Minimum Disclosure Document

(Fund Fact Sheet)

Octagon Sanlam Collective Investments Growth Fund of Funds

30 April 2021

Fund Objective

The Octagon Sanlam Collective Investments Growth fund of fund is a portfolio with aggressive risk characteristics and investments are diversified accross asset classes. The primary objective is to achieve higher than average long-term capital growth. Short-term volatility in the portfolio value will be reflective of the risk profile of the portfolio.

Fund Strategy

This is an actively managed fund which is broadly diversified across a combination of local equity, bonds, money market instruments, listed property, including offshore equities and fixed interest investments. Its moderately aggressive risk profile results in a 75% maximum allocation to equities. The portfolio will also be allowed to invest in listed and unlisted financial instruments (derivatives) as allowed by the Act from time to time, as well as offshore investments in line with Regulation 28. Investors should be prepared to tolerate capital fluctuations over the shorter term, with a recommended investment horizon of 5 years and longer.

Why choose this fund?

·The fund offers a high quality, diversified multi-asset portfolio at a reasonable cost.
·It is appropriate for investors looking for long term capital growth, but at volatility levels lower than a pure equity fund
·The fund is Regulation 28 compliant.

Fund Information

ASISA Fund Classification	SA Multi Asset High Equity
Risk Profile	Moderate Aggressive
Benchmark	CPI+5%
Fee Class Launch date	21 January 2016
Portfolio Launch date	21 January 2016
Minimum investment	LISP dependent
Portfolio Size	R 497 million
Bi-annual Distributions	31/12/20: 16.63 cents per unit 30/06/20: 16.03 cents per unit
Income decl. dates	30/06 | 31/12
Income price dates	1st working day in January and July
Portfolio valuation time	17:00
Transaction cut off time	15:00
Daily price information	The Local newspaper and www.sanlamunittrusts.co.za
Repurchase period	2 to 3 working days

Fees (Incl. VAT)	**B1-Class (%)**
Advice initial fee	Neg.*
Manager initial fee (max.)	0.00
Advice annual fee	Neg.*
Manager annual fee (max.)	0.86
Total Expense Ratio (TER)	1.68

* 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.

* This fund is also available via certain LISPS (Linked Investment Services Providers), who levy their own fees.

Obtain a personalised cost estimate before investing by visiting www.sanlamunittrustsmdd.co.za and using our Effective Annual Cost (EAC) calculator. Alternatively, contact us at0860 100 266.

PERIOD: 01 January 2018 to 31 December 2020
Total Expense Ratio (TER) | 1.68% 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.

Transaction Cost (TC) | 0.17% 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) | 1.85% of the value of the Financial Product was incurred as costs relating to the investment of the Financial Product.

A fund of fund unit trust only invests in other unit trusts, which levy their own charges, which could result in a higher fee structure for these funds. The fund 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.

Fund Composition

Securities (%)	**30-Apr**
Passive Balanced Strategy	26.2
Ninety One Opportunity	19.6
Amplify SCI Balanced	11.0
Truffle Balanced	9.6
Allan Gray Balanced	9.1
Coronation Balanced Plus	8.8
Ninety One Managed	8.6
Coronation Equity	4.4
Truffle Flexible Property	1.7
Coronation Strategic Income	1.0

Performance (Annualised) as at 30 Apr 2021 on a rolling monthly basis*

B1-Class	**Fund (%)**	**Benchmark (%)**
1 Year	19.97	8.99
3 Year	5.13	8.78
5 Year	4.69	9.24
Since inception	4.80	9.65

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 30 Apr 2021 on a rolling monthly basis*

B1-Class	**Fund (%)**	**Benchmark (%)**
1 Year	19.97	8.99
3 Year	16.17	28.71
5 Year	25.73	55.52
Since inception	28.03	62.51

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

Risk statistics: 3 years to 30 Apr 2021

Std Deviation (Ann)	12.72
Sharpe Ratio (Ann)	-0.09

Actual highest and lowest annual returns*

Highest Annual %	31.11
Lowest Annual %	-12.97

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

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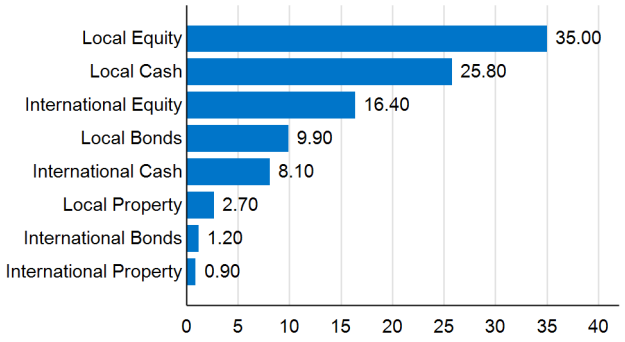
Portfolio Detail



Portfolio Manager(s) Comment

Economies around the world started to reopen and vaccine rollout plans gathered momentum during April, with the economic growth expectations at the start of the year coming to fruition. Over the course of the last year most markets have made a remarkable recovery since hitting lows at the start of the pandemic. The focus will now be on the degree to which inflationary pressures are as transitory as central bankers are flagging, or whether the growth will translate to more persistent price increases.

