

We have redesigned our fund factsheets as the first phase of a review of the fund information we provide in all of our documentation and on our website www.allangray.co.za. We commenced this review as part of our ongoing bid to improve the depth of information we make available to you, and to make the design of our documents more user-friendly and appealing. An important input into this process is requests and feedback we receive from financial advisers and investors over time. We hope you find these changes beneficial.

The funds' objectives, benchmarks, and investment strategies have not changed at all; we have merely tried to improve the way we communicate fund information.

Our main objective is to give investors a better understanding of our funds

We strive to supply clear, transparent information which focuses on what is important. The factsheets are one of the channels we use to communicate fund information and it is important to remember that they serve a diverse audience. They are in essence meant to be a summary of a fund at a glance. It is a balancing act to keep factsheets concise, and to provide enough information to enable prospective investors, and their financial advisers, to make informed choices.

Understanding the individual funds: what they are, what they try to achieve and how they work

It is very important for us that investors understand our investment philosophy, the funds they are invested in, or considering investing in, and that they feel adequately informed. We have thus added two new descriptions to all the factsheets. Entitled 'Fund description' and 'How we aim to achieve the Fund's objective', these sections build on the fund objective. They describe each fund's investment universe and limitations in greater detail and should give investors an idea of how the fund managers seek to meet the objectives of the fund.

We now supply additional information about the nature of our investments and the funds' asset allocation

• Historical net equity exposure of our asset allocation funds

An important way in which we talk about our funds is their 'net equity exposure', e.g. we typically say the Balanced Fund has a medium net equity exposure of between 40-75%. To give a sense of how the actual equity exposure varies over time we now include the actual minimum, maximum and average equity exposure of these funds

since inception, with the dates on which the fund was at its minimum and maximum.

• Top 10 share holdings for the Allan Gray-Orbis Global Funds

We now show the top 10 shares in the Allan Gray-Orbis Global funds as well as the percentage exposure of each. This is to give investors a sense of the companies the underlying Orbis funds are invested in.

• Top 10 credit exposure and maturity profile for the Bond Fund

This information allows investors to better understand the risk profile of the Fund.

Fund commentary

As our views and holdings do not normally change significantly from month to month, moving forward we will only update fund commentary for the local funds on a quarterly basis. If any significant changes occur and we decide to update the commentary in between quarters we will draw your attention to this. Note that we will continue to provide updated commentary for the Allan-Gray Orbis funds each month.

Enhancements to returns, risk measures and income distributions

- We will now show individual income distributions for the last 12 months, rather than the total for the 12 months only
- We have added the latest two-year performance as most funds that have performance fees base these fees over a rolling two-year period
- We have added inflation numbers to the fund returns section to allow a sense of real versus nominal returns
- We have added the actual dates of maximum drawdowns for the fund and benchmark in the drawdown note
- We have added maximum drawdowns as a risk measure for the Bond Fund and the three Allan Gray Orbis Global Funds

This is not a complete list of the changes; rather it is a snapshot of what you can expect. There are other changes - some are fund specific, and some are merely cosmetic.

If you have any questions or need any further explanation, please contact us. We value your feedback, please email info@allangray.co.za and let us know your views.

Commentary by Henk Pieterse, Head of marketing, Allan Gray