

### Portfolio objective and benchmark

This portfolio is for risk-averse institutional investors. It aims to offer superior returns to money market investments with limited capital volatility whilst striving for capital preservation over any two-year period. In terms of Allan Gray's risk-profiled range, this portfolio has less risk of capital loss than the Balanced Portfolio. The benchmark is the Alexforbes 3-month Deposit Index plus 2% or CPI plus 3%.

### Product profile

- Conservatively managed pooled portfolio.
- Investments selected from all asset classes.
- Investments may include foreign funds including, but not limited to, those managed by Orbis. Orbis is our global investment management partner which shares the same founder and investment philosophy as Allan Gray.
- We attempt to limit the risk of capital loss by holding shares with limited downside or attractive dividend yields and/or hedging stock market exposure.
- Modified duration of the fixed interest portfolio will be conservative.

### Investment specifics

- This portfolio is available as a linked policy issued by Allan Gray Life Limited available only to retirement funds.
- Minimum investment: R20m.
- Performance based fee or fixed fee.

### Compliance with Prudential Investment Guidelines

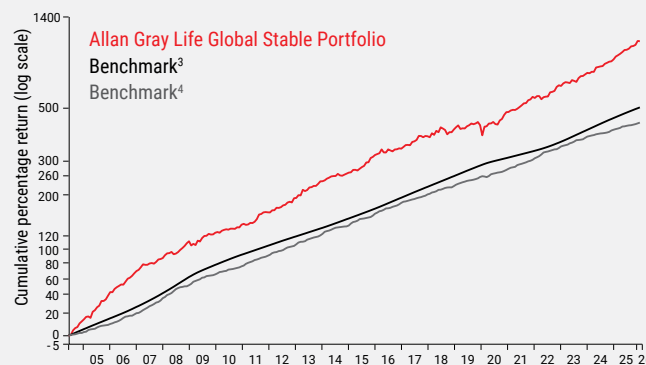
The Portfolio is managed to comply with Regulation 28 of the Pension Funds Act ("the Pension Funds Act"). Exposures in excess of the limits will be corrected immediately, except where due to a change in the fair value or characteristic of an asset, e.g. market value fluctuations, in which case they will be corrected within the prescribed regulatory time period. Allan Gray Life Limited does not monitor compliance with section 19(4) of the Pension Funds Act (item 6 of Table 1 to Regulation 28) on behalf of retirement funds invested in the pool.

### Portfolio information on 31 March 2026

Assets under management **R5 841m**

### Performance<sup>1</sup>

Cumulative performance since inception<sup>2</sup>



% Returns <sup>5</sup>	Portfolio <sup>1</sup>	Benchmark <sup>3</sup>	Benchmark <sup>4</sup>
Since inception <sup>2</sup>	11.7	8.9	8.3
Latest 10 years	9.6	8.5	7.6
Latest 5 years	12.2	8.5	7.8
Latest 3 years	12.9	9.7	6.7
Latest 2 years	13.7	9.5	5.8
Latest 1 year	15.9	9.0	6.0
Latest 3 months	3.9	2.1	1.7

### Asset allocation on 31 March 2026<sup>6</sup>

Asset class	Total	South Africa	Foreign
Net equities	28.9	15.8	13.1
Hedged equities	20.2	8.9	11.3
Property	0.9	0.0	0.9
Commodity-linked	1.9	1.6	0.4
Bonds	36.6	29.9	6.7
Money market and cash <sup>7</sup>	11.4	8.3	3.1
<b>Total (%)</b>	<b>100.0</b>	<b>64.5</b>	<b>35.5</b>

- Performance is gross of Allan Gray fees. Underlying Orbis fund returns are net of fees.
- Since alignment date (1 August 2004).
- Alexforbes 3-month Deposit Index plus 2%.
- CPI plus 3% p.a. This data reflects the latest available headline CPI inflation numbers as at 28 February 2026 (Source: Iress). The return for March 2026 is an estimate.
- Investment returns are annualised (unless stated otherwise), except for periods less than one year. Performance as calculated by Allan Gray as at 31 March 2026.
- Underlying holdings of foreign funds are included on a look-through basis.
- Includes the impact of any currency hedging.

Note: There may be slight discrepancies in the totals due to rounding.

### Top 10 share holdings on 31 March 2026 (SA and Foreign) (updated quarterly)<sup>6</sup>

Investment Name	% of portfolio
AB InBev	2.7
Sasol	2.1
British American Tobacco	1.8
AngloGold Ashanti	1.8
Woolworths	1.2
Remgro	1.2
Standard Bank	1.2
Richemont	1.0
Glencore	1.0
Shoprite	0.9
<b>Total (%)</b>	<b>14.8</b>

The quarter began on an optimistic note, with both local and global markets extending last year's gains. That changed abruptly in March as the US-Israeli war with Iran escalated, and investors weighed the risk of a more persistent energy shock and lower global growth. On home soil, the South African Reserve Bank kept the repo rate unchanged at 6.75% in March. If oil prices remain above US\$100 per barrel, absent lasting government relief, this would add at least 1% to South Africa's inflation rate – likely more after accounting for knock-on effects.

