

This document is issued by Edinburgh Partners AIFM Limited in order to make certain particular information available to investors in EP Global Opportunities Trust plc (the “Company”) before they invest, in accordance with the requirements of the EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) as implemented in the United Kingdom by the Financial Conduct Authority. It is made available to potential investors by being available at [www.epgot.com](http://www.epgot.com).

Potential investors in the Company’s shares should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.

# EP Global Opportunities Trust plc

## INVESTOR DISCLOSURE DOCUMENT

### IMPORTANT INFORMATION

#### **Regulatory status of the Company**

EP Global Opportunities Trust plc (the “Company”) is an Alternative Investment Fund (“AIF”) for the purposes of the EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (the “AIFM Directive”). The Company has appointed Edinburgh Partners AIFM Limited (the “AIFM”) to act as its Alternative Investment Fund Manager. The AIFM is authorised and regulated by the Financial Conduct Authority (the “FCA”).

The Company is a public limited company registered in Scotland with registered number SC259207 and has its registered office at 27-31 Melville Street, Edinburgh, EH3 7JF. The Company is an investment company within the meaning of Section 833 of the Companies Act 2006, as amended (the “Companies Act”).

The Company’s shares are listed on the premium segment of the Official List of the UK Listing Authority and are admitted to trading on the main market of the London Stock Exchange. The Company is subject to its articles of association, the Listing Rules, the Disclosure and Transparency Rules, the UK Corporate Governance Code and the Companies Act. The Company is a member of the Association of Investment Companies (“AIC”), a trade body which promotes investment companies and also develops best practice for its members. The Company is not authorised or regulated by the FCA.

The provisions of the Company’s Articles of Association are binding on the Company and its shareholders. The Articles of Association set out the respective rights and restrictions attaching to the Company’s shares. These rights and restrictions apply equally to all shareholders. All shareholders are entitled to the benefit of, and are bound by and are deemed to have notice of, the Company’s Articles of Association. The Company’s Articles of Association are governed by the laws of Scotland.

### **Limited purpose of this document**

This document is not being issued for any purpose other than to make certain, required regulatory disclosures to investors and, to the fullest extent permitted under applicable law and regulations, the Company, the AIFM and their directors will not be responsible to persons other than the Company's shareholders for their use of this document, nor will they be responsible to any person (including the Company's shareholders) for any use which they may make of this document other than to inform a decision to invest in shares in the Company.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to buy or sell, or otherwise undertake investment activity in relation to, the Company's shares.

**This document is not a prospectus and it is not intended to be an invitation or inducement to any person to engage in any investment activity. This document may not include (and it is not intended to include) all the information which investors and their professional advisers may require for the purpose of making an informed decision in relation to an investment in the Company and its shares.**

### **No advice**

The Company, the AIFM and their directors are not advising any person in relation to any investment or other transaction involving shares in the Company. Recipients must not treat the contents of this document or any subsequent communications from the Company, the AIFM or any of their affiliates, officers, directors, employees or agents, as advice relating to financial, investment, taxation, accounting, legal, regulatory or any other matters. Prospective investors must rely on their own professional advisers, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment in the Company's shares.

**Potential investors in the Company's shares should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.**

### **Overseas investors**

The distribution of this document in certain jurisdictions may be restricted and accordingly persons into whose possession this document comes are required to inform themselves about and to observe such restrictions. The shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under any of the relevant securities laws of Canada, Australia or Japan. Accordingly, the shares may not (unless an exemption from such Act or such laws is available) be offered, sold or delivered, directly or indirectly, in or into the USA, Canada, Australia or Japan. The Company is not registered under the United States Investment Company Act of 1940 (as amended) and investors are not entitled to the benefits of such Act.

Prospective investors must inform themselves as to (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of shares.

## THE COMPANY

### OBJECTIVE, INVESTMENT POLICY AND INVESTMENT STRATEGY

#### Objective

The Company's objective is to provide shareholders with an attractive real long-term total return by investing globally in undervalued securities. The portfolio is managed without reference to the composition of any stock market index.

#### Investment Policy

The Company invests in a focused portfolio of approximately 30 to 40 securities of issuers throughout the world, predominantly in quoted equities. The Company may also invest in unquoted securities, which are not anticipated to exceed 10 per cent of the Company's total assets at the time of investment. No investment in the Company's portfolio may exceed 15 per cent of the Company's total assets at the time of investment.

