



Long Term Capital Portfolio

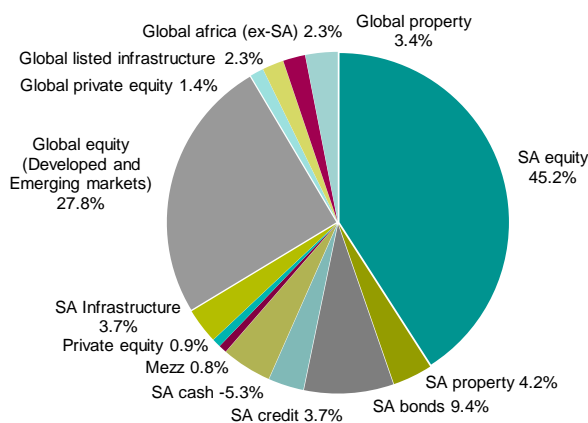
March 2021

Investment objective

The Long Term Capital Portfolio is a market related portfolio that aims to provide a return that exceeds headline inflation by 5% per annum net of investment manager fees over measurement periods of at least 7 years.

The portfolio is most suitable for members that have a long investment horizon (7 years or more) and who are concerned about managing inflation risk. As reflected below in the asset allocation, the portfolio has a significant exposure to South African and global growth assets (equity and property) and thus large negative (and positive) returns are possible, particularly over short periods.

Actual asset allocation 31 March 2021
(Total asset value: R 8 262 million)



Manager Configuration 31 March 2021

Asset class	Manager	% Allocation
SA equity	Allan Gray	7.8%
	Mazi Capital	4.2%
	Steyn Capital	5.3%
	Fairtree Capital	6.4%
	Visio Capital	8.5%
	Coronation	10.6%
SA equity (activist manager)	Value Capital Partners	2.4%
SA property	Meago	1.4%
	Sesfikile	2.8%
	Coronation	4.6%
SA bonds	Ninety One	4.8%
	Ninety One	3.7%
SA cash	Futuregrowth	-5.3%
Global equity (Developed and Emerging markets)	Hosking Partners	3.9%
	Ardevora	4.3%
	Veritas	4.4%
	Lindsell Train	4.3%
	GQG	2.7%
	Sands Capital	2.4%
	Blend of emerging market managers	5.7%
Global listed infrastructure	Maple Brown Abbott	2.3%
Global private equity	Oxford Sciences Innovation via Sygnia	1.4%
Global property	Clearbell & Resolution Capital	3.4%
Global equity (Africa ex-SA)	Steyn Capital	2.3%
Private equity: Mezzanine debt	Vantage Capital	0.8%
SA Infrastructure	Old Mutual	1.3%
	Stanlib	2.5%
SA Private equity	Futuregrowth	0.9%

Investment approach

The Fund has invested in a portion of the SA equity assets class in a passive (or index) strategy. The balance of this asset class is invested in a blend consisting of a manager that adopts the "intrinsic value" thesis in relation to mid-cap and small cap shares, complemented by active trading in large cap shares (Steyn Capital), a boutique manager that follows a bottom-up and soft activist approach based on strong fundamental research (Visio Capital) and Coronation that follows a relative value approach controlling risk back to the benchmark. The fund also has a small allocation to Value Capital Partners, a manager who follows a shareholder activist approach focused on the mid and small cap opportunity set.

The Fund used a blend of global equity managers that adopt an intrinsic value (Hosking & Ardevora) and quality (Lindsell Train and Veritas) approach. The Fund also invests in other global growth assets notably global listed property (Resolution Capital), a blend of emerging markets equity managers, global unlisted property (Clearbell), global private equity (Sygnia Oxford Science Innovation), global listed infrastructure (Maple Brown Abbott) and Africa excluding South Africa equities via Steyn Capital.

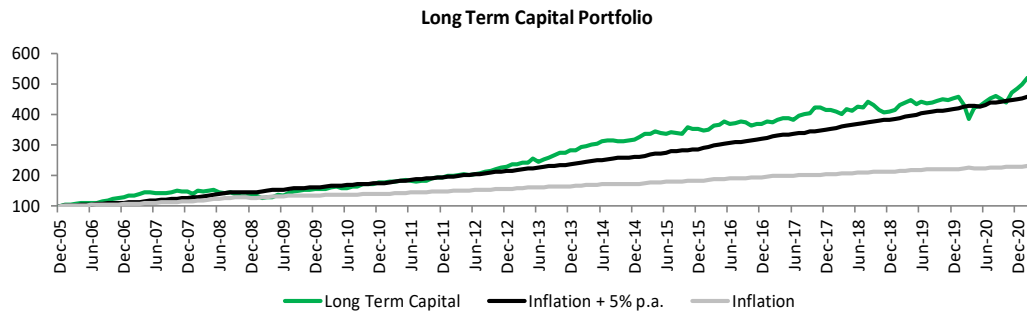
The Fund's investment approach requires members to have the courage and patience for long term investing and not to be unsettled by short term volatility and underperformance compared to the peer group.

