

Investec Global Strategy Fund

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REQUIRES YOUR ATTENTION. IF IN DOUBT,
PLEASE SEEK PROFESSIONAL ADVICE.

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Dear Investor,

Change of investment policy for the Investec Global Strategy Fund (“IGSF”) - Global Strategic Managed Fund

We are writing to you as an investor in the Global Strategic Managed Fund (the “Fund”), a sub-fund of the IGSF, to let you know of our decision to change the investment policy of the Fund.

Our reasons for the change, as well as details of the new investment policy, are detailed below. We encourage you to read this letter as it contains important information about your investment.

The effective date of the change to the investment policy of the Fund will be 30 November 2016.

Why are we changing the investment policy?

We regularly review the IGSF range of funds to ensure they remain relevant for investors as investment markets evolve.

Following such a review, we have decided to change the investment policy of the Fund to allow the potential for wider investment flexibility.

This flexibility will allow the Fund, in addition to its current investment powers, to invest in derivatives (financial contracts whose value is linked to the price of an underlying asset), for investment purposes. However, the Fund will not use derivatives extensively or primarily for investment purposes. Currently the Fund may only invest in derivatives for hedging and efficient portfolio management purposes (for example, with the purpose of either managing the Fund’s risks or reducing the costs of managing the Fund or generating additional capital or income at an appropriate risk level for the Fund).

We believe the wider investment powers will be beneficial for the Fund as it will allow the Investment Manager to access a broader range of instruments to implement investment ideas and ultimately may better enable the Fund to achieve its investment objectives, whilst managing risk.



Please note that it is not intended that the use of derivatives for investment purposes will cause the Fund to have high volatility or cause its existing risk and reward profile to rise. Use of derivatives may be subject to counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.

As part of the management of the Fund, the Investment Manager calculates the effect on the Fund of using derivatives, including the exposure created and the leverage (the multiplying effect of gains and losses). Currently this exposure is measured using the “commitment approach” (calculating the net effect of derivatives on the Fund). As a result of the change to the investment policy this will change to the “relative value at risk approach” (calculating the effect of derivatives compared to a reference portfolio of assets).

In addition, we have taken the opportunity to clarify what the reference to “long term total returns” means in relation to the Fund and the additional permitted assets that the Fund may hold outside of its primary investment policy. The investment policy will now reference that the Fund aims to provide “long term income and capital growth”. It will also expressly state that the Fund may use other transferable securities (e.g. shares and bonds), money market instruments, cash or near cash, other derivatives, deposits and units in collective investment schemes (e.g. other funds) in trying to achieve its investment objective. The maximum aggregate exposure to these assets will not represent more than one-third of the assets of the Fund.

What is the new investment policy?

The amendments to the investment policy are set out in the table below. For ease of reference we have put the current wording extracted from the IGSF’s Prospectus and new wording side by side and underlined the paragraphs that have changed so that it easy for you to compare:

| Current investment objective and policy | New investment objective and policy |
|--|--|
| <p>The Sub-Fund aims to provide <u>long-term total returns</u> through investment in a diversified and actively managed portfolio consisting of any combination of cash instruments, fixed income securities, convertible securities and quoted equity securities on an international basis. Normally, the maximum equity content will be limited to 75% of the Sub-Fund.</p> <p><u>Exchange traded options and market index futures may be utilised in the management of risk exposure for the purposes of efficient portfolio management.</u></p> <p><u>Exchange traded bond options and futures contracts may also be utilised for such purposes in the management of market risk. In addition, exchange traded interest rate futures and options may be used for those same purposes and may also be used in conjunction with cash and short-term money market securities in order to create combinations of securities whose market behaviour is similar to conventional fixed interest securities.</u></p> | <p>The Sub-Fund aims to provide <u>long-term income and capital growth</u> through investment in a diversified and actively managed portfolio consisting of any combination of cash instruments, fixed income securities, convertible securities, equity securities, <u>and derivatives</u> on an international basis. Normally, the maximum equity content will be limited to 75% of the Sub-Fund.</p> <p><u>The Sub-Fund may also invest in other transferable securities, money market instruments, cash or near cash, other derivatives, deposits and units in collective investment schemes¹.</u></p> <p>The Sub-Fund may invest in aggregate up to 30% of its assets in units or shares of other UCITS or other UCIs as further detailed in Section 10.1 C. (a) (12) of the Prospectus.</p> |

¹ The underlying collective investment schemes which the Fund may invest in may not be regulated by the SFC. There may be additional costs involved when investing into these underlying collective investment schemes. There is also no guarantee that the underlying collective investment schemes will always have sufficient liquidity to meet the Fund’s redemption requests as and when made.



| Current investment objective and policy | New investment objective and policy |
|--|--|
| <p>The Sub-Fund may invest in aggregate up to 30% of its assets in units or shares of other UCITS or other UCIs as further detailed in Section 10.1 C. (a) (12) of the Prospectus.</p> <p>The Sub-Fund will also be allowed to use derivatives for the purposes of <u>hedging and/or efficient portfolio management</u>.</p> | <p>The Sub-Fund may use derivatives for the purposes of <u>hedging, efficient portfolio management and/or investment purposes</u>².</p> |

When will the investment policy change?

We are required to give you one month's notice of the changes to the Fund. Therefore the effective date for the change to the investment policy of the Fund will be 30 November 2016.