The Company has the ability to invest in other investment companies or funds but will invest no more than 15 per cent of its gross assets in other listed investment companies (including investment trusts).

The Company may also invest a substantial portion of its assets in debt instruments, cash or cash equivalents when the Investment Manager believes market or economic conditions make equity investment unattractive or while seeking appropriate investment opportunities for the portfolio or to maintain liquidity. In addition, the Company may purchase derivatives for the purposes of efficient portfolio management.

It is intended that, from time to time, when deemed appropriate, the Company will borrow for investment purposes up to the equivalent of 25 per cent of its total assets. By contrast, the Company's portfolio may from time to time have substantial holdings of debt instruments, cash or short-term deposits.

The investment objective and policy are intended to distinguish the Company from other investment vehicles which have relatively narrow investment objectives and which are thus constrained in their decision making and asset allocation. The objective and policy allow the Company to be constrained in its investment selection only by valuation and to be pragmatic in portfolio construction by only investing in securities which the Investment Manager considers to be undervalued on an absolute basis.

#### Investment Strategy

The Company's portfolio is managed without reference to any stock market index. Investments are selected for the portfolio only after extensive research by the Investment Manager. The process through which an equity must pass in order to be included in the portfolio is rigorous. Only a security where the Investment Manager believes that the price will be significantly higher in the future will pass the selection process. The Investment Manager believes that the key to successful stock selection is to identify the long-term value of a company's shares and to have the patience to hold the shares until that value is appreciated by other investors. Identifying long-term value involves detailed analysis of a company's earning prospects over a five-year time horizon.

## **Leverage**

As stated in the Investment Policy above, it is intended that, when deemed appropriate, the Company will borrow for investment purposes up to the equivalent of 25 per cent of its total assets. This borrowing may take the form of such instruments as revolving credit facilities and term loans.

As such, the maximum level of leverage which the Company's Alternative Investment Fund Manager, the AIFM, is entitled to employ on behalf of the Company is 1.25 under both the Gross and Commitment Methods of calculating leverage in accordance with the AIFM Directive.

As at the date of this document, the Company has no such borrowings. The level of any leverage actually employed is disclosed through the Company factsheet available monthly on the website [www.epgot.com](http://www.epgot.com).

## **Changes to Objective, Investment Policy, Investment Strategy or Maximum Leverage**

As a closed-ended investment fund whose shares are admitted to the Official List under Chapter 15 of the Listing Rules, the Company is required to obtain the prior approval of its shareholders to any material change to its published objective and investment policy (as set out above). Accordingly, the Company will not make any material change to its published objective and investment policy without the approval of its shareholders by ordinary resolution. The Company will announce any such change via the London Stock Exchange.

Any change in investment strategy or investment policy which does not amount to a material change to its published investment policy may be made by the Company without shareholder approval.

Any changes to the maximum level of leverage which may be employed by the Company will be communicated to shareholders.

## **ADMINISTRATION AND MANAGEMENT OF THE COMPANY**

### **The AIFM**

The Alternative Investment Fund Manager to the Company is Edinburgh Partners AIFM Limited (the "AIFM"), a private limited company incorporated in Scotland with registered number SC460631 and whose registered office is at 27-31 Melville Street, Edinburgh EH3 7JF. The AIFM is authorised and regulated as an Alternative Investment Fund Manager by the FCA.

The AIFM has been appointed by the Company under the terms of an Investment Management Agreement dated 16 July 2014 and has responsibility for, *inter alia*, the portfolio management and risk management of the assets of the Company.

With the approval of the Company, the AIFM has delegated portfolio management of the assets of the Company to Edinburgh Partners Limited (the "Investment Manager") pursuant to a Delegated Investment Management Agreement dated 16 July 2014.

The AIFM also provides such administrative and ancillary services as are normally undertaken by the manager, administrator and company secretary of an investment trust. Kenneth J. Greig, a director of the AIFM, has been appointed to act as Company Secretary (the "Company Secretary").

