Fund Objective

This is a conservatively managed fund of funds which broadly adheres to the strategic asset allocation (houseview) of Sanlam Investment Management. The fund aims to deliver a high level of income with moderate capital growth by targeting CPI+2% over any rolling 3 year period. A maximum of 20% of the portfolio will be invested in equities (both local and offshore). This fund is Reg. 26 compliant and may hold up to 30% of its assets offshore.

Fund Strategy

This fund will only invest in collective investment schemes managed within Sanlam’s investment cluster. The portfolio is diversified across equities, bonds, cash, listed property and offshore assets giving the investor exposure to the best investment expertise within Sanlam Investments both locally and abroad and in line with its conservative risk profile.

Why choose this fund?

*Being a fund of fund, manager risk is diversified using a combination of the best investment expertise within Sanlam Investments.
*Investing in this fund of fund is a cost effective way of accessing the best investment expertise that Sanlam Investments has to offer both locally and abroad.
*The fund is available across all Sanlam administration platforms.

Fund Information

ASISA Fund Classification | SA - Multi Asset - Low Equity
Risk profile | Conservative
Benchmark | CPI + 2% over a 3 year rolling period
Portfolio launch date | 26 Oct 2006
Fee class launch date | 26 Oct 2006
Minimum investment | Lump sum: R10 000 | Monthly: R500
Portfolio size | R312.5 million
Quarterly distributions | 30 Jun 2019: 15.66 cents per unit
| 31 Mar 2019: 26.57 cents per unit
| 31 Dec 2018: 16.50 cents per unit
| 30 Sep 2018: 28.21 cents per unit
Income decl. dates | 31 Mar | 30 Jun | 30 Sep | 31 Dec
Income price dates | 1st working day in April, July, October and January Distributed on the following working day
Valuation time of fund | 17:00
Transaction cut off time | 15:00
Daily price information | Local newspaper and www.sanlamunittrusts.co.za
Repurchase period | 3 working days

Fees (Incl. VAT)

Advice initial fee (max.) | 3.45
Manager initial fee | N/A
Advice annual fee (max.) | 1.15
Manager annual fee | 0.86
Total Expense Ratio (TER) | 1.05

Advice fee | Any advice fee is negotiable between the client and their financial advisor. An annual advice fee negotiated is paid via a repurchase of units from the investor.

Sanlam Realty members may qualify for a discount on the Manager annual fee.

Total Expense Ratio (TER) | PERIOD: 01 April 2016 to 31 March 2019
Total Expense Ratio (TER) | 1.05 of the value of the Financial Product was incurred as expenses relating to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER’s. Inclusive of the TER of 1.05%, a performance fee of 0.09% of the net asset value of the class of participatory interest of the portfolio was recovered.

Transaction Cost | 0.00% of the value of the Financial Product was incurred as costs relating to the buying and selling of the assets underlying the Financial Product. Transaction Costs are a necessary cost in administering the Financial Product and impacts Financial Product returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER.

Total Investment Charges (TER + TC) | 1.10% of the value of the Financial Product was incurred as costs relating to the investment of the Financial Product.

Manager Performance Fee (incl. VAT) | Performance Fee Benchmark: CPI + 2% over rolling 3 year period. Base Fee: 0.85%, Fee at Benchmark: 0.85%, Fee hurdle: CPI + 2% over rolling 3 year period. Sharing ratio: 10%, Minimum fee: 0.85%, Maximum fee: 1.42%, Fee example: 0.85% p.a. if the fund performs in line with its Performance Fee benchmark being CPI + 2% over rolling 3 year period.

The performance fee is accrued daily, based on performance over a rolling three year period with payment to the manager being made monthly. Performance fees will only be charged once the performance fee benchmark is outperformed and only if the fund performance is positive. A copy of the Performance fee Frequently Asked Questions can be obtained from our website: www.sanlaminvestments.com.

The portfolio manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down.