Disclosure Statement

There are no capital guarantees for this investment channel and members are reminded that the value of their investments can go down or up. Past performance is not an indication of future performance.

Long Term Investment Performance (net of all investment costs and net of retirement fund tax that applied up to 31 August 2007)

The graph below shows the cumulative value on 31 March 2021 of R100 invested in the Long Term Capital Portfolio on 1 August 2006 (the inception date), compared to how the same R100 would have increased on account of headline inflation and the long term target of inflation plus 5%.



Actual portfolio over 15 yrs, 3 mths = R520.54
Inflation plus 5% p.a. over 15 yrs, 3 mths = R462.66
Inflation over 15 yrs, 3 mths = R231.85

The table above shows the return compared to inflation over various measurement periods ended 31 March 2021. The portfolio has delivered a return of 11.4% p.a. since inception (183 months) compared to an inflation rate of 5.7% p.a. over the same period (i.e. 5.7% p.a. ahead of inflation) which is ahead of the performance target of inflation plus 5%. While the one year returns have been well above inflation, longer term performance has been materially impacted by weak capital market performance. If you are eight or more years from retirement and you are invested in the life stage model based on retirement age 60 or 65, then your retirement savings will be fully invested in the Long Term Portfolio.

Total Expense Ratio (TER): Manager fees, including an estimate in respect of trading and administration costs amounts, 0.77% per annum. Please note that this does not include any performance fee payable to some managers should they outperform their performance target. This fee is about 40% of that which the member would pay in the retail savings market.

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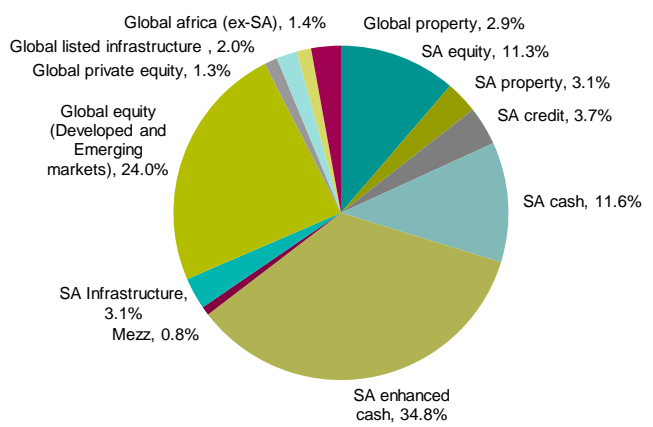


Stable Portfolio **March 2021**

Investment objective

The primary objective of this Portfolio is to deliver a return that exceeds headline inflation by 3% per annum net of investment manager fees over measurement periods of 3 years. The Stable Portfolio maintains a much lower exposure to growth assets (equities and property) compared to the Long Term Capital Portfolio. It also maintains a high exposure to cash and enhanced cash type investments including SA investment grade credit (with effect from December 2009). The portfolio is suitable for members that want to balance a reasonable return compared to inflation with the desire to limit the risk of losing capital over shorter periods and have an investment horizon of some two to four years.

Actual asset allocation 31 March 2021
(Total asset value: R 2 742 million)



Manager Configuration 31 March 2021

Asset class	Manager	% Allocation
SA equity	Allan Gray	1.7%
	Mazi Capital	0.9%
	Steyn Capital	1.2%
	Fairtree Capital	1.4%
	Visio Capital	1.9%
	Coronation	2.3%
SA equity (activist manager)	Value Capital Partners	1.8%
SA property	Meago	1.1%
	Sesfikile	2.1%
SA credit	Ninety One	3.7%
SA cash	Futuregrowth	11.6%
SA enhanced cash	Ninety One	34.8%
Global equity	Hosking Partners	3.4%
(Developed and Emerging markets)	Ardevora	3.7%
	Veritas	3.8%
	Lindsell Train	3.8%
	GQG	2.3%
	Sands Capital	2.1%
	Blend of emerging market managers	4.8%
Global listed infrastructure	Maple Brown Abbott	2.0%
Global private equity	Oxford Sciences Innovation via Sygnia	1.3%
Global property	Resolution Capital	2.9%
Global equity (Africa ex-SA)	Steyn Capital	1.4%
Private equity: Mezzanine debt	Vantage Capital	0.8%
SA Infrastructure	Old Mutual	0.9%
	Stanlib	2.2%

