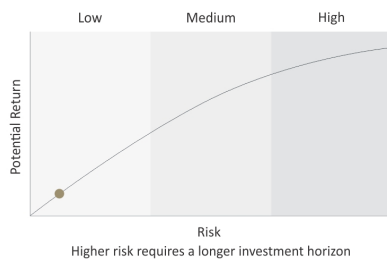


Investment objective (summary of investment policy)

The PSG Diversified Income Fund's objective is to preserve capital while maximising income returns for investors. The portfolio comprises of a mix of high-yielding securities, property, bonds, preference shares and assets in liquid form (both local and foreign). The fund will optimise the asset allocation to achieve the objective over time. The equity exposure of the portfolio, excluding property shares, is limited to 10%. The portfolio may include financial instruments up to the extent and limits allowed by legislation. The fund operates within the constraints of Regulation 28 of the Pension Funds Act.

Who should consider investing?

Fund specific risks: The fund sits in the lower end of the risk/reward spectrum and investors should be comfortable with a small degree of exposure to market and interest rate fluctuations. The risk of short-term monetary loss is low but not completely eliminated. The portfolio is concentrated in bonds and cash with a small exposure to equity. The fund is primarily exposed to default and interest rate risks. Interest rate risk is the risk that the value of fixed income investments tends to decrease when interest rates and/or inflation rises. Default risk is where the issuers of fixed income instruments may not be able to meet interest or capital repayments. Property shares may be included in the portfolio and can carry the same risk as investing directly in real estate which is subject to economic and political conditions, interest rates and tax considerations. Investing in foreign securities may be subject to risks pertaining to overseas jurisdictions and markets, including (but not limited to) local liquidity, macroeconomic, political, tax, settlement risks and currency fluctuations. Changes in the relative values of different currencies may adversely affect the value of investments and any related income.

Risk/reward profile

Fund details

| | | | |
|---------------------------|--|-----------------------|--|
| Inception Date | 3 September 2013 | | |
| Fund manager | Lyle Sankar, John Gilchrist and Greg Hopkins | | |
| Fund size (ZAR) | R 1 549 419 288 | | |
| Latest Distribution (cpu) | 2.23c ; 2.27c | 2.16c ; 2.26c | |
| Quarterly distribution | 31 Aug 19 ; 31 May 19 | 28 Feb 19 ; 30 Nov 18 | |
| ASISA Sector | South African - Multi Asset - Income | | |
| Benchmark | CPI + 1% | | |
| Minimum investment | As per the platform minimum | | |
| Duration (years) | 2.95 | | |

The duration is calculated as the weighted average term to maturity of the fixed interest instruments held in the fund.

Regulation 28 compliant Yes

To invest

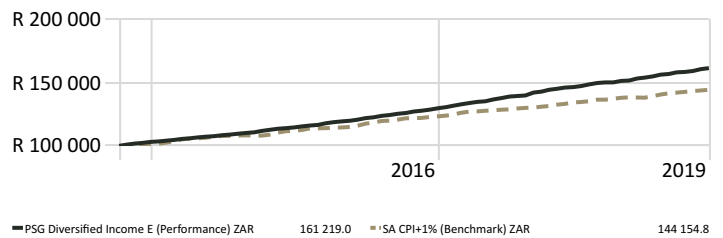
This class is only available on investment platforms. Speak to your financial adviser, visit www.psg.co.za or visit your platform of choice. Cut-off time for daily transactions are determined by investment platforms.

Year-to-date (YTD) performance (%)

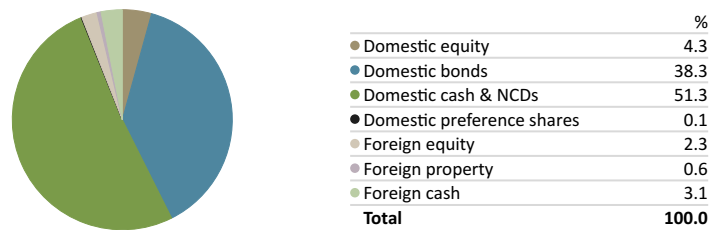
| | |
|--------|---------------------|
| | YTD (Cumulative) |
| Return | 6.44 |

Cumulative long-term performance

Time Period: 9/03/2013 to 10/31/2019



Value of notional R100,000 invested on 9/03/2013 with all distributions reinvested on reinvestment date after fees. Investment performance is for illustrative purposes only.