Developed market equities gained in April with the US leading the way, supported by a robust vaccine rollout and fiscal stimulus measures. The MSCI World Index gave South African investors 2.69% m/m in April and 13.09% y/y in rand terms. In dollar terms the MSCI World returned 4.52% for the month and 43.16% for the year to end April. Emerging market equities recorded a gain in April aided by dollar weakness but underperformed developed markets. Covid-19 continues to be a concern in several emerging market countries and thus returns were relatively muted. The MSCI Emerging Market Index returned 0.58% m/m in rand terms and 15.09% y/y to end April, and returned 2.37% for the month and 45.70% for the year to end April in dollar terms.

South African equity markets were no exception to the global market rally, with equities clocking in a sixth-consecutive monthly gain. In April the All Share Index (ALSI) produced a return of 0.97% m/m and 36.40% for the year to end April. This has been the longest winning streak for local equities in over six years. The April gains were largely thanks to the diversified miners, with the resource sector returning 2.93% m/m and an extraordinary 59.79% for the year to end April. Industrials were down 1.35% m/m for April but still managed to return 23.04% on a yearly basis, while Financials recorded a solid 1.70% m/m and 23.42% for the year.

Property stocks had a stellar month, returning 11.68% m/m and 40.33% for the year to end April. The SA 10-year government bond yield followed global yields lower, ending April at 9.3%, and we saw the All Bond Index return 1.90% m/m and 14.68% for the year. The STeFI came in flat in April, returning0.30% m/m and a paltry 4.34% for the year.

The rand strengthened 26.59% against the US dollar, 15.18% against the euro and 15.33% relative to the sterling over the 12 months to end April. On a monthly basis the rand was up 1.78% relative to the US dollar, down 0.63% to the euro and strengthened 1.43% to the sterling.

Portfolio Management

The management of investments are outsourced to Octagon Asset Managers (Pty) Ltd (FSP) Licence No. 45236, an Authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.

Menachem Kay

BCom;
CERTIFIED FINANCIAL PLANNER®

Investment Consultant

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Risk Profile (Moderate Aggressive)

In this portfolio, capital growth is of primary importance and results in a higher allocation to equities. The portfolio may display capital fluctuations over the shorter term, however, volatility levels should be lower than a pure equity fund. While diversified across all the major asset classes, this portfolio is tilted more towards equities and other risky asset classes to ensure the best long-term returns of all the asset classes. Fixed income positions are minimized.

Trustee Information

Standard Bank of South Africa Ltd

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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 performances are not necessarily an accurate determination of future performances, 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. 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. The Manager retains full legal responsibility for the co-named portfolio.

Octagon Asset Managers (Pty) Ltd is responsible for the management of the investments held in the Fund. The management of investments are outsourced to Octagon Asset Managers (Pty) Ltd, (FSP) Licence No. 45236, an Authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.

Glossary of Terms

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.

Derivative strategies
A derivative is a financial instrument (like futures and options) that is derived from some other financial instrument, known as the underlying instrument. For example, the Dow Jones Industrial is an indicator of whether the stock market is going up or down.
You can 'bet' on the direction of the Dow by selling a 'futures' contract on it. This futures contract is a derivative as it derives from the Down Index. If you think the market will go up, you will buy the Dow futures contract, and vice versa.

Diversification
This is a strategy designed to reduce risk within a portfolio by combining a variety of investments (or asset classes) such as equities, bonds, cash or property, which are unlikely to all move in the same direction. This is designed to reduce the risk (and protect against capital losses) within a portfolio. Diversification allows for more consistent performance under a wide range of economic conditions as it smoothes out the impact of negative market events. The positive performance of some investments or asset classes should neutralize the negative performance of others.

Equities
An equity or share represents an institution/individual’s ownership in a listed company and is 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 and this 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 with a higher level of risk i.e. share investments have the most volatile returns over the short term. An investment in this type of asset should be viewed with a 7 to 10 year horizon.

Fund of Funds
A "fund of funds" is an investment strategy of holding a portfolio of other investment funds rather than investing directly in stocks, bonds or other securities. This type of investing is often referred to as multi-manager investment.
Investing in a fund of funds may achieve greater diversification. The benefit of diversification is that it can reduce volatility and the overall risk in the portfolio, while maintaining returns.

Regulation 28
Regulation 28 of the Pension Funds Act sets out prudent investment limits on certain asset classes in investment funds. It applies specifically to investments in Retirement Annuities and Preservation Funds.
The allowed maximum exposures to certain asset classes is:
75% for equities
25% for property
30% for foreign (offshore) assets +10% to African Assets

Total Expense Ratio (TER)
This refers to the total costs associated with managing and operating an investment’s administration, financial planning and servicing fees. Costs consist of management fees and expenses such as trading, legal and 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.