Locally and globally, there has been a clear shift in sentiment over the quarter. The FTSE/JSE All Share Index ended the quarter 0.6% down, having been up 11% at its intra-quarter high. Similarly, the FTSE/JSE All Bond Index fell 3.4% after trading materially stronger earlier in the period. Against this backdrop, the Portfolio returned 3.9% for the quarter and remained ahead of its benchmark<sup>1</sup>. While we do not place much weight on short-term relative performance, it is encouraging that the Portfolio was able to preserve capital and deliver a positive absolute return in a quarter when other major asset classes declined.

The reversals in March are a reminder that markets can move quickly from pricing a benign combination of lower inflation and easier policy to pricing supply shocks and heightened geopolitical risk. For a portfolio with capital stability as a core objective, valuation and downside risk matter as much as upside participation. At quarter-end, the Portfolio remained positioned conservatively but with sufficient flexibility to take advantage of dislocations. Net equity exposure was at 29%, comfortably below the Portfolio's 40% maximum. The Portfolio has a meaningful allocation to hedged equities, which protect against declines in local and global markets. This was very beneficial during the March market correction. The Portfolio's fixed income positioning also remains conservative, with relatively low duration and a large holding of cash and near-cash instruments. Having liquidity readily available gives the Portfolio valuable flexibility to take advantage of opportunities that can arise during periods of heightened market volatility.

It is important to remember that 2025's local equity and bond returns were exceptionally strong. While we would not expect a repeat of these returns, there are still ample opportunities on offer in the local market. Outside of the precious metals sector, which drove market performance in 2025, many SA Inc. shares are, in fact, relatively depressed. South African bond yields rose during the quarter as investors reassessed the outlook for inflation, growth and domestic monetary policy. Higher bond yields improve prospective returns, but we continue to weigh this up against other opportunities and remain cautious about many of the structural challenges facing South Africa, such as the government's fiscal challenges and slow reforms at state-owned enterprises.

The rand touched levels below R16 to the US dollar during the quarter, its strongest level in nearly four years, as South Africa's trade account benefited from the windfall of last year's significant increase in gold and platinum prices. The level of the Portfolio's offshore exposure is primarily driven by where we see the most attractive opportunities, rather than taking a directional view on the rand. While we continue to see global markets as relatively expensive, the Portfolio's offshore holdings are meaningfully differentiated and, pleasingly, have performed well ahead of global indices during the quarter. The Portfolio's 35% offshore exposure is also an important source of diversification. As seen again this quarter, periods of global market stress often lead to a weakening of the rand. In such scenarios, the offshore allocation serves as a useful ballast, offsetting declines in local market prices. It is important to note that while heightened geopolitical uncertainty clouds the outlook for short-term returns, the Portfolio remains defensively positioned overall, aiming to both protect value and deliver returns ahead of cash in the medium term.

During the quarter, the Portfolio added to selected fixed-rate South African government bonds as yields increased. On the equity side, we increased the Portfolio's exposure to retailers by adding to its existing position in Mr Price and initiating a new position in Truworths. We reduced the Portfolio's holdings in Sasol and the gold miners.

Adapted commentary contributed by Tim Acker

**Fund manager quarterly  
commentary as at  
31 March 2026**

1. Alexforbes 3-Month Deposit Index plus 2%

© 2026 Allan Gray Proprietary Limited. All rights reserved. The content and information may not be reproduced or distributed without the prior written consent of Allan Gray Proprietary Limited ("Allan Gray").

### Information and content

The information in and content of this publication/presentation are provided by Allan Gray as general information about the company and its products and services. Allan Gray does not guarantee the suitability or potential value of any information or particular investment source. The information provided is not intended to, nor does it constitute financial, tax, legal, investment or other advice. Before making any decision or taking any action regarding your finances, you should consult a qualified financial adviser. Nothing contained in this publication/presentation constitutes a solicitation, recommendation, endorsement or offer by Allan Gray; it is merely an invitation to do business.

Allan Gray has taken and will continue to take care that all information provided, in so far as this is under its control, is true and correct. However, Allan Gray shall not be responsible for and therefore disclaims any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable, directly or indirectly, to the use of or reliance on any information provided.

Allan Gray Life Ltd is an insurer licensed to conduct investment-linked life insurance business as defined in the Insurance Act 18 of 2017.

Past performance is not indicative of future performance.

### FTSE/JSE indices

The FTSE/JSE indices referenced herein are calculated by FTSE International Limited ("FTSE") in conjunction with the JSE Limited ("JSE") in accordance with standard criteria. The FTSE/JSE indices are the proprietary information of FTSE and the JSE. All copyright subsisting in the FTSE/JSE indices' values and constituent lists vests in FTSE and the JSE jointly. All their rights are reserved.

### FTSE Russell Index

Source: London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). © LSE Group 2026. FTSE Russell is a trading name of certain of the LSE Group companies. "FTSE®" "Russell®", "FTSE Russell®", is/are a trade mark(s) of the relevant LSE Group companies and is/are used by any other LSE Group company under license. All rights in the FTSE Russell indices or data vest in the relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indices or data and no party may rely on any indices or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote, sponsor or endorse the content of this communication.

### MSCI Index

Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indexes or any securities or financial products. This report is not approved, endorsed, reviewed or produced by MSCI. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.

### Important information for investors

#### Need more information?

You can obtain additional information about your proposed investment from Allan Gray free of charge either via our website [www.allangray.co.za](http://www.allangray.co.za) or via our Client Service Centre on **0860 000 654**