Minimum Disclosure Document

(Fund Fact Sheet)

Sanlam Select Optimised Equity Fund

March 2019

Fund Objective

This is a pure equity fund diversified across all sectors of the JSE. The fund aims to achieve maximum capital growth above the benchmark over the medium to long-term by investing in companies that are undervalued relative to realistic growth prospects. This fund is suitable for investors who can withstand potential capital volatility in the shorter term.

Fund Strategy

The "Optimised" approach refers to the investment style which will incorporate global best techniques in the investment risk management framework. These risk budgeting methods may be quantitatively implemented however the selection process is still based on fundamental research. The Fund aims to consistently add incremental alpha above the FTSE/JSE Shareholder Weighted Index. The Fund may hold offshore equity. The investment manager will also be allowed to invest in listed and unlisted financial Instruments as allowed by the Act from time to time in order to achieve its investment objective.

Why choose this fund?

This Fund gives you active exposure to the South African Equity market. The small Assets Under Management (AUM) of the manager means that the manager is very nimble and able to execute ideas quickly and react speedily to changes in market conditions. Strong risk management capability should allow for well balanced portfolio construction in order to produce stable benchmark beating returns. Over a medium to long term time horizon the Fund should produce good real returns significantly above inflation.

Fund Information

ASISA Fund Classification	South African Equity General
Risk Profile	Aggressive
Benchmark	FTSE JSE Shareholder Weighted All Share Index
Fee Class Launch date*	01 September 2014
Portfolio Launch date	01 April 2003
Minimum investment	LISP minimums apply
Portfolio Size	R 492 million
Bi-annual Distributions	31/12/18: 77.29 cents per unit 30/06/18: 105.20 cents per unit
Income decl. dates	30/06 | 31/12
Income price dates	1st working day in January and July
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)	1.41

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.

Manager annual fee: 1.03% p.a. (incl. VAT)| Maximum Performance Fees: 1.71% (incl. VAT) and sharing rate: 20%. Performance fees will only be charged once the performance benchmark is outperformed, irrespective of whether the fund performance is positive or negative . If the fund performs in line or below the bench mark, then the minimum fee of 1.03% p.a. (incl. VAT) is charged. The performance fee is accrued daily, based on daily performance and paid to the manager monthly.

TOTAL EXPENSE RATIOS
PERIOD: 01 January 2016 to 31 December 2018

Total Expense Ratio (TER) | 1.41% 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 1.41%, a performance fee of 0.24% of the net asset value of the class of Financial Product was recovered.

Transaction Cost (TC) | 0.81% 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) | 2.22% of the value of the Financial Product was incurred as costs relating to the investment of the Financial Product.

Top 10 Holdings

Top 10	% of Equity
Naspers	11.38
Anglo American	6.92
British American Tobacco Plc	6.02
Standard Bank Group Limited	5.97
BHP Group	5.08
Firstrand Limited	3.97
Sanlam	2.68
ABSA Group Limited	2.31
AVI Limited	2.28
Sasol Limited	2.19

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

LISP-class	Fund (%)	Benchmark (%)
1 Year	-0.25	0.43
3 Year	3.71	3.73
5 Year	N/A	N/A
Since inception	4.42	4.80

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 Mar 2019 on a rolling monthly basis*

LISP-class	Fund (%)	Benchmark (%)
1 Year	-0.25	0.43
3 Year	11.56	11.63
5 Year	N/A	N/A
Since inception	21.90	23.98

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 Mar 2019

Std Deviation (Ann)	10.21
Sharpe Ratio (Ann)	-0.36

Actual highest and lowest annual returns*

Highest Annual %	17.39
Lowest Annual %	-9.60

*Performance figures sourced from Morningstar.

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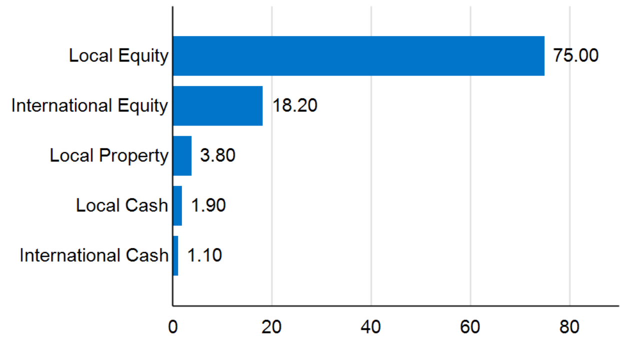
Asset Allocation



