Minimum Disclosure Document

(Fund Fact Sheet)

Sanlam Select Flexible Equity Fund

August 2019

Fund Objective

This is a flexible asset allocation fund which is looking to deliver equity like returns at lower risk levels. The Fund aims to achieve maximum capital growth over the medium to long term. This Fund is suitable for investors who can withstand potential capital volatility in the short term.

Fund Strategy

The Fund will have a large exposure to equity instruments and will look for companies where strong earnings growth is expected over the short to medium term, based on a top-down macro view. When investment ideas in the equity market are limited the Manager will look to diversify across other asset classes to protect from potential market downturns. The investment manager will also be allowed to invest in derivatives as allowed by the Act from time to time in order to achieve its investment objective.

Why choose this fund?

- The fund will consistently hold a large portion in equity instruments, providing long term capital growth.
- This fund is less volatile than a pure equity fund.
- A top-down approach to strategic asset class allocation coupled with a bottom-up analysis of individual securities, providing consistent returns & reducing risk.

Fund Information

ASISA Fund Classification	South African Multi Asset Flexible
Risk Profile	Aggressive
Benchmark	ASISA South African Multi Asset Flexible Category Average
Fee Class Launch date*	01 September 2014
Portfolio Launch date	01 April 2003
Minimum investment	LISP minimums apply
Portfolio Size	R 1271 million
Monthly distribution	
31/08/2019: 7.00 cents per unit 31/07/2019: 8.29 cents per unit 30/06/2019: 3.90 cents per unit 31/05/2019: 2.48 cents per unit 30/04/2019: 5.99 cents per unit 31/03/2019: 5.26 cents per unit	28/02/2019: 0.00 cents per unit 31/01/2019: 0.00 cents per unit 31/12/2018: 0.00 cents per unit 30/11/2018: 4.56 cents per unit 31/10/2018: 0.00 cents per unit 30/09/2018: 0.38 cents per unit
Income decl. dates	Monthly
Income price dates	1st working day
Portfolio valuation time	15:00
Transaction cut off time	15:00
Daily price information	The local newspaper and www.sanlamunittrusts.co.za
Repurchase period	3 working days

Fees (Incl. VAT)	LISP-class (%)
Advice initial fee (max.)	neg.
Manager initial fee (max.)	0.00
Advice annual fee (max.)	neg.
Manager annual fee (max.)	1.03
Total Expense Ratio (TER)	1.07

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.

Obtain a personalised cost estimate before investing by visiting www.sanlamunittrustsmdd.co.za and using our Effective Annual Cost (EAC) calculator. Alternatively, contact us at 0860 100 266.

This fund is available via certain LISPS (Linked Investment Service Providers), which levy their own fees.

TOTAL EXPENSE RATIOS
PERIOD: 01 July 2016 to 30 June 2019

Total Expense Ratio (TER) |1.07% 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 in the TER of 1.07%, a performance fee of 0.01% of the net asset value of the class of Financial Product was recovered.

Transaction Cost (TC) | 0.69% 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) | 1.76% of the value of the Financial Product was incurred as costs relating to the investment of the Financial Product.

Top 10 Equity Holdings

Top 10	% of Fund
Naspers	11.69
PSG Group Ltd	4.36
Standard Bank Group Limited	4.18
Zambezi Platinum (RF) Limited	3.76
Sasol Limited	3.17
Eurostoxx SX5E Autocall	2.38
British American Tobacco Plc	2.32
Eurostoxx SX5E Multiplier	2.23
Firstrand Limited	2.12
Mondi Plc	2.09

Performance (Annualised) as at 31 Aug 2019 on a rolling monthly basis*

LISP-class	Fund (%)	Benchmark (%)
1 Year	-3.80	-2.87
3 Year	0.19	1.89
5 Year	3.82	3.49
Since inception	3.82	3.49

An annualised rate of return is the average rate of return per year, measured over a period either longer or shorter than one year, such as a month, or two years, annualised for comparison with a one-year return.

