

INVESTMENT OBJECTIVE

The fund aims to grow retirement fund savings by meaningful, inflation-beating margins over the long term. The fund is managed to comply with the prudential investment limits set for South African retirement funds (Regulation 28 to the Pension Funds Act).

INVESTOR PROFILE

Investors whose risk tolerance is below that of pure equity fund investors and those who require the asset allocation decision to be made for them, within prudential guidelines. Because the fund complies with Regulation 28, it is ideally suited to being a substantial component of any retirement savings portfolio and is especially suitable for retirement funds, pension fund members and holders of contractual savings products. Available as a tax free investment account.

DOMICILE

South Africa

MANAGEMENT COMPANY

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

FUND MANAGERS

Nick Balkin and Dave Foord

INCEPTION DATE

1 September 2002

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

South African - Multi-Asset - High Equity

PORTFOLIO SIZE

R25.4 billion

MINIMUM LUMP SUM / MONTHLY

R50 000 / R1 000

UNIT PRICE (CLASS A)

7220.62 cents

NUMBER OF UNITS (CLASS A)

36.8 million

LAST DISTRIBUTIONS

31/03/23: 49.08 cents per unit
30/09/22: 114.49 cents per unit

BENCHMARK

The market value weighted average total return of the South African - Multi-Asset - High Equity unit trust sector, excluding Foord Balanced Fund.

SIGNIFICANT RESTRICTIONS

Maximum equity exposure of 75%; maximum offshore exposure of 45%; complies with pension fund investment regulations (Regulation 28).

INCOME DISTRIBUTIONS

End-March and end-September each year.

INCOME CHARACTERISTICS

Medium yield, approximately double that of a general equity fund. Income distributions are reduced by the annual service charge, which varies with the relative performance of the fund against its benchmark.

PORTFOLIO ORIENTATION

Medium to high weighting in JSE shares and includes exposure to listed property, commodity securities, bonds, money market instruments and foreign assets.

FOREIGN ASSETS

Foreign asset exposure is obtained predominantly via Foord International Fund (FIF) and Foord Global Equity Fund Luxembourg (FGEFL), sub-funds of Foord SICAV domiciled in Luxembourg and Foord Global Equity Fund (FGEF) domiciled in Singapore. FIF is a conservative, multi-asset class fund. FGEF and FGEFL comprise portfolios of global shares and cash. All funds 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

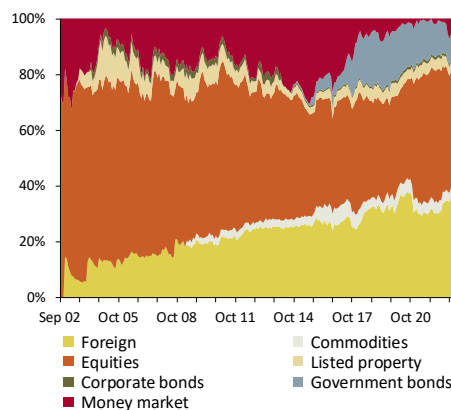
Longer than three years.

ASSET ALLOCATION (MAX LIMITS IN BRACKETS*)

	SA %	FOREIGN %	TOTAL %
Equities	36.3	25.7	62.0 (75)
Listed property	2.9	0.8	3.7 (25)
Corporate bonds	0.4	3.3	3.7 (50)
Government bonds	11.4	1.7	13.1 (100)
Commodities	3.5	1.2	4.7 (10)
Money market	4.9	7.9	12.8 (100)
TOTAL	59.4 (100)	40.6 (45)	100.0

* Market value breaches (if any) to be rectified within 12 months

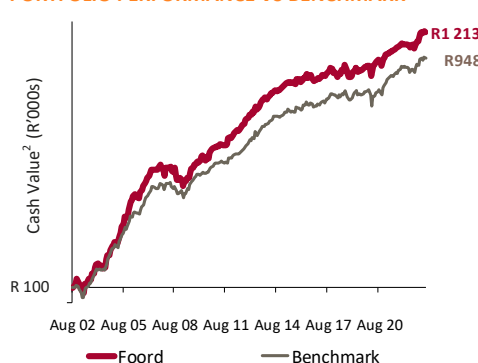
CHANGES IN PORTFOLIO COMPOSITION



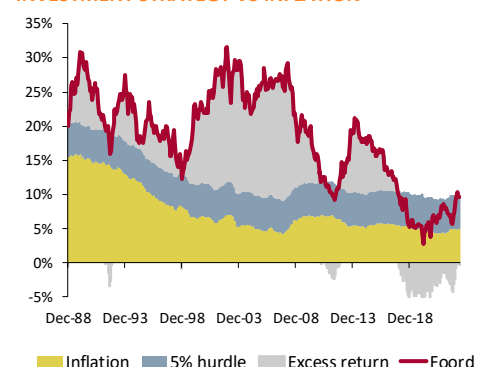
TOP 10 INVESTMENTS

SECURITY	ASSET CLASS	MARKET	% OF FUND
Foord Global Equity Fund	Foreign assets	LUX/SGP	19.1
Foord International Fund	Foreign assets	LUX	18.6
Naspers "N"	Equity	ZAF	4.5
Aspen	Equity	ZAF	3.7
RSA 8.875% (R2035)	Gov bond	ZAF	3.7
NewGold	Commodity	ZAF	3.5
Anheuser-Busch	Equity	ZAF	3.0
FirstRand	Equity	ZAF	2.8
Prosus "N"	Equity	ZAF	2.8
SOL Conv. 4.5% 08/11/2017	Corp Bond	USA	2.6

