INVESTMENT OBJECTIVE
The fund aims to provide investors with a net-of-fee return of 5% per annum above the annual change in the South Africa Consumer Price Index, measured over rolling three year periods. Exploiting the benefits of global diversification, the portfolio continually reflects Foord’s prevailing best investment view on all available asset classes in South Africa and around the world.

INVESTOR PROFILE
Investors with a moderate risk profile who require long-term inflation beating total returns from a dynamically managed multi-asset class portfolio. It is appropriate for investors seeking a balanced exposure to domestic and foreign assets, according to Foord’s best investment view. Available as a tax free investment account.

DOMICILE
South Africa

MANAGEMENT COMPANY
Foord Unit Trusts (RF) (Pty) Ltd
VAT Registration Number: 4560201594

FUND MANAGERS
Dave Foord
INCEPTION DATE
1 April 2008 / 1 March 2012

BASE CURRENCY
South African rands

EQUITY INDICATOR
Indicates the relative weight of equities in the portfolio. A higher weight could result in increased volatility of returns.

CATEGORY
Worldwide - Multi-Asset - Flexible

PORTFOLIO SIZE
R3 3 billion

UNIT PRICE (CLASS B2)
3431.04 cents

NUMBER OF UNITS (CLASS B2)
142.8 million

LAST DISTRIBUTIONS
29/02/20 : 30.52 cents per unit
31/08/19 : 29.90 cents per unit

BENCHMARK
CPI + 5% per annum, which is applied daily using the most recently available inflation data and accordingly will be logged on average by 5 to 6 weeks.

SIGNIFICANT RESTRICTIONS
None. The fund is unconstrained.

INCOME DISTRIBUTIONS
End-February and end-August each year.

INCOME CHARACTERISTICS
Low to medium income yield depending on the asset allocation strategy employed as the foreign asset component is invested in roll-up funds which do not distribute their income. Income distributions are reduced by the annual service charge, which varies with the relative performance of the fund against its benchmark.

PORTFOLIO ORIENTATION
Exploiting the benefits of global diversification, the portfolio continually reflects Foord’s prevailing best investment view on all available asset classes in South Africa and around the world.

FOREIGN ASSETS
Foreign asset exposure is obtained predominantly via Foord International Fund (a conservative, multi-asset class fund) and Foord Global Equity Fund Luxembourg (a portfolio of global shares and cash). Both funds are sub-funds of Foord SICAV domiciled in Luxembourg, and are priced in US dollars.

RISK OF LOSS
Lower than that of a pure equity fund. High in periods shorter than six months, lower in periods greater than one year.

TIME HORIZON
Longer than three years.

ASSET ALLOCATION

<table>
<thead>
<tr>
<th>Security</th>
<th>SA %</th>
<th>FOREIGN %</th>
<th>TOTAL%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Value</td>
<td>38.2</td>
<td>61.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Listed property</td>
<td>1.6</td>
<td>1.0</td>
<td>2.6</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>0.0</td>
<td>1.5</td>
<td>1.5</td>
</tr>
<tr>
<td>Government bonds</td>
<td>16.5</td>
<td>1.2</td>
<td>17.7</td>
</tr>
<tr>
<td>Commodities</td>
<td>3.7</td>
<td>2.1</td>
<td>5.8</td>
</tr>
<tr>
<td>Money market</td>
<td>1.2</td>
<td>8.9</td>
<td>10.1</td>
</tr>
</tbody>
</table>

CHANGE IN PORTFOLIO COMPOSITION

PORTFOLIO PERFORMANCE VS BENCHMARK

INVESTMENT STRATEGY VS REG 28 PORTFOLIOS

Unconstrained investment mandates provide Foord with more investment tools to achieve long-term inflation beating returns and to better manage the risk of loss compared to prudentially compliant (Regulation 28) portfolios. Accordingly, unconstrained mandates are ideal for discretionary savings that are not required to be invested in terms of Regulation 28 limits. The Investment Strategy vs Regulation 28 Portfolios chart compares the investment returns of the unconstrained Foord Flexible Fund of Funds to Regulation 28 mandates managed by Foord (the Foord Balanced Fund returns are net of fees and therefore have been used for direct comparative purposes). The chart shows that the Foord Flexible Fund has outperformed the Foord Balanced Fund by approximately 3% per annum since its inception, illustrating the long-term opportunity cost of investing discretionary savings in a Regulation 28 portfolio.

