Fund Objective
The objective of this portfolio is to provide investors with the steady growth of capital and income over the long term whilst minimizing downside risk. The manager aims to do this by investing in an actively managed balanced portfolio.

Fund Strategy
The portfolio will consist of investment in a mix of equity, bond and property markets, and money market instruments. The Manager shall be permitted to invest on behalf of the portfolio in offshore investments as legislation permits. The portfolio will be managed in accordance with regulations governing pension funds.

Fund Information
Ticker: EBFA
Portfolio Manager: Terence Craig & Andrew Bishop
ASISA Fund Classification: South African - Multi Asset - High Equity
Risk Profile: Moderate Aggressive
Benchmark: ASISA Category Avg: SA - Multi Asset - High Equity
Fund Size: R 111 016 554
Portfolio Launch Date*: 2009/11/02
Fee Class Launch Date*: 2009/11/01
Minimum Lump Sum Investment: R 10 000
Minimum Monthly Investment: R 500
Income Declaration Date: June & December
Income Payment Date: 1st business day of July & January
Portfolio Valuation Time: 15:00
Transaction Cut Off Time: 15:00
Daily Price Information: Local media & www.sanlamunittrusts.co.za
Repurchase Period: 2-3 business days

Fees (Incl. VAT)
A-Class (%)
- Maximum Initial Advice Fee: 3.45
- Maximum Annual Advice Fee: —
- Manager Annual Fee: 1.72
- Total Expense Ratio: 2.44
- Transaction Cost: 0.37
- Total Investment Charges: 2.81
- Performance Fee: —
- TER Measurement Period: 01 October 2017 - 30 September 2020

Top Ten Holdings
| Fund | Benchmark | (%)
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Element Global Equity SCI Fund</td>
<td>20.60</td>
</tr>
<tr>
<td>R2030 Government Bond</td>
<td>10.97</td>
</tr>
<tr>
<td>Element Specialist Income SCI Fund</td>
<td>8.21</td>
</tr>
<tr>
<td>Vanguard Total World Stock ETF</td>
<td>8.10</td>
</tr>
<tr>
<td>i2025 Government ILB</td>
<td>6.63</td>
</tr>
<tr>
<td>MTN Group Ltd</td>
<td>4.90</td>
</tr>
<tr>
<td>Element Earth Equity SCI Fund</td>
<td>4.56</td>
</tr>
<tr>
<td>African Oxygen Ltd</td>
<td>2.48</td>
</tr>
<tr>
<td>AngloGold Ashanti Ltd</td>
<td>1.66</td>
</tr>
<tr>
<td>Glencore Plc</td>
<td>1.63</td>
</tr>
</tbody>
</table>

Asset Allocation
Portfolio Date: 2020/09/30

Annualised Performance (%)
| Fund | Benchmark
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Year</td>
<td>-2.93</td>
</tr>
<tr>
<td>3 Years</td>
<td>0.78</td>
</tr>
<tr>
<td>5 Years</td>
<td>6.74</td>
</tr>
<tr>
<td>10 Years</td>
<td>6.25</td>
</tr>
<tr>
<td>Since Inception</td>
<td>6.04</td>
</tr>
</tbody>
</table>

Cumulative Performance (%)
| Fund | Benchmark
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Year</td>
<td>-2.93</td>
</tr>
<tr>
<td>3 Years</td>
<td>2.35</td>
</tr>
<tr>
<td>5 Years</td>
<td>38.55</td>
</tr>
<tr>
<td>10 Years</td>
<td>83.38</td>
</tr>
<tr>
<td>Since Inception</td>
<td>91.15</td>
</tr>
</tbody>
</table>

Highest and Lowest Annual Returns
Time Period: Since Inception to 2019/12/31

<table>
<thead>
<tr>
<th>Highest</th>
<th>Lowest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highest Annual %</td>
<td>21.08</td>
</tr>
<tr>
<td>Lowest Annual %</td>
<td>-3.26</td>
</tr>
</tbody>
</table>

