

**IMPORTANT:** This notice (the “**Notice**”) is sent to you as a unitholder of Barings Emerging Markets Umbrella Fund. It is important and requires your immediate attention. If you have any questions about the content of this notice or are in any doubt as to the action to be taken, you should seek independent professional advice and immediately consult your stockbroker, solicitor or attorney or other professional advisor. If you sold or otherwise transferred your holding in Barings Emerging Markets Umbrella Fund, please send this Notice to the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

**This Notice has not been reviewed by the Central Bank of Ireland (the “Central Bank”) and the Securities and Futures Commission (“SFC”) and it is possible that changes thereto may be necessary to meet the requirements of the Central Bank and the SFC. The directors (the “Directors”) of Baring International Fund Managers (Ireland) Limited (the “Manager”), the manager of Barings Emerging Markets Umbrella Fund, are of the opinion that there is nothing contained in this Notice nor in the proposals detailed herein that conflicts with the guidance issued by and regulations of the Central Bank and the SFC.**

The Directors have taken all reasonable care to ensure that, as at the date of this Notice, the information contained in this Notice is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept full responsibility for the accuracy of the information contained in this Notice.

Unless otherwise indicated, all capitalised terms in this Notice shall have the same meaning as described in the Prospectus, Hong Kong Covering Document and Product Key Facts Statements of the relevant funds of Barings Emerging Markets Umbrella Fund dated 30 April 2018 (collectively the “**Hong Kong Offering Documents**”).

**BARING INTERNATIONAL FUND MANAGERS (IRELAND) LIMITED**

*Registered Office*  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

23 November 2018

Dear Unitholder

**Barings Emerging Markets Umbrella Fund (the “Unit Trust”)**

- **Barings Emerging Markets Umbrella Fund - Barings Global Emerging Markets Fund**
- **Barings Emerging Markets Umbrella Fund - Barings Latin America Fund**

**(each a “Fund”, collectively the “Funds”)**

We are writing to you as a Unitholder to notify you of certain changes that are relevant to the Unit Trust and the Funds and to certain updates to the Hong Kong Offering Documents.

**Item 1 - Updates to the German Investment Tax Act**

With effect from 1 January 2018, a new version of the Investmentsteuergesetz (InvStG) was implemented which affects the Fund level and the investor level taxation. The key elements of the new legislation, and the benefit that it will provide German investors if a fund is compliant with the legislation, is dependent upon the type of fund (equity or mixed) and the type of investor (private or corporate).

The categorisation of a fund as an “equity fund” or a “mixed fund” pursuant to InvStG will depend on whether the fund meets applicable equity investment thresholds. “Equity funds” must hold a minimum of 51% equity in order to be deemed as such. “Mixed funds” must hold over 25% of its asset in equity in order to be deemed as such. In regards to those funds that have not committed to being “equity funds”, German investors are still able to obtain the partial exemption if the fund has met the requirement throughout the whole year.

Pursuant to the InvStG (2018), each of the following Funds of the Unit Trust intend to meet the requirements to be classified as being an “equity fund” and will invest at least 51% of their assets in direct equities: Barings Global Emerging Markets Fund and Barings Latin America Fund (collectively the “**Relevant Funds**”).

There is no change to the way in which the Relevant Funds are currently managed and there is no change to the investment strategies of the Relevant Funds. The Relevant Funds currently invest over 51% of their assets in direct equities and the Hong Kong Offering Documents will be enhanced to demonstrate that the relevant Fund meets the requirements to be classified as an “equity fund” under the InvStG (2018).