PORTFOLIO PERFORMANCE (PERIODS GREATER THAN ONE YEAR ARE ANNUALISED)

<table>
<thead>
<tr>
<th>CASH VALUE</th>
<th>SINCE INCEPTION</th>
<th>LAST 10 YEARS</th>
<th>LAST 7 YEARS</th>
<th>LAST 5 YEARS</th>
<th>LAST 3 YEARS</th>
<th>LAST 12 MONTHS</th>
<th>THIS MONTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>FOORD 1</td>
<td>R 418 620</td>
<td>12.3%</td>
<td>14.4%</td>
<td>10.3%</td>
<td>8.0%</td>
<td>8.5%</td>
<td>22.7%</td>
</tr>
<tr>
<td>BENCHMARK 4</td>
<td>R 353 121</td>
<td>10.8%</td>
<td>10.3%</td>
<td>10.1%</td>
<td>9.9%</td>
<td>9.1%</td>
<td>8.2%</td>
</tr>
<tr>
<td>FTSE/JSE All Share 4</td>
<td>R 272 513</td>
<td>8.5%</td>
<td>10.3%</td>
<td>7.6%</td>
<td>4.6%</td>
<td>3.6%</td>
<td>1.6%</td>
</tr>
<tr>
<td>FOORD HIGHEST 3, 6</td>
<td>38.8%</td>
<td>38.8%</td>
<td>22.7%</td>
<td>22.7%</td>
<td>22.7%</td>
<td>22.7%</td>
<td>22.7%</td>
</tr>
<tr>
<td>FOORD LOWEST 3, 6</td>
<td>-12.0%</td>
<td>-6.4%</td>
<td>-6.4%</td>
<td>-6.4%</td>
<td>-6.4%</td>
<td>-6.4%</td>
<td>22.7%</td>
</tr>
</tbody>
</table>

1 Converted to reflect the average yearly return for each period presented
2 Current value of R100 000 notional lump sum invested at inception, distributions reinvested (graphically represented in R’000s above)
3 Class B2 from 1 March 2012, Class A previously, net of fees and expenses
4 Source: Stats SA, performance as calculated by Foord
5 Source: IRESS MD RSA
6 Highest and lowest actual 12 month return achieved in the period
COMMENTARY

- Global equities (+5.3% in US dollars) rose on decent earnings, pharmaceutical companies reporting promising early COVID-19 vaccine trial results and further massive fiscal stimulus announcements in the US and EU—emerging markets (+8.9%) outperformed on dollar weakness while US (+5.9%) and European (+3.9%) bourses rose despite rising second wave pandemic infection rates clouting the economic outlook
- Most commodities including copper (+6.8%) and oil (+5.2%) gained, supported by the US and European stimulus announcements—the US dollar index (-4.4%) had its worst month since 2010 prompting technical break-outs in gold (+9.5%) and silver (+34.9%)
- The Foord global funds’ outperformance was maintained despite the very narrow market—the top five US tech companies have gained more than 35% this year and now account for 20% of the S&P 500, while the index’s remaining constituents have fallen approximately 5% in an increasingly bifurcated and risky market
- The FTSE/JSE Capped All Share Index (+2.9% in rands) was led higher by resources (+9.0%) with financials (+0.4%) flat and industrials (-1.3%) weaker—holdings in physical gold ETF NewGold (+8.5%), Anheuser-Busch InBev (+10.3%) and BHP Group (+4.0%) contributed to returns while industrial titlable (-13.9%) and Aspen (-7.7%) detracted
- The All Bond Index (+0.6%) rose as the yield curve continued to steepen with short dated yields pulled down by SARB’s quarter-point repo rate—core holding in the shorter duration R186 (+1.5%) outperformed as markets continue to price in higher South African sovereign debt risk over the longer dated debt maturities
- Listed property (-3.2%) declined after June’s bounce—the fund has a low allocation to the sector via London-listed property stock Capital & Counties
- The rand (+1.6%) appreciated on positive emerging market sentiment and dollar weakness but has declined 17.9% this year and remains vulnerable longer term—despite rand strength, the allocation to foreign assets (+2.6% in rand) was the largest contributor to fund returns

FEE RATES (CLASS B2)

- Initial, exit and switching fees: 0.0%
- Standard annual fee for equalling benchmark: 0.6% plus VAT
- Performance fee sharing rate: 10% (over- and under-performance)
- Minimum annual fee: 0.1% plus VAT
- Maximum annual fee: Uncapped

FEE STRUCTURE

The annual fee is based on portfolio performance fee with the daily fee rates being adjusted up or down based on the portfolio’s one-year rolling return relative to that of its benchmark and is subject to a minimum fee rate.

PERFORMANCE FEES

Performance fees align investor and manager return objectives by rewarding the manager for outperformance while penalising the manager for underperformance. Foord’s performance fee structure increases or decreases the daily fee levied based on the over- or under-performance of the Foord unit trust portfolios relative to their benchmarks. When the portfolio return exceeds the benchmark return, the daily performance fee rate is increased proportionately. Similarly, underperformance causes the daily performance fee rate to decrease proportionately. Performance fee rates are not capped for the reason that outperformance is generally not earned smoothly.