Risk Statistics (3 Year Rolling)
| Standard Deviation | 10.42 |
| Sharpe Ratio | -0.50 |
| Information Ratio | -0.38 |
| Maximum Drawdown | -14.00 |

Distribution History (Cents Per Unit)
<table>
<thead>
<tr>
<th>Date</th>
<th>Cents Per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020/06/30</td>
<td>1.83 cpu</td>
</tr>
<tr>
<td>2018/06/30</td>
<td>1.74 cpu</td>
</tr>
<tr>
<td>2018/12/31</td>
<td>2.96 cpu</td>
</tr>
<tr>
<td>2017/12/31</td>
<td>0.00 cpu</td>
</tr>
<tr>
<td>2019/06/30</td>
<td>2.21 cpu</td>
</tr>
<tr>
<td>2017/07/07</td>
<td>1.65 cpu</td>
</tr>
<tr>
<td>2018/12/31</td>
<td>2.41 cpu</td>
</tr>
<tr>
<td>2017/03/31</td>
<td>1.08 cpu</td>
</tr>
</tbody>
</table>

As of 2020/11/30

Please note that the amalgamation of the Element Flexible SCI Fund into the Element Balanced SCI Fund took place on the 6 November 2020.
Risk Profile

Your primary aim is to achieve the required capital growth necessary to realise your long-term goals and objectives. You are prepared to tolerate fluctuations in your returns because you know that the longer-term picture is worth the short term pain, even if that means you lose money sometimes. While diversified across all the major asset classes, your portfolio will be tilted more towards equities because you know they offer the best long-term returns of all the asset classes and thus your wealth will grow over time.

Glossary Terms

Annualised Returns
Annualised return is the weighted average compound growth rate over the period measured.

Asset Allocation
Asset allocation is the percentage holding in different asset classes (i.e. equities, bonds, property, etc.). It is used to determine the level of diversification in a portfolio.

Cumulative Returns
Cumulative return is the total growth experienced over the period measured.

Distributions
The income that is generated from an investment and given to investors through monthly, bi-annual or annual distribution pay-outs.

Diversification
This is a strategy designed to reduce risk within a portfolio by combining a variety of investments (or asset classes) such as equities, bonds, cash or property, which are unlikely to all move in the same direction at the same time. This is designed to reduce the risk (and protect against capital losses) within a portfolio. Diversification allows for more consistent performance under a wide range of economic conditions as it smooths out the impact of negative market events. The positive performance of some investments or asset classes should neutralize the negative performance of others.

Financial Instruments
Derivatives also known as financial instruments (such as a future, option, or warrants) whose value derives from and is dependent on the change in value of an underlying asset (such as a commodity, currency, or security) to protect against risk (capital losses).

Fund Objective
The fund objective is the portfolio's core goal.

Fund Strategy
The fund strategy is the way that the fund is managed to achieve the fund objective.

Information Ratio
The Information Ratio measures the market risk-adjusted performance of an investment or portfolio. The greater a portfolio’s Information Ratio, the better its risk-adjusted performance has been compared to the market in general.

Collective Investment Schemes
Collective Investment Schemes (CIS) (also called unit trusts) are portfolios of assets such as equities, bonds, cash and listed property, in which investors can buy units. They allow private investors to pool their money together into a single fund, thus spreading their risk across a range of investments, getting the benefit of professional fund management, and reducing their costs.

Market Capitalization
Market capitalization is the total value of the issued shares of a publicly traded company; it is calculated by multiplying the share price by the number of shares in issue.

Maximum Drawdown
The maximum drawdown measures the highest peak to trough loss experienced by the fund.

Participatory Interests
When you buy a unit trust, your money is pooled with that of many other investors. The total value of the pool of invested money in a unit trust fund is split into equal portions called participatory interests or units. When you invest your money in a unit trust, you buy a portion of the participatory interests in the total unit trust portfolio. Participatory interests are therefore the number of units that you have in a particular unit trust portfolio.

