

Kopernik Global All-Cap Fund

SOFT CLOSE Q&A (March 2023)

Effective June 1, 2023



Kopernik
Global Investors, LLC

Why is Kopernik soft-closing Kopernik Global All-Cap ("GAC") mutual fund?

Kopernik is committed to putting client needs first and seeks to continue to invest in the best bargains we can find. We manage capacity carefully to enable sufficient investment liquidity, and to help preserve our ability to generate alpha and potentially limit the risk of a permanent loss of invested capital for our clients. This means that we need to maintain the ability to take advantage of investment opportunities across different markets, countries, industry/sectors, and across the market capitalization spectrum. When mid and smaller capitalization stocks are bargains, we must be able to take advantage of those opportunities. Therefore, we have stated from the launch of Kopernik Global Investors that we intend to maintain a manageable level of the firm AUM (sub-\$20B).

Additionally, it seems prudent to keep exposure per client relationship and vehicle to around \$2 billion for the Global All-Cap strategy. With the Global All-Cap mutual fund assets approximately at that level, the Fund is being soft closed, effective June 1, 2023 following the temporary re-opening as of the beginning of the year. We know how inconvenient a hard close can be for clients, and while this doesn't eliminate the chance of a future hard-close, it reduces the possibility.

Is there precedence for this?

Yes, we have a history of closing strategies at a much lower level than our competitors. We soft-closed the Kopernik Global All-Cap Fund in March 2017 and March 2021. Additionally, at our predecessor firm (Tradewinds Global Investors), we often soft closed portfolios, usually at levels that many found to be unexpectedly low levels of AUM. Some were surprised, most were appreciative that we were helping to protect the alpha generating potential of the portfolios at the expense of personal profit. This continues to be a very important tenet for us at Kopernik.

What does this mean for clients?

It is our hope and belief that this action demonstrates that we place well-being of clients paramount. We are, of course, cognizant that this causes some inconvenience for clients, but are hopeful that clients agree that it is well worth the cost due to the enhanced alpha generating potential of the investment portfolios, and to the preservation of clients' ability to manage future fund flow needs by minimizing hard close possibility. It also maintains the ability to invest in GAC through other vehicles, including Collective Investment Vehicle ("CIV"), Private Fund, and separate accounts. Importantly, in anticipation of the desirability of diversified capacity, we offer a similar mutual fund, Kopernik International Fund (KGIIX, KGIRX), which now has a 7-year track record. The International Fund was launched in response to clients requesting Global Ex-US and/or a limited small cap exposure (generally, issuers with market cap above \$2 billion). Its returns have been highly correlated to GAC: 95.3% (1 year), 96.9% (3 year), 96.5% (5 year), and 95.6% (7 year) as measured as of 02/28/2023, and historically has had lower volatility. As with other Kopernik Investment Strategies, the International Strategy is driven off the same investment platform: philosophy, process, and people. (See adjacent information on the International Strategy.)

Will the Kopernik GAC mutual fund re-open in future?

Yes, it could re-open again if we experienced significant redemptions or if we determined that our capacity was considerably higher than previously assessed.

For more information on the Kopernik Funds call our toll free number at 1-855-887-4KGI or email funds@kopernikglobal.com.

Alpha - Measures the performance of an investment against a market index used as a benchmark. The excess returns of a fund relative to the return of a benchmark index is the fund's alpha.

Kopernik Global All-Cap Fund

Lead Portfolio Manager: David Iben, CFA
Co-Portfolio Manager: Alissa Corcoran, CFA

Class:	Class A	Class I
Inception:	Nov. 1, 2013	Nov. 1, 2013
Ticker:	KGGAX	KGGIX
CUSIP:	00766Y315	00766Y299

Global All-Cap Strategy
Guideline Maximums (at purchase):

Issuer weight:	5%
Industry weights:	25%
Sector weights:	30%
Country weights:	35%
Emerging Markets:	50%

(including Frontier¹)

Kopernik International Fund

Portfolio Managers: Dave Iben, CFA
Mark McKinney, CFA

Class:	Class I	Inv Class
Inception:	June 30, 2015	Dec. 10, 2018
Ticker:	KGIIX	KGIRX
CUSIP:	00766Y240	00766Y257

International Strategy
Guideline Maximums (at purchase):

Issuer weight:	5%
Industry weights:	25%
Sector weights:	30%
Country weights:	35% (except U.S.) ² *
Emerging Markets:	60%

(including Frontier¹)^{*}

Generally, no investment in issuers with market capitalization below \$2 billion, as measured at time of purchase^{*}

^{*}Guidelines that are different from GAC strategy

¹Kopernik defines Emerging Markets to include all markets that may not be classified as Developed by MSCI.

²The strategy may invest up to 15% in U.S. domiciled businesses that have significant business activities outside the United States, as determined by Kopernik.