The Company Secretary is responsible for ensuring that procedures are followed by the board of directors of the Company (each a “Director” and collectively the “Board”) that the applicable regulations are complied with. The Company Secretary is also responsible to the Board for ensuring timely delivery of information and reports and also for compliance with the statutory obligations of the Company.

The AIFM covers potential professional liability risks resulting from those activities it carries out pursuant to the AIFM Directive by holding additional own funds. Sufficient and appropriate capital above the regulatory limit is held and monitored by the AIFM.

### **The Depositary**

The Company has appointed Northern Trust Global Services Limited to act as its depositary (the “Depositary”). The Depositary is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority.

The Depositary is responsible for the safekeeping of all custodial assets of the Company, for verifying ownership and maintaining a record of all other assets of the Company and for the collection of income that arises from those assets. It is one of the duties of the Depositary to take reasonable care to ensure that the Company is managed in accordance with the FCA’s Investment Funds Sourcebook and the Company’s Articles of Association.

Custody services are provided by The Northern Trust Company (as a delegate of the Depositary).

### **The Auditor**

Ernst & Young LLP has been appointed to provide audit services to the Company. The Auditor’s responsibility is to audit and report on the Company’s financial statements in accordance with applicable law and auditing standards for all accounting periods during its appointment.

### **The Registrar**

Computershare Investor Services PLC has been appointed as the Company’s Registrar. The Registrar’s duties include the maintenance of the Company’s registers of shareholders and the processing of any transfer of shares.

### **Conflicts of interest may arise as a result of the delegation of functions by the AIFM and/or the Depositary**

The AIFM, the Depositary and their respective delegates have undertaken to take all reasonable steps to avoid conflicts of interest in relation to the Company and its investors. If such conflicts of interest cannot be avoided, the AIFM, the Depositary and their respective delegates shall take all reasonable steps to identify, manage, monitor and (where applicable) disclose those conflicts of interest in order to prevent them from adversely affecting the interests of the Company and its investors, and to ensure that the Company is fairly treated.

### **Shareholders’ rights in respect of the Company’s service providers**

Without prejudice to any potential right of action in common law that a shareholder may have to bring a claim against a service provider to the Company, each shareholder’s contractual relationship in respect of its investment in shares in the Company is with the Company only. Therefore, no shareholder will have any contractual claim against any service provider in

respect of such service provider's default pursuant to the terms of the agreement that it has entered into with the Company.

The above is without prejudice to any right a shareholder may have to bring a claim against an FCA authorised service provider under section 13D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 13D of the Financial Services and Markets Act 2000, or in tort, against any service provider in connection with their investment in the Company should consult their legal adviser.

## **FEES, CHARGES AND EXPENSES**

The rate of ongoing charges representing the annualised level of expenses paid by the Company is disclosed through the Company factsheet available monthly at: [www.epgot.com](http://www.epgot.com).

The principal fees, charges and expenses borne by the Company are set out below. Further details are included in the Company's Annual Report and Financial Statements which may be accessed at: [www.epgot.com](http://www.epgot.com).

### **Payable to the Directors**

The total aggregate fees that can be paid to the Directors under the Directors' Remuneration Policy are £150,000. Directors are also entitled to be paid all reasonable travelling, hotel and incidental expenses incurred in or about the performance of their duties as Directors, including expenses incurred attending Board or shareholder meetings.

### **Payable to the AIFM**

The AIFM is entitled to an annual fee, payable monthly in arrears (exclusive of value added tax) and calculated: (i) at the rate of 0.75 per cent. per annum of the market capitalisation of the issued ordinary shares (excluding treasury shares) of the Company up to £100,000,000; and (ii) at a rate of 0.65 per cent. per annum of the market capitalisation which exceeds this amount. The fees of the Investment Manager are met by the AIFM out of the fees paid to the AIFM. In addition, the AIFM receives an administration fee and a marketing fee which are currently £135,000 per annum and £25,000 respectively.

### **Payable to the Depositary**

A fee of 0.01 per cent. per annum of the net assets of the Company, plus fees in relation to safekeeping and other activities undertaken to facilitate the investment activity of the Company are payable to the Depositary.

### **Payable to the Auditors**

Fees in relation to the audit of the Company's Annual Report and Financial Statements are payable to the Auditors. In addition, the Company may, from time to time, contract with the Auditors for the supply of non-audit services. All fees payable to the Auditors are set out in the Company's Annual Report and Financial Statements.