The annual fee is adjusted up or down daily by the performance fee calculated as the difference between the rolling one-year net-of-fee return and the benchmark return for the same period, multiplied by the performance fee sharing rate.

PERFORMANCE FEE EXAMPLES FOR FOORD FLEXIBLE FUND OF FUNDS (CLASS B2)

<table>
<thead>
<tr>
<th>SCENARIO</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foord 1-year rolling return</td>
<td>10.0%</td>
<td>10.0%</td>
<td>10.0%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Benchmark 1-year rolling return</td>
<td>8.0%</td>
<td>12.0%</td>
<td>10.0%</td>
<td>16.0%</td>
</tr>
<tr>
<td>Relative performance</td>
<td>+2.0%</td>
<td>-2.0%</td>
<td>0.0%</td>
<td>-6.0%</td>
</tr>
<tr>
<td>Performance fee sharing rate</td>
<td>10.0%</td>
<td>10.0%</td>
<td>10.0%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Daily adjustment to 0.6% annual fee</td>
<td>+0.2%</td>
<td>-0.2%</td>
<td>0.0%</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Annual fee rate applied (excl. VAT)</td>
<td>0.8%</td>
<td>0.4%</td>
<td>0.6%</td>
<td>0.1%*</td>
</tr>
</tbody>
</table>

* Minimum fees apply

ANNUALISED COST RATIO (CLASS B2)

<table>
<thead>
<tr>
<th>12 MONTHS</th>
<th>36 MONTHS</th>
</tr>
</thead>
<tbody>
<tr>
<td>TER — Basic</td>
<td>0.77%</td>
</tr>
<tr>
<td>— Performance</td>
<td>0.29%</td>
</tr>
<tr>
<td>Transaction costs</td>
<td>0.02%</td>
</tr>
<tr>
<td>Total cost ratio</td>
<td>1.08%</td>
</tr>
</tbody>
</table>

IMPORTANT INFORMATION FOR INVESTORS

Foord Unit Trusts (RF) (Pty) Ltd (Foord Unit Trusts) is an approved CISCA Management Company (#10), regulated by the Financial Services Board. Portfolios are managed by Foord Asset Management (Pty) Ltd (Foord), an authorised Financial Services Provider (FSP: 578). The custodian/trustee of Foord Unit Trusts is RMB Custody and Trustee Services (a division of FirstRand Bank Limited), contactable on T: 087 736 1772, F: 0860 557 774, www.rmb.co.za.

Collective Investment Schemes in Securities (unit trusts) are generally medium- to long-term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to the future. Performance is calculated for the portfolio. Individual investor performance may differ as a result of the actual investment date, the date of investment and withholding taxes. Performance may be affected by changes in the market or economic conditions and legal, regulatory and tax requirements. Foord Unit Trusts does not provide any guarantee either with respect to the capital or the performance return of the investment. Unit trusts are traded at ruling prices and can engage in borrowing. Foord Unit Trusts does not engage in scrip lending. Commission and incentives may be paid and if so, this cost is not borne by the investor. A schedule of fees and charges and maximum commissions is available on request. Distributions may be subject to mandatory withholding taxes. Foord global funds is dissimilar to previous cycles. Forecasts and commentaries are provided for information purposes only and are not guaranteed to be realised. Economic forecasts and predictions are based on Foord’s interpretation of current factual information and exploration of economic, market and other data. This document is not an advertisement, but is provided exclusively for information purposes and should not be regarded as an offer or solicitation to purchase, sell or otherwise deal with any particular investment. Economic forecasts and predictions are based on Foord’s interpretation of current factual information and exploration of economic activity based on expectation for future growth under normal economic conditions, not dissimilar to previous cycles. Forecasts and commentaries are provided for information purposes only and are not guaranteed to occur. While we have taken and will continue to take care that the information contained herein is true and correct, we request that you report any errors to Foord at unittrusts@foord.co.za. The document is protected by copyright and may not be altered without prior written consent.

UNIT PRICE

Unit trust prices are calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income accruals and less any permissible deductions from the portfolio. Forward pricing is used. Prices are determined at 15h00 each business day and are published daily on www.foord.co.za and in national newspapers. The cut-off time for instruction is 14h00 each business day.

TOTAL EXPENSE RATIO (TER) is a measure of a portfolio’s annual expenses, fees and charges, expressed as a percentage of the average daily value of the portfolio. These expenses include the annual fee, VAT, audit fees, bank charges and costs, including trading costs, incurred in any underlying funds. Included in the TER, but separately disclosed, is a performance fee (or credit) resulting from overperformance (or underperformance) against the benchmark. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.