed to track.

#### *Legal Risk*

Legal Risk is the risk of loss due to unexpected application of a law or regulation, or because contracts are

not legally enforceable or documented correctly in the context of FDI.

#### *Investments in Collective Investment Schemes*

The Fund may invest a portion of its assets in CIS and investors should be aware of the potential exposure to the asset classes of those underlying collective investment schemes in the context of all of their investments.

The investments of the Company are subject to normal market fluctuations and other risks inherent in investing in securities or other instruments and there can be no assurance that the investment objectives will actually be achieved. In particular the value of investments may be affected by uncertainties such as international, political and economic developments or changes in government policies.

#### *Efficient Portfolio Management Risk*

The Company on behalf of the Fund may enter securities lending arrangements for efficient portfolio management purposes. Investors should be aware that from time to time, the Fund may engage with securities lending agents that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the Company. Please refer to the section entitled "Portfolio Transactions and Conflicts of Interest" in the Prospectus for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company's semi-annual and annual reports.

#### *Reinvestment of Cash Collateral Risk*

As the Fund may reinvest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, the Fund will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

#### **Dividend Policy**

The Manager has obtained UK "reporting fund" status in respect of the Class A (GBP) Shares. In broad terms a "reporting fund" is an offshore fund that meets certain upfront and annual reporting requirements to HM Revenue & Customs and its Shareholders. Once reporting fund status is obtained from HM Revenue & Customs for the relevant classes it will remain in place permanently, provided the annual requirements are complied with. UK Shareholders who hold their interests in the Class A (GBP) Shares at the end of the reporting period to which the reported income relates, subject to their personal circumstances, will normally be liable to either income tax or corporation tax on the higher of any cash distribution paid and the full reported amount. The reported income will be deemed to arise to UK Shareholders on the date the report is issued by the Company.

Subject to the discretion of the Directors, dividends (if any) in respect of the Class A (Euro), the Class A (GBP) and the Class A (USD) Shares will be declared and paid on a twice yearly basis in or around 30 June and 31 December of each year. Shareholders will have the option to either receive the declared dividend (if any) or re-invest in the purchase of Shares of the relevant class. Payment will be paid by telegraphic transfer in currency of the relevant share class to the Shareholder's account unless the payment is for an amount less than €100 or £100 or US\$100 in which case such payment will be automatically reinvested in the purchase of Shares of the relevant class for the account of the relevant Shareholder. The Directors reserve the right to change the dividend policy of the Fund to reflect changes that may occur from time to time in the requirements for qualifying as a reporting fund or otherwise for the purposes of UK taxation.

**Investors should refer to their tax advisors in relation to the implications of these Share classes obtaining such status and any payment of dividends. Please see the section entitled "United Kingdom" under the "Taxation" section of the Prospectus for further details.**

Any amendment to the dividend policy will be provided for in an updated supplement and Shareholders will be notified in advance.

### **Key Information for Buying and Selling**

It is intended that Class A (Euro), Class A (GBP) and Class A (USD) Shares in the Fund will be made available for subscription to investors in certain of the Member States.

An application to buy any Shares should be made on the Application Form available from the Manager and be submitted to the Company c/o the Administrator, in writing or sent by facsimile, to be received by the Administrator on or prior to the Dealing Deadline for the relevant Dealing Day.

Class A (Euro), Class A (GBP) and Class A (USD) Shares are currently available for subscription on each Dealing Day.

### **Base Currency**

US Dollars

### **Business Day**

Any day (except Saturday or Sunday) on which the banks in Dublin are open for business and such other days as the Directors may, with the consent of the Depositary, determine and notify in advance to Shareholders.

### **Dealing Day**

Any Business Day.

### **Valuation Point**

Midnight (South African time) on each Dealing Day.

### **Dealing Deadline**

In respect of a Dealing Day, 4.00 p.m. (Irish time) on the Business Day immediately preceding a Dealing Day.

### **Minimum Shareholding**

Class A (EUR) EUR100

Class A (GBP) GB£100

Class A (USD) US\$100

The Directors may, in their absolute discretion permit a higher or lower Minimum Shareholding and Shareholders shall be notified in advance of any such change.

No Shareholder shall be entitled to realise part only of his holding of Shares of any class in the Fund (subject to the discretion of the Directors) if such realisation would result in his holding of Shares of such class after such realisation being below the Minimum Shareholding.

### **Minimum Initial Investment Amount**

Class A (EUR) EUR100

Class A (GBP) GB£100

Class A (USD) US\$100

The Directors may, in their absolute discretion permit a higher or lower Minimum Initial Investment Amount.

