Portfolio profile

The portfolio is suitable for conservative investors requiring a reasonable level of capital protection, with the potential for capital growth through a low exposure to equity markets relative to the average prudential portfolio and aims to provide low cost exposure to a range of local and global asset classes. The portfolio complies with Regulation 28 of the South African Pension Funds Act.

Performance ¹

<table>
<thead>
<tr>
<th>Period</th>
<th>Portfolio</th>
<th>Benchmark</th>
<th>ASISA category average</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year pa</td>
<td>6.2%</td>
<td>5.3%</td>
<td>4.5%</td>
</tr>
<tr>
<td>3 Years pa</td>
<td>6.0%</td>
<td>6.9%</td>
<td>4.9%</td>
</tr>
<tr>
<td>5 Years pa</td>
<td>6.3%</td>
<td>7.7%</td>
<td>5.2%</td>
</tr>
<tr>
<td>Since Inception</td>
<td>6.6%</td>
<td>7.8%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Lowest 1 year return</td>
<td>-3.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highest 1 year return</td>
<td>11.0%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Risk

<table>
<thead>
<tr>
<th>Period</th>
<th>Portfolio</th>
<th>ALSI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volatility [5 years]</td>
<td>6.2%</td>
<td>14.8%</td>
</tr>
</tbody>
</table>

Portfolio structure

- Equity: 23.3%
- Property: 4.4%
- Bonds: 14.3%
- Inflation linked bonds: 7.1%
- Cash: 30.7%
- Foreign equity: 12.9%
- Foreign property: 2.0%
- Foreign bonds: 1.9%
- Foreign inflation linked bonds: 1.9%
- Foreign cash: 1.5%

Top 10 holdings

<table>
<thead>
<tr>
<th>Share</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>R186 10.5% 211226</td>
<td>2.6</td>
</tr>
<tr>
<td>R2035 8.875%, 280235</td>
<td>2.3</td>
</tr>
<tr>
<td>Naspers Ltd</td>
<td>2.3</td>
</tr>
<tr>
<td>R2030 8.00%, 310130</td>
<td>2.2</td>
</tr>
<tr>
<td>RSA CPI 2025 2%</td>
<td>1.8</td>
</tr>
<tr>
<td>RSA CPI 8.50%, 310137</td>
<td>1.6</td>
</tr>
<tr>
<td>RSA CPI 2033 1.875%</td>
<td>1.5</td>
</tr>
<tr>
<td>Prosus</td>
<td>1.2</td>
</tr>
<tr>
<td>Anglo American Plc</td>
<td>1.1</td>
</tr>
<tr>
<td>FirstRand Ltd</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>17.7</strong></td>
</tr>
</tbody>
</table>

¹ The annualized total return is the average return earned by an investment each year over a given time period. Performance is calculated for the portfolio and individual investment performance may differ as a result of initial fees, the actual investment, the actual investment date, the date of reinvestment and dividend withholding tax. Due to the delayed release of inflation data, relevant benchmarks will lag by one month.

² Total Expense Ratio (TER), expressed as a percentage of the Fund, relates to expenses incurred in the administration of the Fund. 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 TERs. Transaction Costs (TC), expressed as a percentage of the Fund, relate to the costs incurred in buying and selling the underlying assets of the Fund. TC are a necessary cost in administering the fund and impact fund returns. It should not be considered in isolation as return may be impacted by other factors, over time including market returns, the type of fund, the investment decisions of the investment manager and the TER. The Total Investment Charges expressed as a percentage of the Fund, relates to all investment costs of the Fund. Both the TER and TC of the Fund are calculated on an annualised basis, beginning 01/07/2017 and ending 30/06/2020.

Please Note:
Differences may exist due to rounding
WHO WE ARE
Nedgroup Collective Investments (RF) Proprietary Limited, is the company that is authorised in terms of the Collective Investment Schemes Control Act to administer the Nedgroup Investments unit trust funds. It is a member of the Association of Savings & Investment South Africa (ASISA). Nedgroup Investment Advisors Proprietary Limited is the appointed investment manager of the unit trust fund.

OUR TRUSTEE
The Standard Bank of South Africa Limited is the registered trustee.

PERFORMANCE
Unit trusts are generally medium to long-term investments. The value of your investment may go down as well as up. Certain unit trust funds may be subject to currency fluctuations due to its international exposure. Past performance is not necessarily a guide to future performance. Nedgroup Investments does not guarantee the performance of your investment and even if forecasts about the expected future performance are included you will carry the investment and market risk, which includes the possibility of losing capital.

PRICING
Funds are valued daily at 15:00. Instructions must reach us before 14:00 (12:00 for Nedgroup Money Market Fund) to ensure same day value. Prices are published daily on our website and in selected major newspapers.

FEES
A schedule of fees and charges and maximum commissions is available on request from Nedgroup Investments.

DISCLAIMER
Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. Nedgroup Investments has the right to close unit trust funds to new investors in order to manage it more efficiently. For further additional information on the fund, including but not limited to, brochures, application forms and the annual report please contact Nedgroup Investments.

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Email: info@nedgroupinvestments.co.za
For further information on the fund please visit: www.nedgroupinvestments.co.za

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Investment manager commentary
Taqunta Asset Management
The market returns for the different asset classes within the Nedgroup Investments Core Guarded Fund are given below. The volatility of the fund is low relative to the volatility of most of the underlying asset classes due to the benefits of diversification.

Asset Class Returns (rands)
(Performance over periods to 31 July 2020)

<table>
<thead>
<tr>
<th>Asset class</th>
<th>Investment Universe</th>
<th>Return (pa)</th>
<th>Volatility (inception)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>Capped Shareholder Weighted Index (SWIX)*</td>
<td>-5,1%</td>
<td>-1,5%</td>
</tr>
<tr>
<td>Property</td>
<td>FTSE/JSE REITs Index (J867)</td>
<td>-46,6%</td>
<td>-25,2%</td>
</tr>
<tr>
<td>Bonds</td>
<td>All Bond Index (ALBI)</td>
<td>4,2%</td>
<td>7,8%</td>
</tr>
<tr>
<td>Inflation linked bonds</td>
<td>SA ILB Index (CILI)</td>
<td>-4,0%</td>
<td>0,6%</td>
</tr>
<tr>
<td>Cash</td>
<td>STeFI Call</td>
<td>5,8%</td>
<td>6,4%</td>
</tr>
<tr>
<td>Foreign equity</td>
<td>MSCI All Country World Index (ACWI)</td>
<td>28,8%</td>
<td>16,5%</td>
</tr>
<tr>
<td>Foreign property</td>
<td>FTSE EPRA/NAREIT Developed Index</td>
<td>4,0%</td>
<td>8,5%</td>
</tr>
<tr>
<td>Foreign bonds</td>
<td>Barclays Global Aggregate Bond Index</td>
<td>29,6%</td>
<td>13,6%</td>
</tr>
<tr>
<td>Foreign inflation linked bonds</td>
<td>Barclays Global ILB Index</td>
<td>32,9%</td>
<td>14,8%</td>
</tr>
<tr>
<td>Foreign cash</td>
<td>Composite USD/GBP/EUR Libor</td>
<td>26,5%</td>
<td>9,8%</td>
</tr>
<tr>
<td>Nedgroup Investments Core Guarded Fund Class B2</td>
<td>6,2%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: Morningstar
*Prior to 17 Jun 2011, we use the FTSE/JSE All Share SWIX index (J403)