Investment Manager Monthly Commentary

The MSCI World Index outperformed frontier and emerging markets in March, posting a US Dollar total return of +1.4% versus +1.2% for the MSCI Frontier Markets (FM) Index and +0.9% for the MSCI Emerging Markets (EM) Index. All the MSCI World regions recorded positive total returns in March: North America (+1.7%), Pacific (+0.8%) and Europe (+0.7%).
Within EM, MSCI Asia outperformed with a total return of +1.8% in March. India returned +9.2%, followed by China (+2.4%). South Korea (-3%) and Malaysia (-2.8%) were the worst performers within the Asian region. MSCI Europe, Middle East & Africa (EMEA) and MSCI Latin America underperformed, posting total returns of -1.3% and -2.5% respectively. MSCI Turkey (-14.8%) was the worst performer within MSCI EMEA (and MSCI EM). MSCI South Africa shed -1.6% in March in US Dollar terms as the Rand weakened. Chile (-4.4%) and Brazil (-3.8%) were the worst performers within MSCI Latin America.In March, Real Estate was the top performing equity sector within both MSCI World and MSCI EM. This was followed by Consumer Staples and IT within MSCI World, and Communication Services and Consumer Discretionary within MSCI EM. Financials was the worst performing sector within MSCI World, while Industrials was the worst performer within MSCI EM in March.

Within MSCI SA, Energy (Exxaro), Consumer Discretionary (Naspers) and Communication Services (MC Group, MTN) posted solid US Dollar total returns. Health Care (Aspen, Netcare) and Industrials (Bidvest) were the worst performing sectors in March.

Year to date, MSCI World has provided a US Dollar total return of +12.6%, as the S&P 500 Index posted its best quarterly return in a decade, and the Russell 2000 Index its best quarter since 2011. All amid hopes of a trade deal between the US and China, an overly dovish Federal Reserve (Fed), which has changed its outlook to no more rate hikes this year (from the prior view of two), strong quarterly earnings results and buying momentum after the December stock swoon. Emerging markets returned +10% in US Dollars since the beginning of the year. The relative underperformance of EM comes as money continues to leave emerging markets and go back to developed markets, as the Dollar refuses to weaken. Emerging markets have been unchanged since the beginning of February and has now underperformed the S&P 500 by 3.5% since the start of the year. Year to date, EM Asia returned +11.1%, boosted by the strong performance from China (+17.7%), while Latin America returned +7.9%, boosted by Brazil (+8.2%). Within EMEA (+5.6%), the best country performance has come from Egypt (+15.9%), Greece (+12.8%) and Russia (+12.2%) while MSCI South Africa returned +4.6%. Turkey (-3%) is one of only three emerging market countries to post negative total returns in the year to date.

The Rand had another volatile month, ending March -3.1% lower against the US Dollar. Across asset classes, the Citigroup Investment-Grade Bond Index yielded a total return of +1.3%, as the Fed announced a pause in its hiking cycle. Meanwhile, South African bonds lost ground on an absolute and a relative basis: in US Dollar terms with SA 10-year bonds falling -1.2%.

Commodity correlations moved away from their long-term norms over the past month, ith metals in particular shrugging off lacklustre underlying demand. Bulk and base metals strengthened, with iron ore prices closing in on US$100/ton, boosted by supply disruptions in Brazil and Australia. Within precious metals, palladium saw a stellar rise to close to US$1 600/oz before spectacularly collapsing by about 20% just before the month end. Oil prices also continued to firm, jumping over 30% the first three months of the year, posting the best return in a decade.

In South Africa, March 2019 was a particularly eventful month: Eskom implemented load shedding stage 4 for nine days in a row, severely hampering economic growth, while the SA Reserve Bank (SARB) left interest rates unchanged as expected, and the anxiously awaited Moody's announcement at the end of the month ended with a positive 'no-change' message to the market, preserving South Africa's investment-grade rating.
In Rand terms, the South African equity market as represented by the FTSE/JSE Shareholder Weighted Index (SWIX) continued to show positive performance for the fourth consecutive month in March of +1.2%. This gain was driven by the +2.3% total return from the Large Cap stocks. Mid-Caps and Small Caps shed -1.8% and -2.7% respectively. Bonds as represented by the FTSE/JSE All Bond Index (ALBI) underperformed versus equities, with a total return of +1.3%. The FTSE/JSE SA Listed Property Index (SAPY) showed the largest underperformance, shedding -1.5% in March.

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SA Resources again posted the best performance in March with a total return of +4.4%. This was on the back of a solid performance by Industrial Metals (+19.2%). General Mining returned +7.5%, and Chemicals returned +5.3% in March. Following three months of solid total return performance, Gold Mining shed -4.5%, while Forestry & Paper lost -4% over the month. SA Industrials posted a total return of +2.9% in March. Of the industry groups, Technology was the best performer with a total return of +9.3% (note that as of 1 March, Naspers was reclassified from Media to Software & Computers). Telecommunications returned +5%, with MTN posting a total return of +10% and Telkom a total return of +4.1%. Consumer Goods gained +1.8% in March with Tobacco returning (+18.7%) and Beverages (+10%). Health Care (-14.1%) was the worst performing industry group as Aspen lost -33.3% following their results. Industrials showed a loss of -5.3% in March with General Industrials shedding -5.9% and Construction & Materials shedding -5.7%. General Retailers were -5.3% lower while Media (MC Group, which was unbundled from Naspers during the month) gained +14.9%.