Asset allocation/investment exposure


There may be slight differences in the totals due to rounding.

Top five equity holdings (%)

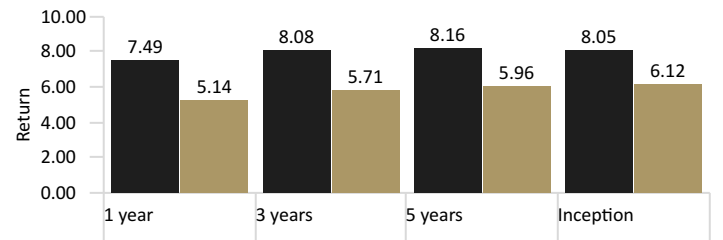
| | |
|-----------------------------|-----|
| As of Date: 10/31/2019 | |
| Simon Property Group Inc | 0.6 |
| Old Mutual Ltd | 0.5 |
| Japan Post Insurance Co Ltd | 0.5 |
| JSE Ltd | 0.5 |
| Nedbank Group Ltd | 0.4 |

Top five issuer exposures (%)

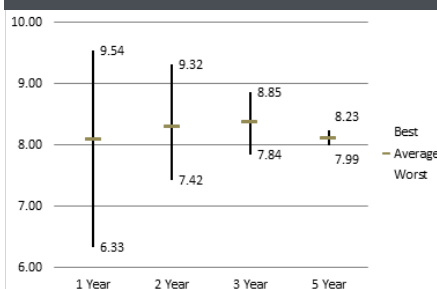
| | |
|------------------------------|------|
| The Republic of South Africa | 22.3 |
| FirstRand Bank Ltd | 20.0 |
| PSG Money Market Fund | 13.5 |
| Standard Bank of SA Ltd | 10.1 |
| Absa Bank Ltd | 9.5 |

Annualised returns % (after fees)

As of Date: 10/31/2019



■ PSG Diversified Income E (Performance) ■ SA CPI+1% (Benchmark)

Rolling returns (%)


This chart shows you how the performance can vary over time. It is an indication of the distribution of historical rolling returns from the portfolio over each rolling 12-month period.

What is a total expense ratio?

The Total Expense Ratio (TER) is the annualised percentage of the Fund's average assets under management that has been used to pay the Fund's actual expenses over the past three years. This percentage of the average Net Asset Value (NAV) of the portfolio was incurred as charges, levies and fees related to the management of the portfolio. A higher TER ratio does not necessarily imply a poor return, nor does a low TER ratio imply a good return. The current TER cannot be regarded as an indication of future TERs. Part of the Annual Management Fee is payable to the financial intermediary. The sum of the TER and transaction costs is shown as the Total Investment Charge. Since Fund returns are quoted after the deduction of these expenses, the TER and transaction costs should not be deducted again from published returns.

Fees

A schedule of fees and charges and maximum commissions is available on request from PSG Collective Investments (RF) Limited. Commission and incentives may be paid and, if so, are included in the overall costs. Different classes of participatory interest can apply to these portfolios and are subject to different fees, charges and possibly dividend withholding tax and will thus have differing performances. Adviser fees are negotiated between the client and adviser and is distinct from the other fees on this document.

Total investment charge

Total Investment Charge annualised for the period 1/10/2016 to 30/09/2019

| | |
|--|-------------|
| Total Expense Ratio % (incl. VAT) | 0.72 |
| <i>Annual Management Fee % (incl. VAT)</i> | <i>0.69</i> |
| <i>Other costs excl. transaction costs % (incl. VAT)</i> | <i>0.03</i> |
| <i>Transaction costs % (incl. VAT)</i> | <i>0.11</i> |
| Total Investment Charge % (incl. VAT) | 0.83 |

Transaction costs

Transaction costs are shown separately and are a necessary cost in administering the Financial Product and impacts Financial Product returns.