Investment approach

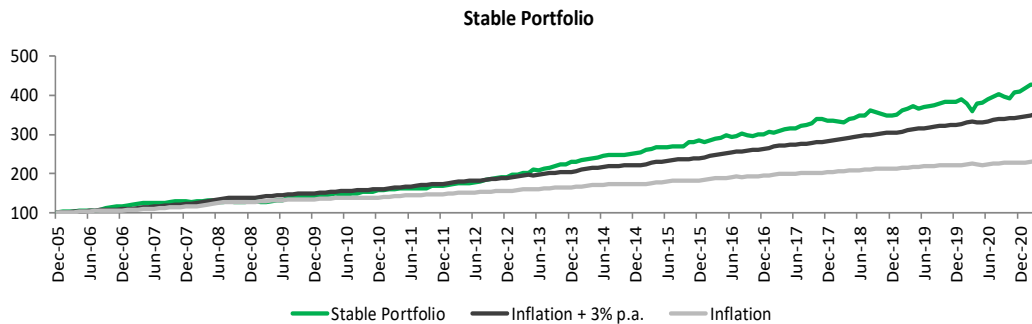
The investment approach adopted for the management of the SA and global equity component is the same as for the Long Term portfolio, except that the SA equity asset class represents a smaller portion of the overall portfolio. A portion of the assets are invested in SA investment grade credit with an average credit rating of AA with effect from December 2009. This decision was made in view of the expected higher than "normal" returns compared to the additional risk offered by high quality credit at that time (included in enhanced cash above).

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Long Term Investment Performance (net of all investment costs and net of retirement fund tax that applied up to 31 August 2007)

The graph below shows the cumulative value on 31 March 2021 of R100 invested in the Stable Portfolio on 1 August 2006 (the inception date of the portfolio), compared to the extent to which the same R100 would have increased on account of headline inflation and the long term target of inflation plus 3%.



Actual portfolio over 15 yrs, 3 mths = R426.43
Inflation plus 3% p.a. over 15 yrs, 3 mths = R352.33
Inflation over 15 yrs, 3 mths = R231.85

The portfolio has delivered a return of 10.0% p.a. since inception (183 months) compared to an inflation rate of 5.7% p.a. over the same period (i.e. a real return of 4.3% p.a.) which is comfortably ahead the performance target of inflation plus 3%. Similarly, the 3-year real return is also ahead of the performance objective being 4.8% p.a., which is a pleasing outcome amid weak capital markets.

If you are within one to six years from retirement and are invested according to the life stage model based on retirement age 60 or 65 a portion of your retirement savings will be invested in the Stable Portfolio. This Portfolio has some exposure to share markets, but to a lesser extent than for the Long Term Portfolio, and as such the impact of the market falls turmoil is not as severe as for the Long Term Portfolio.

Total Expense Ratio (TER): Manager fees, including an estimate in respect of trading and administration costs amounts, 0.58% per annum. Please note that this does not include any performance fee payable to some managers should they outperform their performance target. This fee is about 40% of that which the member would pay in the retail savings market.

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Money Market Portfolio

March 2021

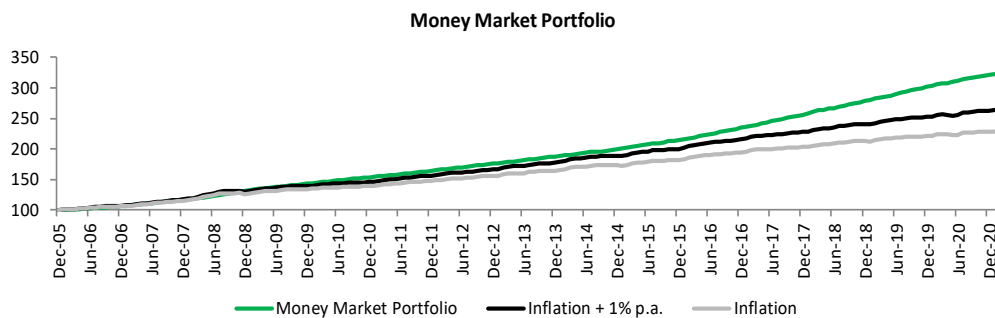
Investment objective

The Money Market Portfolio aims to provide a return of 1% per annum in excess of headline inflation net of investment manager fees over measurement periods of at least one year.

This portfolio (which amounts to R 1 205 million) is invested entirely in cash (60%) and enhanced cash (40%) strategies and is expected to provide a return broadly similar to that of the money market (i.e. the portfolio targets positive returns and very low risk of losing money over any 12 month period which is suitable for members close to retirement). The assets are managed by Ninety One and Futuregrowth respectively.

Long Term Investment Performance (net of all investment costs and net of retirement fund tax that applied up to 31 August 2007)

The graph below shows the cumulative value on 31 March 2021 of R100 invested in the Money Market Portfolio on 1 August 2006 (the inception date of the portfolio), compared to the extent to which the same R100 would have increased on account of headline inflation and the long term target of inflation plus 1%.



Actual portfolio over 15 yrs, 3 mths = R323.22
Inflation plus 1% p.a. over 15 yrs, 3 mths = R267.72
Inflation over 15 yrs, 3 mths = R231.85

The portfolio has delivered a return of 8.0% p.a. since inception (183 months) compared to an inflation rate of 5.7% p.a. over the same period (i.e. a real return of 2.3% p.a.) which is a very good outcome. Note that this outcome is not expected to continue due to the SARB cutting rates aggressively in 2020.

Total Expense Ratio (TER): Manager fees, including an estimate in respect of trading and administration costs amounts, 0.25% per annum. This fee is about 50% of that which the member would pay in the retail savings market.

Disclosure Statement

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