

Fund Objective

To provide investors with income and capital growth in the medium to long term by tracking the S&P South Africa Quality Index as closely as possible.

Fund Strategy

We believe that the benchmark choice and resulting returns form the most important elements of an equity strategy - by investing in a passive vehicle the returns to investment strategies are known. By applying a full replication strategy, the fund will mirror the composition of the chosen benchmark.

Why choose this fund?

- The S&P SA Quality Index, which the fund tracks, can have very dissimilar performance relative to broader market indices like the FTSE/JSE ALSI or -SWIX. This makes the fund a good diversifying equity bet.
- Over the medium to long term the S&P SA Quality Index provides a superior relative return experience to that of the broader market.
- While the index exhibits a better absolute drawdown experience, the time to recovery (post a volatile market) is also far quicker.
- The S&P SA Quality Index may underperform the broader market in a protracted and trending bull market.
- The addition of the S&P SA Quality Index to a portfolio of smart beta funds tracking factors like Momentum, Value and Size adds to the diversification benefit of the overall portfolio.

Fund Information

ASISA Fund Classification	SA - Equity - General
Risk profile	Aggressive
Benchmark	S&P SA Quality Index
Portfolio launch date	Aug 2015
Fee class launch date	Aug 2015
Minimum investment	Manual: Lump sum: R10 000 Monthly: R500 SatrixNOW.co.za: No minimum
Portfolio size	R117.3 million
Last two distributions	30 Jun 2021: 31.76 cents per unit 31 Dec 2021: 27.83 cents per unit
Income decl. dates	30 Jun 31 Dec
Income price dates	1st working day in July & January
Valuation time of fund	17:00
Transaction cut off time	Manual: 15:00 SatrixNOW.co.za: 13:30
Daily Price Information	www.satrix.co.za
Repurchase period	T+3

Fees (Incl. VAT)

	Retail Class (%)
Advice initial fee (max.)	N/A
Manager initial fee	N/A
Advice annual fee (max.)	1.15
Manager annual fee	0.69
Total Expense Ratio (TER)	0.80
Transaction Cost (TC)	0.38

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. The portfolio manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. This fund is also available via certain LISPS (Linked Investment Service Providers), which levy their own fees.

Total Expense Ratio (TER) | The TER is the charges incurred by the portfolio, for the payment of services rendered in the administration of the CIS. The TER is expressed as a percentage of the daily NAV of the CIS and calculated over a period of 3 years. The TER is calculated from 01 April 2018 to 31 March 2022. A higher TER does not imply a poor return nor does a low TER imply a good return.

The Transaction Cost (TC) is the cost incurred by the portfolio in the buying and selling of underlying assets. This is expressed as a percentage of the daily NAV of the CIS and calculated over a period of 3 years. Obtain the costs of an investment prior to investing by using the EAC calculator provided at www.satrix.co.za

Top 10 Holdings

Securities	% of Portfolio
Capitec Bank Holdings Ltd	11.58
Bhp Group Limited	10.84
Sibanye Still Water Limited	10.03
Impala Platinum Holdings Ltd	9.75
Anglo American Platinum Limited	9.20
Vodacom Group Limited	9.20
Clicks Group Ltd	6.88
Northam Platinum Hldgs Ltd	6.19
Aspen Pharmacare Holdings Ltd	6.02
Kumba Iron Ore Ltd	3.60

as at 31 May 2022

Performance (Annualised) as at 31 May 2022 on a rolling monthly basis

Retail Class	Fund (%)	Benchmark (%)
1 year	0.82	2.08
3 year	2.85	3.95
5 year	5.80	6.95
Since inception	3.94	5.14