Holdings

Securities | % of Portfolio
--- | ---
SIM Active Income Fund | 28.70
SIM Enhanced Yield Fund Class B3 (D) | 28.11
SIM Bond Plus Fund B3 (D) | 14.58
SIM General Equity Fund B12 (O) | 5.79
SIM Property Fund | 4.09
Satrix World Equity Tracker Fund I | 2.89
SIM Global Bond C | 2.87
SIM Global Property B | 2.45
SIM Top Choice Equity Fund class B1 (B) | 1.04
SIM Global Liquidity A | 0.89
Satrix Europe ex UK Equity Tracker Fund I | 0.69
SIM Real Assets SI USD | 0.64
Satrix UK Equity Tracker Fund I | 0.39

Holdings as at 30 Jun 2019

Performance (Annualised)

Retail Class | Fund (%) | Benchmark (%)
--- | --- | ---
1 year | 7.42 | 6.55
3 year | 6.10 | 6.74
5 year | 7.44 | 7.04
10 year | 8.46 | 7.23

Annualised return is the weighted average compound growth rate over the period measured.

Performance (Cumulative)

Retail Class | Fund (%) | Benchmark (%)
--- | --- | ---
1 year | 7.42 | 6.55
3 year | 19.42 | 21.60
5 year | 43.14 | 40.53
10 year | 125.25 | 101.07

Cumulative return is aggregate return of the portfolio for a specified period

Risk statistics: 3 years to 30 Jun 2019

<table>
<thead>
<tr>
<th>Statistic</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Std Deviation (Ann)</td>
<td>2.77</td>
</tr>
<tr>
<td>Sharpe Ratio (Ann)</td>
<td>0.48</td>
</tr>
</tbody>
</table>

Actual highest and lowest annual returns*

<table>
<thead>
<tr>
<th>Statistic</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highest Annual %</td>
<td>12.81</td>
</tr>
<tr>
<td>Lowest Annual %</td>
<td>5.15</td>
</tr>
</tbody>
</table>

This monthly Minimum Disclosure Document should be viewed in conjunction with the Glossary of Terms sheet which is available on the website.
Asset Allocation

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds</td>
<td>23.22</td>
</tr>
<tr>
<td>Property</td>
<td>5.28</td>
</tr>
<tr>
<td>Equities</td>
<td>5.97</td>
</tr>
<tr>
<td>International Assets</td>
<td>15.70</td>
</tr>
<tr>
<td>Cash and Money Market Assets</td>
<td>49.83</td>
</tr>
</tbody>
</table>

Risk Profile (Conservative)

This portfolio aims to ensure stable income flows and capital preservation is of primary importance. The portfolio invests in a combination of low-risk asset classes, but exposure to equities is limited to protect against volatility and risk of capital losses. It aims to provide a high level of income, while maximising returns above cash. Capital preservation is achieved through diversification across a variety of high yielding assets.

Portfolio Manager(s)

Natasha Narsingh
BSc(Chem), MBA

Management of Investments

The management of investments are outsourced to Sanlam Investment Management (Pty) Ltd, FSP 579, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.

Trustee Information

Standard Bank of South Africa LTD
Tel no.: 021 441 4100, E-mail: Compliance-SANLAM@standardbank.co.za

Additional Information

All reasonable steps have been taken to ensure the information on this MDD is accurate. The information to follow does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Independent professional financial advice should always be sought before making an investment decision.

The Sanlam Group is a full member of the Association for Savings and Investment SA. Sanlam Collective Investments (RF) (Pty) Ltd is a registered and approved Manager in Collective Investment Schemes in Securities. Collective investment schemes are generally medium to long-term investments. Past performance is not necessarily a guide to future performance, and that the value of investments / units / unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available from the Manager on request. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and any deductible expenses such as audit fees, brokerage and service fees. Forward pricing is used. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Performance is calculated for the portfolio and the individual investor performance may differ as a result of initial fees, actual investment date, date of reinvestment and dividend withholding tax. The manager has the right to close the portfolio to new investors in order to manager it more efficiently in accordance with its mandate. The performance of the portfolio depends on the underlying assets and variable market factors. Lump sum investment performances are quoted. The portfolio may invest in other unit trust portfolios which levy their own fees, and may result in a higher fee structure for our portfolio.

Sanlam Investment Management Managed Conservative Fund of Funds

June 2019

(Fund Fact Sheet)