### **Payable to the Registrar**

Fees payable to the Registrar are based on the number of shareholders on the register and on other activities undertaken to facilitate the maintenance of the share register.

**Payable in respect of Loan Facilities**

Finance costs including interest on amounts drawn down under loan agreements and commitment fees may be payable to the facility provider. These fees are disclosed separately within the Company's Annual Report and Financial Statements as 'finance costs' and are excluded from the ongoing charges figure.

**SHAREHOLDER INFORMATION****Annual Reports and Financial Statements**

Copies of the Company's latest Annual Report and Financial Statements and Half-Yearly Reports are available at: [www.epgot.com](http://www.epgot.com).

**Publication of Net Asset Values**

A daily net asset value per share ("NAV") is calculated and released to the London Stock Exchange on behalf of the Company. The NAV, together with details of the closing share price of the Company, are available at: [www.epgot.com](http://www.epgot.com).

**Valuation Policy**

All investments held by the Company are classified as 'fair value through profit or loss'. Investments are initially recognised at cost, being the fair value of the consideration given. After initial recognition, investments are measured at fair value, with changes in the fair value of investments recognised in the Income Statement and allocated to capital. Realised gains and losses on investments sold are calculated as the difference between sales proceeds and cost.

For investments actively traded in organised financial markets, fair value is generally determined by reference to stock exchange quoted market bid prices at the close of business on the balance sheet date, without adjustment for transaction costs necessary to realise the asset. Unlisted investments will be valued by the Directors at fair value, using the guidelines on valuation published by the International Private Equity and Venture Capital Association ("IPEVC Valuation Guidelines"). This represents the Directors' view of the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

**Historical Performance of the Company**

Details of the Company's historical financial performance are provided in the Company's Annual Reports and Financial Statements, and monthly factsheets, which are available at: [www.epgot.com](http://www.epgot.com).

Investors should note that past performance of the Company is not necessarily indicative of future performance. Investors may not get back the amount invested.

**Share Capital**

The Company has only one class of shares in issue, which are ordinary shares. The ISIN number for the Company's shares is GB0033862573 and the SEDOL is 3386257.

Legal ownership of the Company's shares is evidenced by entry on the register of shareholders, and each registered shareholder is entitled to the rights set out in the Company's Articles of Association. These include the right to attend meetings and to vote on resolutions, to receive any dividends and to receive a *pro rata* share of the net assets of the Company in the event of winding up.

### **Purchases and Sales of Shares by Investors**

The Company's shares are listed on the premium segment of the Official List of the UK Listing Authority and are admitted to trading on the main market of the London Stock Exchange. Accordingly, the Company's shares may be purchased and sold on the main market of the London Stock Exchange through a stockbroker, financial adviser or investment platform.

The Company's shares are also eligible for inclusion in ISAs and SIPPs. These products are available through a number of providers. Investors who make investments through such products should note that, as the Company's shares may not be registered directly in their name, they may not be able to attend and vote at Company meetings without payment of additional administration charges to the product provider.

The Company's shares are not redeemable. While the Company will typically have shareholder authority to buy back shares, shareholders do not have the right to have their shares purchased by the Company.

### **Fair Treatment of Investors**

The legal and regulatory regime to which the Company and the Directors are subject ensures the fair treatment of investors. The Listing Rules require that the Company treats all shareholders of the same class of shares equally.

In particular, as directors of a company incorporated in the United Kingdom, the Directors have certain statutory duties under the Companies Act with which they must comply. These include a duty upon each Director to act in the way she or he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

No investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not give preferential treatment to any investors.

The Company's shares all rank *pari passu* with each other.

### **Key Information Document**

The key information document may be accessed at: [www.epgot.com](http://www.epgot.com).

## **RISK FACTORS**

The following describes some of the general risk factors which should be considered prior to investing in the Company. It is intended as a summary only and does not purport to be an exhaustive list of all the risks relating to an investment in the Company. Various other risks may apply.