If you are not happy with the above changes to the Fund, you may switch your investment into an alternative SFC authorized³ sub-fund within the IGSF range or redeem your investment. If you wish to switch or redeem prior the effective date, your instruction must be received by 5:00pm Hong Kong time on 29 November 2016, but please note that if you deal through an intermediary they may have a different cut off time. You will not be charged for any such switch or redemption by Investec Asset Management but your bank, distributor or financial adviser may charge you switching and/or transaction fees. You are advised to contact your bank, distributor or financial adviser should you have any questions.

Fund document updates

The Prospectus of IGSF, the Supplement for Hong Kong Investors to the Prospectus and the relevant Product Key Facts Statement will be updated accordingly.

Revised copies of the Prospectus, the Supplement for Hong Kong Investors to the Prospectus and Product Key Facts Statement will be available on our website, www.investecassetmanagement.com.hk⁴ and on request, free of charge.

Fees and costs

The above change will not result in any change in the current level of annual management fees or other fees charged to the Fund and/or shareholders as disclosed in the IGSF's Prospectus. Other costs associated with the current changes to the GSF range of funds together with the subsequent revision of IGSF's Prospectus, such as legal and mailing costs, will be paid by IGSF. The Management Company and the Board of Directors of IGSF will allocate these costs across the range of IGSF funds on a fair and equitable basis. The Fund's contribution is estimated to be approximately US\$4,500, which is equivalent to 0.0006% of the Fund's net asset value (as at 25 October 2016).

² However, the Fund will not use derivatives extensively or primarily for investment purposes. Where the Fund uses the relative value at risk approach, we are required to disclose the expected level of leverage within the Fund's portfolio calculated in accordance with the "sum of the notional" of the derivatives used (the total value of all derivatives on the Fund). Using this approach, the expected range of leverage in the Fund's portfolio generated through the use of derivatives will be between 0-300% and the maximum expected leverage level may be up to 400%. We also disclose the expected level of leverage calculate using the commitment approach and the expected range of leverage in the Fund's portfolio using this method is not expected to exceed 100% of the Fund's net asset value.

³ SFC authorization is not a recommendation or endorsement of a product nor does it guarantee the commercial merits of a product or its performance. It does not mean the product is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

⁴ The website has not been reviewed by the SFC.



ISIN codes

The ISIN code for each share class affected by the above change is shown below. These codes will remain unchanged.

| Fund Name | Share Class | Currency | ISIN Code |
|-------------------------------|---|-----------------|------------------|
| Global Strategic Managed Fund | A Inc | USD | LU0345768740 |
| Global Strategic Managed Fund | A Inc-2 AUD Hedged (IRD) | AUD | LU1022646068 |
| Global Strategic Managed Fund | A Acc | USD | LU0345768153 |
| Global Strategic Managed Fund | A Inc-2 GBP Hedged (Reference) | GBP | LU1043140745 |
| Global Strategic Managed Fund | A Acc HKD | HKD | LU1043141040 |
| Global Strategic Managed Fund | A Inc-2 | USD | LU0994945904 |
| Global Strategic Managed Fund | C Inc | USD | LU0345768823 |
| Global Strategic Managed Fund | C Inc-2 AUD Hedged (IRD) ⁵ | AUD | LU0996484902 |
| Global Strategic Managed Fund | C Inc-2 ZAR Hedged (IRD) ⁵ | ZAR | LU0996484571 |
| Global Strategic Managed Fund | C Inc-2 ⁵ | USD | LU0994946035 |
| Global Strategic Managed Fund | D Inc | USD | LU0345769045 |
| Global Strategic Managed Fund | D Acc ⁵ | USD | LU0345768310 |
| Global Strategic Managed Fund | F Inc | USD | LU0430080720 |
| Global Strategic Managed Fund | F Acc | USD | LU0345768401 |
| Global Strategic Managed Fund | F Inc EUR Hedged (Reference) ⁵ | EUR | LU0430080563 |
| Global Strategic Managed Fund | F Acc EUR Hedged (Reference) ⁵ | EUR | LU0430080308 |
| Global Strategic Managed Fund | F Inc-2 ⁵ | USD | LU0994946118 |
| Global Strategic Managed Fund | F Inc GBP Hedged (Reference) ⁵ | GBP | LU0430080647 |
| Global Strategic Managed Fund | I Acc EUR ⁵ | EUR | LU0386385644 |
| Global Strategic Managed Fund | I Acc ⁵ | USD | LU0345768583 |
| Global Strategic Managed Fund | I Acc GBP Hedged (Reference) ⁵ | GBP | LU1139681412 |
| Global Strategic Managed Fund | IX Inc ⁵ | USD | LU0846948866 |
| Global Strategic Managed Fund | S Acc ⁵ | USD | LU0439320473 |

⁵ These share classes are not available to the public of Hong Kong.



More information

If you would like further information regarding the change or wish to discuss your options, please contact your usual financial and/or tax advisor. Alternatively, our teams are available to help you. For further information on our fund range, please visit our website, www.investecassetmanagement.com.hk⁴.

Thank you for your continued support.

Yours faithfully,

Grant Cameron
Director

John Green
Director

The Management Company and the Directors of IGSF are responsible for the accuracy of the contents of this letter. To the best of the knowledge and belief of the Management Company and the Directors of IGSF (who have taken all reasonable care to ensure that such is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the import of such information. The Management Company and the Directors of IGSF accept responsibility accordingly.

All defined terms in this letter shall have the same meaning as those defined terms as set out in the Prospectus of IGSF, unless the context requires otherwise.

⁴ The website has not been reviewed by the SFC.