PORTFOLIO PERFORMANCE VS BENCHMARK



INVESTMENT STRATEGY VS INFLATION



In managing retirement portfolios, Foord aims to achieve returns that exceed inflation plus 5% per annum over any rolling five-year period. The Investment Strategy vs Inflation chart shows the annualised returns over rolling 5 years achieved by Foord on a composite of similar portfolios since the inception of the strategy on 1 January 1984 (gross of annual fees). This composite return information includes the market value weighted returns of the Foord Balanced Fund unit trust from 1 September 2002. Foord Balanced Fund unit trust is now the single largest portfolio in the composite. The chart illustrates that the actual composite return achieved for investors over any rolling five-year period has only once dipped below the South African inflation rate. It also demonstrates that real returns of 5% per annum are consistently achievable in mandates of this nature when measured over the appropriate long-term period.

PORTFOLIO PERFORMANCE (PERIODS GREATER THAN ONE YEAR ARE ANNUALISED ¹)

	CASH VALUE ²	SINCE INCEPTION	LAST 20 YEARS	LAST 15 YEARS	LAST 10 YEARS	LAST 7 YEARS	LAST 5 YEARS	LAST 3 YEARS	LAST 12 MONTHS	THIS MONTH
FOORD ^{3,4}	R 1 212 859	12.8%	13.1%	9.2%	7.5%	6.0%	8.4%	11.2%	12.9%	-0.9%
BENCHMARK ^{4,5}	R 947 528	11.4%	11.9%	8.5%	7.5%	6.4%	8.0%	13.3%	10.4%	-0.2%
FOORD HIGHEST ^{3,4,6}		61.0%	61.0%	28.5%	24.2%	24.2%	24.2%	20.7%	12.9%	
FOORD LOWEST ^{3,4,6}		-16.8%	-16.8%	-10.5%	-8.1%	-8.1%	-5.1%	-0.3%	12.9%	

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 A
⁴ Net of fees and expenses
⁵ Source: Morningstar, performance as calculated by Foord
⁶ Highest and lowest actual 12 month return achieved in the period

FEE RATES (CLASS A)

Initial, exit and switching fees	0.0%
Standard annual fee for equalling benchmark	1.0% plus VAT
Performance fee sharing rate	10% (over- and under-performance)
Minimum annual fee	0.5% plus VAT
Maximum annual fee	Uncapped
Foord global funds: – Foord International – Foord Global Equity	1.0% 0.5% plus 15% performance

TOTAL INVESTMENT CHARGE

	12 MONTHS	36 MONTHS
Total expense ratio (TER)	1.59%	1.44%
Manager's charge (basic)	1.00%	1.00%
Performance charge	0.12%	-0.01%
Foord global charges	0.28%	0.28%
VAT and sundry costs	0.19%	0.17%
Transaction costs (incl VAT)	0.04%	0.04%
Total investment charge	1.63%	1.48%

FEE STRUCTURE

The annual fee is based on portfolio performance with the daily fee rate 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. Fees accrue in the Foord global funds as disclosed.

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 underperformance 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 BALANCED FUND (CLASS A)

	SCENARIO			
	A	B	C	D
Foord 1-year rolling return	10.0%	10.0%	10.0%	10.0%
Benchmark 1-year rolling return	8.0%	12.0%	10.0%	16.0%
Relative performance	+2.0%	-2.0%	0.0%	-6.0%
Performance fee sharing rate	10.0%	10.0%	10.0%	10.0%
Daily adjustment to 1% annual fee	+0.2%	-0.2%	0.0%	-0.6%
Annual fee rate applied (excl. VAT)	1.2%	0.8%	1.0%	0.5%*

* Minimum fees apply

PLEASE CONTACT US FOR MORE INFORMATION REGARDING INVESTMENT TRACK RECORD, FOORD TEAM, CURRENT AND ARCHIVED NEWS ITEMS, FORMS AND DOCUMENTS. THIS INFORMATION IS PROVIDED FREE OF CHARGE.

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IMPORTANT INFORMATION FOR INVESTORS

ISIN Number: ZAE000042172

Foord Unit Trusts (RF) (Pty) Ltd (Foord Unit Trusts) is an approved CISA Management Company (#10), regulated by the Financial Sector Conduct Authority. 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 1732, 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 reinvestment 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. Portfolio information is presented using effective exposures. A fund of funds invests only in other Collective Investment Scheme portfolios, which may levy their own charges, which could result in a higher fee structure. A feeder fund is a portfolio that, apart from assets in liquid form, consists solely of units in a single portfolio of a Collective Investment Scheme which could result in a higher fee structure. Foord Unit Trusts is authorised to close the portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate.

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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.

TER

A 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 incurred (excluding trading costs) 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. Performance return information and prices are always stated net of the expenses, fees and charges included in the TER. The TER for the fund's financial year ended 31 March 2023 was 1.48%.

FOREIGN INVESTMENT RISK

The portfolio may include underlying foreign investments. Fluctuations or movements in exchange rates may cause the value of underlying foreign investments to go up or down. The underlying foreign investments may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls that may be imposed by the relevant authorities in the relevant countries.

Foord is a member of the Association for Savings and Investment SA.

This is a Minimum Disclosure Document. Published on 5 June 2023. Additional detailed analysis is published in the Quarterly Portfolio Report available on www.foord.co.za