SA Financials lost -4% in March as negative sentiment around the Eskom load shedding and preceding the Moody's announcement at the end of the month led to a sell-off in the Rand and bond market. The worst performance in Financials came from Banks (-6%) and Life Insurance (-4.9%).

Year to date, the FTSE/JSE All Share Index (ALSI) has posted a total return of +8% versus total returns of +3.8% for the ALBI and +1.5% for the SAPY. SA Resources and SA Industrials have gained 17.8% and 7.4% respectively. SA Financials have been flat (-0.4%).Of the industry groups, the largest year-to-date outperformance versus the ALSI has come from Basic Materials (+18%) (Industrial Metals +54.9%, Platinum +49.7%, General Mining +22.4%) and Consumer Goods (+12.4%) (Tobacco +29.5%, Beverages +24.8%). The largest underperformance has come from Health Care (-12.7%) and Industrials (-3.9%).

The Optimised Equity Fund outperformed strongly during the month, with top positive contributions coming from overweight positions in British American Tobacco, BHP, Anglo American, AB InBev and the fund's offshore exposure, while substantial underweight positions in Aspen, Nedbank, Remgro and Discovery also added strongly. Detractors included the structural underweight holding in Naspers given the risk of its outsized weighting in the index, the fund's exposure to financials and mid-caps, as well as the underweight positions in Sasol, whose rise on the back of a stronger oil price was captured through exposure to BHP in particular.

What to expect going forward? Globally, it seems that the outlook for economic growth, while slowing, is not precarious as yet, while pockets of weakness, such as Europe, or concerns, such as China, need to be watched. Much will depend on the conclusion of a US?China trade deal and it looks likely that some form of deal will be announced, not the least because both parties need a deal: China needs to stem a structural slowdown, while the US will be heading into elections, with the Trump administration eager to use a deal in electioneering. While a US?China trade deal will be a relief for markets globally, it is worth pointing out that the ramifications for global trade are still murky: the potential deal being a bilateral agreement between the two largest economies globally, implications for third-party suppliers or market-share losses in other large economies like Europe (Germany) or developed Asia (South Korea, Japan), are not easy to forecast, and could provide ample reason for further volatility.

The recent inversion of the US yield curve provided further reason for market nervousness, as an inversion usually heralds a recession following 12 to18 months later. While markets usually still rise strongly during that period, concerns about stock valuations and earnings delivery in the US in particular, keeps investors sceptical and hesitant to commit funds at this stage of the cycle. This keeps the current environment volatile as investors reluctantly 'climb the wall of worry' and put more money to work. Here in South Africa, following the positive Moody's decision, we see two key risk events until the end of the year: first will obviously be the parliamentary elections on 8 May and, until then, much electioneering-related news might keep markets relatively thinly traded and volatile. As mentioned before, while the market seems to have priced in an ANC victory of at least 55% ? with a lower number possibly leading to a sell-off – most election outcomes should lead to some form of certainty and stability, something craved by consumers and businesses alike, in order to commit to investments and growth. A recent statistic showed that household deposits at banks are close to all-time highs as a percentage of GDP at 23% at the end of 2018, highlighting the potential for consumer spending, which in turn could lead to heightened business activity, as inventories and capex are at multiyear lows. The second risk is less precise around a date, but rather lies around the steps taken to solve the Eskom crisis. The challenges to prevent further load shedding and optimise the current assets operationally have to be seen in conjunction with the large potential fiscal and credit implications from financing the improvements at the SOE. A large part of creating sustainable economic growth going forward will depend on how this challenge is going to be tackled and markets will be watching closely.

Our view of the above is that we are likely to see some form of a US?China trade deal announced soon, and that markets are likely to squeeze higher on the back of positioning and improving earnings revision ratios again. We also believe that any recession fears at this stage are overdone and priced in too quickly as well, since equity markets typically lead recessions by between six to 12 months, and there is no sign of that as yet. Other indicators such as high-yield corporate spreads, PMIs, wage growth, unemployment, volatility and house prices are not yet moving into worrisome territory. A slowdown in global growth will likely occur into2019 but recession fears may be pre-emptive for now.

In addition, central banks have turned distinctly dovish, which will probably support a growth rebound in the second half of 2019, which will also support equity markets. In South Africa, the potential is for an upside surprise in markets, given overall negative sentiment, growth expectations and positioning. With all of that, the fund remains constructively positioned, as we continue to believe that the late-cycle bull market is still intact, while a balance remains to cater for expected higher volatility levels globally, and here in SA, particularly driven by currency movements.

Appointed Investment Manager

Sentio Capital Management (Pty) Ltd

Investment Manager Disclaimer

The management of investments are outsourced to Sentio Capital Management (Pty) Ltd, FSP 33843, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.

Sanlam Select Optimised Equity Fund

March 2019

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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