Performance (Cumulative) as at 31 Aug 2019 on a rolling monthly basis*

LISP-class	Fund (%)	Benchmark (%)
1 Year	-3.80	-2.87
3 Year	0.57	5.78
5 Year	20.63	18.71
Since inception	20.63	18.71

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

*Significant changes to this fund came into effect from 01 September 2014 and all performance figures are calculated from this date and not the original fund launch date.

Risk statistics: 3 years to 31 Aug 2019

Std Deviation (Ann)	9.26
Sharpe Ratio (Ann)	-0.78

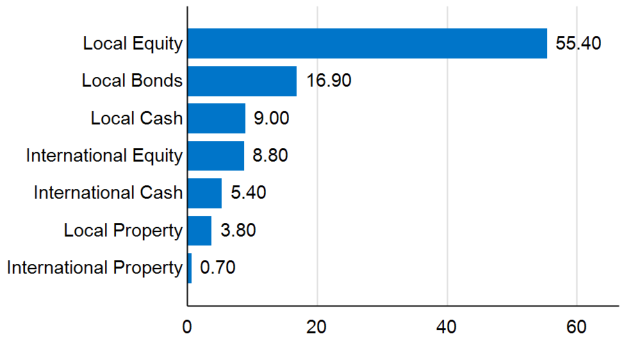
Actual highest and lowest annual returns*

Highest Annual %	18.49
Lowest Annual %	-12.45

* Performance figures sourced from Morningstar.

* The highest and lowest 12 month returns are based on a 12 month rolling period over 10 years or since inception where the the performance history does not exist for 10 years.

Asset Allocation



Investment Manager Monthly Commentary

The scene was set for August, when within hours of the US Federal Reserve (Fed) cutting rates on 31 July, Donald Trump announced that he would impose a 10% tariff on a further $300 billion of Chinese goods. This was to go into effect on 1 September and included a list of consumer goods. The decision was taken by the Trump administration to delay the consumer goods component to 15 December. China implemented countermeasures by imposing $75 billion of tariffs with a similar timeline. The Chinese's 1 September tariffs included an extra 5% on US soybeans and crude oil imports, while the 15 December tariffs include an extra 25% on US cars.

The cumulative effect of the tariffs drove investors to safety and the US yield curve rallied aggressively, while recession signals from the US yield curve increased further. At a point, the inversion of the curve reached its worst levels since the lead-up to the global financial crisis. PMI figures for August continued to show the impact of the trade war with manufacturing PMIs globally being in contractionary territory. Germany in particular continued to feel the weight of the trade war; increasing automobile emission regulations also contributed. On the other hand, global services PMI continued to expand.

During the course of the month the Fed released the minutes from the July Federal Open Market Committee meeting. Much to the surprise of the market there appeared to be very divergent views about the correct path for US interest rates. There appeared to be three groups within the Fed: the dovish, who wanted a 50-basis point cut as a result of trade war jitters potentially creeping into the economy; the cautious, who desired a 25-basis point 'insurance cut'; and the bullish, who viewed the US economy as being healthy and incoming data as not yet pointing to any real issues. With that in mind the Jackson Hole Symposium for global central bankers, which followed a few days later, was closely watched. The topic of conversation was the limitations of monetary policy. From the meeting, Fed members were clearly not in sync with regard to the policy path. The message from the market on the back of the trade war escalation was for a 25-basis point cut in September and another three cuts by mid-2020. On the back of all this, developed and emerging market equities were down 2.24% and 4.85% respectively (both in US Dollar). Developed market bonds delivered a strong 2.35% (in Dollar), while emerging market bonds were down 2.66% (in Dollar).

The South African market also suffered from the global risk-off sentiment. Local equities were down 2.44% (in Rands). Compounding the global risk-off sentiment was the signing of the National Credit Amendment Bill. The purpose of the bill is for the debt payments of certain consumers to be suspended (for up to 24 months) or completely written off if their financial situation has worsened. The bill would impact the banking industry and clothing retailers. As a result, the financial sector had a particularly poor month falling 4.20% (in Rands).