The principal risks the Company faces are those highlighted in the section entitled "Principal Risks and Uncertainties" in the Company's Annual Report and Financial Statements, namely:



investment and strategy risk, key manager risk, discount volatility risk, market risk, foreign currency risk and regulatory risk. Other risks include, but are not limited to, liquidity risk, credit risk interest rate risk, gearing risk, operational risk and other financial risk. Potential investors should refer to the Company's Annual Report and Financial Statements, which are available at: [www.epgot.com](http://www.epgot.com), for a more detailed description of such risks.

Investors should also consider the following additional risks:

The Company's shares are non-redeemable and are listed on the London Stock Exchange. As a result, the value of the shares and any income derived from them can fall as well as rise, and investors may not get back the full value of their investment.

As the Company invests in overseas securities, fluctuations in exchange rates may also cause the value of the shares (and any income from them) to fall as well as rise.

The Company can borrow money to make further investments. This is known as 'leverage' or 'gearing'. The effect of gearing can enhance returns in a rising market, but if the value of the investments falls, any borrowing will increase the amount of the loss.

The Company can buy back and cancel its own shares. The risks from borrowing (referred to above) are increased when an investment trust buys back and cancels its shares.

The Company's portfolio is likely to be more concentrated than that of other similar investment trusts or funds and the share price and NAV are therefore likely to be more volatile than other more diversified portfolios.

With the exception of costs that are incidental to the acquisition or disposal of investments, which are charged to capital, all other expenses, including management fees, operating expenses and finance costs, are charged to income. Where income is low, expenses may exceed the total income received and capital value would be reduced.

## RISK MANAGEMENT

### Risk Profile

As an investment trust, the Company invests in equities and makes other investments so as to achieve its objective. In pursuing its objective, the Company is exposed to risks which could result in a reduction of either or both of the value of the net assets and the profits available for distribution by way of dividend.

The principal risks the Company faces are those highlighted in the section entitled "Risk Factors" and further detailed in the Company's Annual Report and Financial Statements.

The current risk profile of the Company will be disclosed periodically to investors by disclosure in the Company's Annual Report and Financial Statements or more frequently at the Company's and/or the AIFM's discretion.

### Risk Management

The Board, together with the AIFM, is responsible for the Company's risk management. In this regard, the AIFM has established and maintains a permanent and independent risk management function to ensure that there is a comprehensive and effective risk management policy in place and to monitor compliance with risk limits. This risk policy covers the risks associated with the management of the investment portfolio, and the AIFM reviews and

approves the adequacy and effectiveness of the policy on at least an annual basis, including the risk management processes and controls and limits for each risk area.

The AIFM sets risk limits that take into account the risk profile of the Company's investment portfolio, as well as its objective and strategy. The AIFM monitors the risk limits, including leverage, and periodically assesses the portfolio's sensitivity to key risks.

The risk management systems employed in respect of the Company will be disclosed periodically to investors by disclosure in the Company's Annual Report and Financial Statements or more frequently at the Company's and/or the AIFM's discretion.

### **Liquidity Risk Management**

The Company has no fixed life and there is no requirement for a periodic vote by shareholders on whether the Company should continue in existence or be wound-up. The share capital of the Company consists entirely of ordinary shares which carry no redemption rights. Accordingly, the liquidity requirements of the Company extend to meeting its obligations entered into in the normal course of business.

The AIFM maintains a liquidity management policy in relation to these obligations. The policy requires that an assessment is made to determine the length of time the AIFM expects to be able to liquidate investment positions within the portfolio. The policy also requires the portfolio to be monitored to ensure adequate diversification of the portfolio.

Investors will be notified in the event of any material changes being made to the liquidity management systems employed by the AIFM or where any new arrangements for managing the Company's liquidity are introduced.

The percentage of the Company's assets which are subject to special arrangements arising from their illiquid nature (if any) will be disclosed periodically to investors by disclosure in the Company's Annual Report and Financial Statements or more frequently at the Company's and/or the AIFM's discretion.

## **GENERAL**

### **Amendment of this Document**

The AIFM will update this document as soon as reasonably practicable following any material changes. Such changes will also be disclosed to shareholders in the next available Annual Report and Financial Statements.

Any changes in information shall be deemed material if there is a substantial likelihood that a reasonable shareholder or potential investor, becoming aware of such information, would reconsider their investment in the Company.

### **Issuer of this Document**

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