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

Performance (Cumulative) as at 31 May 2022 on a rolling monthly basis

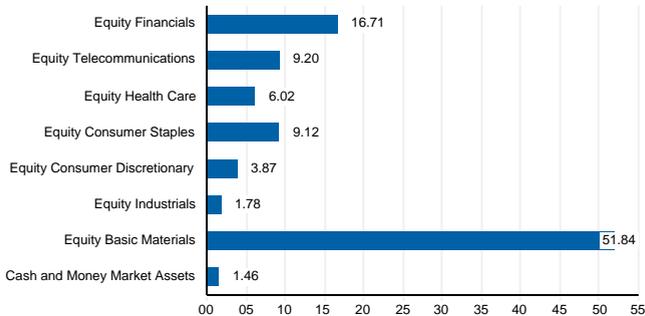
Retail Class	Fund (%)	Benchmark (%)
1 year	0.82	2.08
3 year	8.79	12.32
5 year	32.59	39.94
Since inception	29.81	40.23

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

Actual highest and lowest annual returns*

Highest Annual %	26.52
Lowest Annual %	(14.72)

Asset Allocation



Portfolio Manager(s) Quarterly Comment - 31 Mar 2022

Market comments

The first quarter of 2022 was filled with many events that translated to volatile markets across the globe. Russia's invasion of Ukraine not only surprised everyone, but it also had a huge impact on energy prices, which then pushed the already record-high inflation numbers even higher. To combat inflation, central banks, including the Federal Reserve Bank, began hiking interest rates, while the South African Reserve Bank (SARB) also hiked its repo rate for the third time in a row since the fourth quarter of 2021. A market sell-off of risky assets ensued, with the S&P 500 index having its worst start to the year since 2009 and the NASDAQ down the most at the beginning of the year since 2008.

For the quarter, the MSCI World Index was down 5.2%, the MSCI Emerging Markets Index also down 7.0% and the MSCI USA Index down 5.3% in net US dollar. The Latin American emerging markets had an outstanding first quarter for the year with the MSCI EM Latin American Index returning 27.3%. The MSCI South Africa Index was up 20.3% during the quarter in dollar terms while the MSCI China index returned -14.2%. The MSCI Europe Index returned -7.4% while the MSCI United Kingdom returned 1.8%. All returns are in net US dollar.

The oil price reached levels last seen in 2014, as the markets awaited a possibility of more sanctions for Russia, while in the US President Biden announced that the country would release close to one million barrels of oil a day over the next six months to combat the surge in energy prices. The Brent crude price ended the quarter at \$104.71 a barrel, a staggering 35.4% increase from the start of the quarter. The gold price almost reached the \$2000 level in February, as Russia invaded Ukraine but has since dropped off that level and closed the quarter at \$1937.23, a gain of 5.92% since the beginning of the quarter. The US Government 10-year bond closed the quarter at 2.34% as inflation continued to accelerate while the US jobless rate fell more than expected and the Fed started the interest rate hiking cycle.

Locally, the South African equity indices, namely the FTSE/JSE Top 40 (3.6%), FTSE/JSE All Share (3.8%) and FTSE/JSE Capped Shareholder Weighted All Share (Capped SWIX) (6.7%) had positive returns through the quarter. The South African Government 10-year Bond yield closed the quarter at 9.6%, while the All Bond Index (ALBI) (1.9%) ended the quarter with a positive return. The cash benchmark, the Alexander Forbes Short-Term Fixed Interest (STeFI) Composite Index (1.0%) delivered positive money market returns for the quarter. The FTSE/JSE SA Listed Property Index (-1.3%) was down for the quarter.

The South African rand strengthened against the dollar through the period. For the full quarter, the South African rand appreciated by 5.2% to the US dollar, closing at R14.64 to the greenback, R19.20 to the pound and at R16.22 to the euro.

The SARB raised the repo rate by 0.25% in March as the country registered a tenth consecutive month in which annualised inflation was higher than the midpoint of the SARB inflation rate 3-6% target range.

Portfolio performance, attribution and strategy

Global stock markets posted negative returns for the first quarter of 2022, starting the year on the back foot, while reaching high volatility in asset prices and continued acceleration in inflation and the start of the Fed interest rate hike cycle. From a style perspective, the quarter was dominated by the continued strong performance from Value, while Low Vol strategies also added positive performance over and above the market. At the expense of Value's outperformance, Momentum continued to trail while Profitability and Growth also lost performance during the quarter. Locally, the

Dividend Yield factor was the best performer followed by Quality and Value. Momentum and Size also added positive active returns above the market, but were trailing the other factors.