The National Health Insurance Bill was published with a senior official estimating the universal healthcare programme would cost about R256 billion to implement by 2022. That includes the R220 billion a year in the current budget. It remains quite difficult to see how the government will fund the bill. During the course of the month Moody's also warned that Eskom's operational and financial performance has deteriorated to the point that urgent intervention is required. Eskom is looking for the state to transfer the debt it has guaranteed onto its (the state's) balance sheet as the state power utility can only sustain R150 billion.

Although it proved to be a difficult month for emerging markets and there were significant outflows of foreign owners of South African bonds, local bonds delivered a relatively strong 0.98% (in Rands). Cash was slightly behind delivering 0.60% (in Rands). Property had a particularly poor month falling 3.57%. As a result of the global backdrop the Rand depreciated by 6.65% vs the Dollar and 5.62% vs the Euro.

Appointed Investment Manager

Abax Investments (since Jan 2019)

Investment Manager Disclaimer

The management of investments are outsourced to Capricorn Fund Managers (Pty) Ltd, FSP 863, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.

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Risk Profile (Aggressive)

This is an aggressively managed, high-risk portfolio that aims to deliver capital growth over the long term (greater than 5 years). It is designed to substantially outperform the markets and therefore carries a long-term investment horizon (5 years and upwards). The portfolio will be diversified across all major asset classes with significant exposure to equities, and may include offshore equities. There may be some capital volatility in the short term, although higher returns may be expected from five years or beyond.

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. Use or rely on this information at your own risk. 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. Collective investment schemes are generally medium- to long-term investments. Please note that 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, Sanlam Collective Investments (RF) Pty Ltd, a registered and approved Manager in Collective Investment Schemes in Securities. 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. 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 less any deductible expenses such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Lump sum investment performances are quoted. The portfolio may invest in other unit trust portfolios which levy their own fees, and may result is a higher fee structure for our portfolio. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA"). The fund may from time to time invest in foreign countries and therefore it may have risks regarding liquidity, the repatriation of funds, political and macroeconomic situations, foreign exchange, tax, settlement, and the availability of information. The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. A copy of the Performance fee Frequently Asked Questions can be obtained from our website: www.sanlaminvestments.com. The portfolio management of all the portfolios is outsourced to financial services providers authorized in terms of the Financial Advisory and Intermediary Services Act, 2002. Standard Bank of South Africa Ltd is the appointed trustee of the Sanlam Collective Investments Scheme.

Glossary Terms

Collective Investment Schemes (CIS)
Collective Investment Schemes (also called unit trusts) are portfolios of assets such as equities, bonds, cash and listed property, in which investors can buy units. They allow private investors to pool their money together into a single fund, thus spreading their risk across a range of investments, getting the benefit of professional fund management, and reducing their costs.

Capital growth
Capital growth is the profit made on an investment, measured by the increase in its market value over the invested amount or cost price. It is also called capital appreciation.

Distributions
The income that is generated from an investment and given to investors through monthly or quarterly distribution payouts.

Equities
Equities are shares that represent an institution's or individual's ownership in a listed company. These shares are also the "vehicle" through which they are able to "share" in the profits made by that company. As the company grows, and the expectation of improved profits increases, the market price of the share will increase which translates into a capital gain for the shareholder. Similarly, negative sentiment about the company will result in the share price falling.

Shares / equities are usually considered to have the potential for the highest return of all the investment classes but also have the highest level of risk i.e. share investments have the most volatile returns over the short term. An investment in equities should be viewed with a 7 to 10 year horizon.

LISP (Linked Investment Service Provider)
A Linked Investment Service Provider is a financial institution which packages, distributes and administers a broad range of unit trust based investments. Any investment made through these products gives an investor a single point of entry into a selection of different investments.

Pure equity fund
This is a fund that invests primarily in higher-risk asset classes such as equities (stocks or shares) and aims to achieve aggressive capital growth over the long term. This type of fund will experience volatility in the short term.

Total Expense Ratio (TER)
This is the total costs associated with managing and operating an investment (excluding administration, financial planning and servicing fees). These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which represents the TER.

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