Transaction costs should not be considered in isolation as return may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER.

Disclaimer

Collective Investment Schemes in Securities (CIS) are generally medium to long-term investments. The value of participatory interests (units) or the investment may go down as well as up and past performance is not a guide to future performance. Fluctuations or movements in the exchange rates may cause the value of underlying international investments to go up or down. CIS are traded at ruling prices and can engage in borrowing and scrip lending. The portfolio may borrow up to 10% of its market value to bridge insufficient liquidity. Where foreign securities are included in a portfolio, the portfolio is exposed to risks such as potential constraints on liquidity and the repatriation of funds, macroeconomic, political, foreign exchange, tax, settlement and potential limitations on the availability of market information. The portfolios may be capped at any time in order for them to be managed in accordance with their mandate. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures and in such circumstances a process of ring-fencing of withdrawal instructions and managed payouts over time may be followed. PSG Collective Investments (RF) Limited does not provide any guarantee either with respect to the capital or the return of the portfolio. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided.

Regulation 28

The fund is managed according to Regulation 28 of the Pension Funds Act. The South African retirement fund industry is governed by the Pension Funds Act No. 24 of 1956. Regulation 28 of the Pension Funds Act prescribes the maximum limits in asset classes that an approved retirement fund may invest in. 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 a reasonable time period.

Performance

All performance data for a lump sum, net of fees, include income and assumes reinvestment of income on a NAV to NAV basis. Annualised performances show longer term performance rescaled over a 12 month period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Performance is calculated for the portfolio and individual investor performance may differ as a result thereof. The portfolio is valued at 15h00 daily. Income distributions are net of any applicable taxes. Actual annual figures are available to the investor on request. Prices are published daily and available on the website www.psg.co.za/asset-management and in the daily newspapers. Figures quoted are from Morningstar Inc.

Pricing

Forward pricing is used. Unit trust prices are calculated on a net asset value (NAV) basis, which is the market value of all assets in the portfolio including income accruals less permissible deductions divided by the number of units in issue.

Yield

The yield for the portion attributable to fixed income instruments is calculated daily on an annualised basis and is based on the historic yield of the fixed income instruments. The fund returns include returns from property and equity instruments.

Company details

PSG Collective Investments (RF) Limited is registered as a CIS Manager with the Financial Sector Conduct Authority, and a member of the Association of Savings and Investments South Africa (ASISA) through its holdings company PSG Konsult Limited. The management of the portfolio is delegated to PSG Asset Management (Pty) Ltd, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act 2002, FSP no 29524. PSG Asset Management (Pty) Ltd and PSG Collective Investments (RF) Limited are subsidiaries of PSG Konsult Limited. PSG Collective Investments (RF) Limited can be contacted on +27(21) 799 8000; (toll free) 0800 600 168, via email assetmanagement@psg.co.za.

Conflict of interest disclosure

The Fund may from time to time invest in a portfolio managed by a related party. PSG Collective Investments (RF) Limited or the fund manager may negotiate a discount in fees charged by the underlying portfolio. All discounts negotiated are reinvested in the Fund for the benefit of the investors. Neither PSG Collective Investments (RF) Limited nor PSG Asset Management (Pty) Ltd retains any portion of such discount for their own accounts. The fund manager may use the brokerage services of a related party, PSG Securities Ltd.

Trustee

The Standard Bank of South Africa Limited,
Main Tower, Standard Bank Centre,
2 Hertzog Boulevard,
Cape Town, 8001
Tel: +27 21 401 2443
Email: Compliance-PSG@standardbank.co.za

Additional information

Additional information is available free of charge on the website www.psg.co.za/asset-management and may include publications, brochures, forms and annual reports.