#### **Minimum Additional Investment Amount**

None

#### **Preliminary Charge**

Up to 3.42% of the Net Asset Value per Share (plus VAT, if any). The Manager may waive in whole or in part the Preliminary Charge.

#### **Repurchase Fee**

There is no repurchase fee on Class A (Euro), Class A (GBP) and Class A (USD) Shares.

#### **Settlement Date**

In the case of applications, close of business on the Business Day preceding the relevant Dealing Day (or up to four Business Days after the relevant Dealing Day as may be permitted by the Directors at their absolute discretion). In the case of repurchases, four Business Days after the relevant Dealing Day or, if later, four Business Days after the receipt of the relevant duly signed repurchase documentation and in any case within 14 calendar days of the Dealing Deadline.

#### **Charges and Expenses**

##### **Fees of the Manager, the Investment Transition Managers, the Depositary, the Administrator, the Investment Managers and the Distributors.**

The Manager will pay out of its fees, the fees and expenses of any Investment Transition Manager, the Distributors and the fees of the Investment Manager and any investment manager subsequently appointed to the Fund.

The Manager will be entitled to receive from the Company an annual fee of up to a maximum of 1.71% of the Net Asset Value of the Class A (Euro), Class A (GBP) and Class A (USD) Shares. These fees will accrue and be calculated on each Dealing Day and be payable monthly in arrears. The Manager will be responsible for all its own out of pocket costs and expenses.

The Investment Manager shall be responsible for its own costs and out of pocket expenses incurred in the performance of its duties as Investment Manager of the Fund.

In respect of the administration services, the Administrator will be entitled to receive out of the assets of the Fund an annual fee which will not exceed 0.03% of the Net Asset Value of the Fund (plus VAT, if any) together with any expenses incurred by the Administrator in the performance of its duties as Administrator of the Fund. These fees shall accrue and be calculated on each Dealing Day and shall be payable monthly in arrears.

In respect of the registrar and transfer agency services, the Administrator will be entitled to receive from the Company out of the assets of the Fund an annual fee which will not exceed US\$2,500 plus US\$1,000 for each additional share class greater than four, together with reasonable costs and expenses incurred by the Administrator in the performance of its duties as Administrator of the Fund. These fees shall accrue and be calculated on each Dealing Day and shall be payable monthly in arrears. The Administrator shall also be entitled to be reimbursed out of the assets of the Fund all agreed transaction charges (which will be charged at normal commercial rates).

The Depositary will be entitled to receive from the Company out of the assets of the Fund an annual trustee fee which shall not exceed 0.02% of the Net Asset Value of the Fund (plus VAT, if any) together with reasonable costs and expenses incurred by the Depositary in the performance of its duties as Depositary of the Fund. These fees shall accrue and be calculated on each Dealing Day and shall be payable monthly in arrears. The Depositary shall also be entitled to be reimbursed out of the assets of the Fund all agreed safekeeping fees, expenses and transaction charges (which will be charged at normal commercial rates).

The cost of establishing the Fund, obtaining authorisation from any authority, regulatory or other body, listing the Shares on Euronext Dublin, filing fees and the preparation and printing of this Supplement, marketing costs and the fees of all professionals relating to it, which are estimated not to exceed €25,000 will be borne by the Fund and amortised over the first five years of the fund's operation (or such shorter period as may be determined by the Directors at their discretion) following the first issue of Shares in the Fund.

This section should read in conjunction with the section entitled "Charges and Expenses" in the Prospectus.

### **Material Contracts**

#### **Investment Management and Distribution Agreement**

The Investment Management and Distribution Agreement dated 12 May 2016 between the Manager and Absa Asset Management (Pty) Limited (the "**Agreement**") provides that the appointment of Absa Asset Management (Pty) Limited will continue in force unless and until terminated by the Manager giving not less than 30 days' written notice to Absa Asset Management (Pty) Limited or by Absa Asset Management (Pty) Limited giving not less than 90 days' written notice to the Manager. However, in certain circumstances the Agreement may be terminated without a minimum period of notice by either party. The Agreement limits the liability of Absa Asset Management (Pty) Limited to the Manager to losses arising by reason of the fraud, negligence, wilful default or wilful misfeasance of Absa Asset Management (Pty) Limited in the performance or non-performance of its duties. The Agreement also provides that Absa Asset Management (Pty) Limited shall indemnify the Manager to the extent that any claims, costs, direct damages, direct losses or expenses are attributable to the fraud, negligence, wilful default or wilful misfeasance by Absa Asset Management (Pty) Limited in the performance or non-performance of its duties.