Sharpe Ratio
The Sharpe Ratio measures total risk-adjusted performance of an investment or portfolio. It measures the amount of risk associated with the returns generated by the portfolio and indicates whether a portfolio's returns are due to excessive risk or not. The greater a portfolio’s Sharpe ratio, the better its risk-adjusted performance has been (i.e. a higher return with a contained risk profile, where the portfolio manager is not taking excessive risk to achieve those returns).

Standard Deviation
Standard deviation (also called monthly volatility) is a measure of how much returns on an investment change from month to month. It is typically used by investors to gauge the volatility expected of an investment.

Portfolio Manager Comment

As at 30 September 2020

Quarterly Commentary

The Element Balanced SCI Fund ("Fund") realised a total return of -0.8% for the quarter to the end September 2020, underperforming its benchmark (ASISA Multi-Asset High Equity funds) return of +1.3% over this period. The September 2020 quarterly performance brings the rolling one-year total performance of the Fund to -4.9% (below its benchmark’s performance of +1.8%) and annualized total return over the last rolling three years to -0.1% p.a. (note that all returns are net of/after fees). It should be noted that the Fund is outperforming its benchmark over a rolling five-year period.

Cash (STeFI) outperformed both Bonds (ALBI) and Equities (ALSI) over the past twelve months with a performance of +6.2% relative to Bonds and SA Equities performance of +3.6% and +2.0% respectively. Global markets continue to be impacted by the COVID-19 pandemic although there has been a significant recovery in asset prices since their lows in March 2020.

Global Equities (MSCI World in ZAR) and Cash outperformed over the past 12 months and these were one of the few assets to deliver returns above inflation. Global Equities benefited from a weakening Rand, which declined by -10.6% over the year relative to the US Dollar. Global Equities delivered a return of +22.7% and +11.0% in Rands and US Dollars, respectively. The worst performing asset classes over the past 12 months were SA Listed Properties (-46.1%) and Preference Shares (-19.8%).

The fund underperformed its benchmark over the past 12 months. The fund was impacted by its higher allocation to SA Listed Properties and Preference Shares as well as its lower allocation to Global Equities.

Portfolio Managers

Terence Craig
B Bus Sc (Hons), CA (SA), CFA

Andrew Bishop
B Bus Sc (Hons), CA (SA), CFA

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Trustee Information
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Email: compliance-sanlam@standardbank.co.za
Additional Information

All reasonable steps have been taken to ensure the information on this MDD is accurate. The information to follow does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision.

The Sanlam Group is a full member of the Association for Savings and Investment SA. Collective investment schemes are generally medium- to long-term investments. Please note that past performances are not necessarily a guide to future performances, and that the value of investments / units / unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available on request from the Manager. Sanlam Collective Investments (RF) Pty Ltd, a registered and approved Manager in Collective Investment Schemes in Securities. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained on request from the Manager, free of charge. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending.

Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax.

Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date.

Lump sum investment performances are quoted. The portfolio may invest in participatory interests of other unit trust portfolios. These underlying funds levy their own fees, and may result in a higher fee structure for our portfolio. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA").

The Manager may borrow up to 10% the market value of the portfolio to bridge insufficient liquidity. The fund may from time to time invest in foreign countries and therefore it may have risks regarding liquidity, the repatriation of funds, political and macroeconomic situations, foreign exchange, tax, settlement, and the availability of information.

The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. Management of the portfolio is outsourced to Element Investment Managers (Pty) Ltd, (FSP) Licence No. 663, an Authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.

Sanlam Collective Investments (RF) (Pty) Ltd retains full legal responsibility for the named portfolio. Standard Bank of South Africa Ltd is the appointed trustee of the Sanlam Collective Investments scheme.

Sources of Performance and Risk Data: Morningstar Direct, INET BFA and Bloomberg. The risk free asset assumed for the calculation of Sharpe ratios: STEFI Composite Index. The highest and lowest 12-month returns are based on a calendar year period over 10 years or since inception where the performance history does not exist for 10 years. Obtain a personalised cost estimate before investing by visiting www.sanlamunittrustsmdd.co.za and using our Effective Annual Cost (EAC) calculator. Alternatively, contact us at 0860 100 266.