## **Item 2 – Update to the investment objective and policies of Barings Latin America Fund**

In order to simplify the current disclosure and to reflect the Central Bank of Ireland’s (“**Central Bank**”) latest position regarding the permissible exposure of the Barings Latin America Fund to securities listed or traded on the stock exchange in Colombia or in securities listed or traded on the stock exchange of Peru, the disclosure stating that as requested by the Central Bank, the Manager will not (without the prior consent of the Central Bank) invest more than 10% of the assets of the Fund in securities listed or traded on the stock exchange in Colombia or in securities listed or traded on the stock exchange of Peru is being removed from the Hong Kong Offering Documents and such update will take effect from 28 December 2018 (the “**Effective Date**”). Notwithstanding the removal of such disclosure, the Manager does not currently intend to change its investment approach to these markets and the approximate exposure to these market in total is expected to remain similar to existing levels. Significant increase in exposure to such markets is not expected at this time.

The Manager confirms that the Central Bank’s approval of such removal has been obtained and that this change does not amount to a material change to the Barings Latin America Fund and there will be no material change or increase in the overall risk profile of the Fund following this change. This change does not materially prejudice the rights or interests of investors of the Fund.

## **Item 3 - Change of addresses of Baring Asset Management Limited**

The office of Baring Asset Management Limited, the Investment Manager of the Funds, has moved to 20 Old Bailey, London, EC4M 7BF UK on 15 October 2018.

## **Item 4 – Miscellaneous updates to the Hong Kong Offering Documents**

The Hong Kong Offering Documents will be updated to include other miscellaneous updates summarised as follows.

1. Updates and enhancement of disclosure relating to subscription, redemption, conversion and transfer of ownership of Units;
2. Updates to risk disclosures;
3. Clarificatory updates to fair value pricing. For the avoidance of doubt, there is no change to the existing policy;
4. Clarificatory updates to the sub-section headed “Reinvestment of Income Distributions” under the section headed “Dividend Policy” to better reflect the notice relating to distributions dated 31 October 2014;
5. Enhancement and clarificatory updates to disclosure relating to in specie redemption. For the avoidance of doubt, there is no change to the existing practice;
6. Simplification of disclosure relating to the termination threshold of the Unit Trust and the Funds. Please refer to the Trust Deed of the Unit Trust for the termination threshold of the Unit Trust and the Funds;
7. Updates to the eligible securities and derivatives markets. For the avoidance of doubt, the updates to the eligible securities and derivatives markets do not represent a change of the investment restriction of the Funds;
8. Inclusion of a list of the Depositary’s sub-custodians and sub-custodians’ delegates;
9. Other miscellaneous formatting, administrative and/or clarificatory updates to enhance or simplify current disclosures, updates to reflect latest internal policies, to remove obsolete disclosure, to update information, for

better consistency with the other Barings' prospectuses, to better reflect actual practice and/or for better clarity. Such updates include, updates to country selling restrictions warning statements, updates to the "Definitions" section and corresponding updates, updates to terminology, updates to initial offer prices and initial offer period, updates to profile of a typical investor and updates to the descriptions of the Manager and the Depositary.

#### **Action to be taken**

Please note that no Unitholder meeting or vote is necessary in connection with the above proposed updates and therefore no action is required by you. It is anticipated that the effective date for these changes will occur on the Effective Date unless otherwise indicated. The revised Hong Kong Offering Documents will be updated to reflect the above changes where appropriate after the Effective Date. A copy of the revised Hong Kong Offering Documents will be available free of charge at the office of the Hong Kong Representative at the address listed below and on [www.baring.com](http://www.baring.com)<sup>1</sup> after the Effective Date.

Should you have any questions with regard to the contents of this letter, please contact Baring Asset Management (Asia) Limited, the Hong Kong Representative, by telephone on (852) 2841 1411, by e-mail at [BDG.HK.Wealth.Retail@barings.com](mailto:BDG.HK.Wealth.Retail@barings.com), or by letter at the following address: 35th Floor, Gloucester Tower, 15 Queen's Road Central, Hong Kong. Alternatively you may wish to speak to your financial adviser.



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**Director**  
**For and on behalf of**  
**BARING INTERNATIONAL FUND MANAGERS (IRELAND) LIMITED**

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<sup>1</sup> Please note that the website has not been authorised by the SFC and may contain information relating to funds which are not authorised in Hong Kong and information which is not targeted to Hong Kong investors.