The Quality strategy outperformed the Capped SWIX index during the quarter. From an attribution perspective, underweight positions in Naspers (NPN) and Prosus (PRX) and an overweight position in BHP Group (BHG) added value to the strategy over the quarter. Counters that detracted value from the strategy included underweight positions in Anglo American plc (AGL) and FirstRand (FSR) and an overweight position in Aspen Pharmacare (APN).

There were no new additions or deletions during this period.

The index and portfolio remain focused in its extraction of Quality and should markets give way to further risk aversion, the defensive character of the basket should prove rewarding while not meaningfully compromising returns during up markets.

Portfolio Manager(s)

The Satrix Investment Team

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.

This monthly Minimum Disclosure Document should be viewed in conjunction with the Glossary Terms Sheet.

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 track the benchmark and is a pure equity fund. There may be some capital volatility in the short term, although higher returns may be expected from five years or beyond.

Additional Information

Although all reasonable steps have been taken to ensure the information on this website/advertisement/brochure 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 highest and lowest annualised performance numbers are based on 10 non-overlapping one year periods or the number of non-overlapping one year periods from inception where performance history does not yet exist for 10 years.

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 a guide to 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, Satrix Managers (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 in 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 instruments which could be accompanied by additional risks as well as potential limitations on the availability of market 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 Chartered Bank is the appointed trustee of the Satrix Managers Scheme.

Trustee Information

Standard Chartered Bank

Tel no.: 011 217 6600, E-mail: southafrica.securities-services@sc.com

Glossary of Terms

Collective investment scheme (CIS)

A collective investment scheme (or unit trust) comprises a pool of assets such as equities, bonds, cash and listed property, which is managed by an investment manager and is governed by the Collective Investment Schemes Control Act no 45 of 2002. Each investor has a proportional stake in the CIS portfolio based on how much money he or she contributed. The word "unit" refers to the portion or part of the CIS portfolio that is owned by the investor. The "trust" is the financial instrument that is created in order to manage the investment. The trust enables financial experts to invest the money on behalf of the CIS investor.

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.

S&P SA Quality Index

The objective of the index is to capture the stock performance of high quality South African companies based on: their future profitability potential; the integrity of their earnings; financial robustness.

Index

An index is a unique grouping of shares, selected according to a pre-defined methodology e.g. largest market capitalisation or highest dividend yield. An index can be constructed to represent the overall market, a specific sector or a theme. The index performance can be used as a benchmark against which to compare active fund performances. A well-constructed index should be transparent, replicable and investable.

Linked Investment Service Provider (LISP)

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.

Market capitalisation (or market cap)

Market capitalisation (or market cap) is the total value of the issued shares of a publicly traded company; it is calculated by multiplying the current share price by the number of shares outstanding. This value is an indication of a company's size (or capitalisation).

Passive investment

Passive investment is a style of investing where a fund replicates the performance a particular market index. Passive investment vehicles include Exchange Traded Funds (ETF's) and index tracking unit trusts. They are so called because the portfolio manager doesn't choose the underlying portfolio. They simply replicate the index they have chosen to track.

Pure equity fund

A pure equity fund invests only in equities (also referred to as stocks or shares) and aims to achieve aggressive capital growth over the very long term. This type of fund will experience volatility in the short term.

Replication strategy

This fund employs a *full replication* strategy i.e. it replicates the index exactly by buying the same shares as those in the index in the same proportions, re-balancing whenever the index is rebalanced.

Tax Free Investing

This Fund qualifies as a tax free investment according to section 12T of the Income Tax Act, with effect from 1 March 2015. South African individuals qualify for the associated tax benefits namely no tax on dividends, income or capital gains whilst still enjoying all the benefits of a unit trust. Note contributions to tax free investments are limited to R36 000 per tax year, with a lifetime limit of R500 000. Amounts invested in excess of these permissible thresholds are subject to tax penalties.

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.

Volatility

Volatility is a measure of 'risk', and refers to the extent to which the price of an investment or fund fluctuates over a certain period of time. Funds with a high volatility usually offer the potential for higher returns over the longer term than low volatility funds but also the potential for significant downside.