

SPW EQUITY PORTFOLIO

31 MAY 2022

Conservative
Cautious
Moderate
Moderate Aggressive
Aggressive

PORTFOLIO DESCRIPTION AND INVESTMENT OBJECTIVE

This is a diversified local equity portfolio. The portfolio aims to outperform the JSE All Share Index on a total return basis, over an investment horizon of three years or more, by investing in high-quality companies that we feel are undervalued. This portfolio is suitable for investors who can withstand potential capital volatility in the short term.

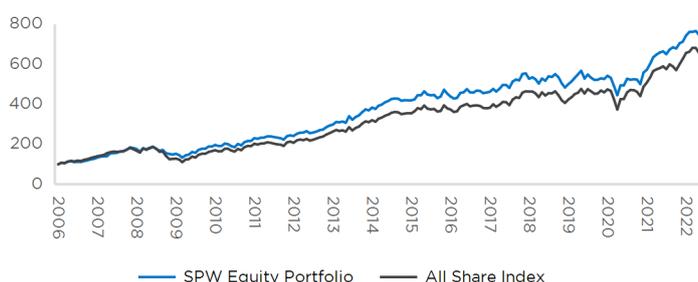
The portfolio offers a carefully selected, well diversified basket of shares from all sectors on the JSE. However, it may also provide exposure to unlisted shares. The investments in the portfolio are subject to rigorous, in-depth research and adhere to our pragmatic value investment philosophy.

YOUR PERSONAL EQUITY PORTFOLIO

The SPW Equity Portfolio is constructed by the investment team based on an intensive and rigorous investment process. The model portfolio acts as a guide to your portfolio manager in customising your personal portfolio to suit your individual requirements. It is important to note that the performance on this fact sheet is based on the model portfolio and the performance of your portfolio may vary depending on the level of deviation from the model portfolio and the fees charged.

WHY SELECT A PERSONAL PORTFOLIO

A personal portfolio is suitable to more discerning investors who might have unique factors to consider during the investment process. With a personal portfolio, your investment can be tailored to your unique requirements. You will have the benefit of more direct access to your portfolio manager and you have the benefit of enjoying direct ownership of shares. Your portfolio will not be affected by the cash investment and withdrawals of other investors.

PERFORMANCE NET OF FEES¹


Percentage Returns	Portfolio	Benchmark	Active
10 Yrs (Annualised)	11.57%	11.58%	-0.01%
5 Yrs (Annualised)	9.03%	9.79%	-0.76%
3 Yrs (Annualised)	13.15%	12.98%	0.17%
Past 12 Months	15.28%	11.03%	4.25%
YTD	2.90%	-0.32%	3.22%

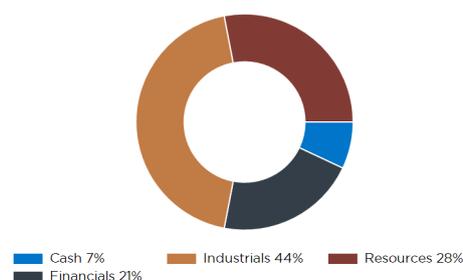
PORTFOLIO INFORMATION

Risk rating	Aggressive
Inception date	April 2001
Minimum investment	R1 million
Benchmark	FTSE/JSE All Share TR Index
Management company	Sanlam Private Wealth
Portfolio manager	Alwyn van der Merwe
Initial fees	Nil
Annual management	Fee sliding scale (refer to mandate)

TOP 5 SHARE HOLDINGS

(Please note your portfolio might vary from this)

Anglo American PLC	9.11%
Prosus NV	8.37%
British American Tobacco PLC	6.34%
Standard Bank Group Ltd	6.18%
Sasol Ltd	6.01%

EQUITY SECTOR EXPOSURE


1. The net of fee calculation assumes a 1.15% annual management charge and total trading costs of 1% (both inclusive of VAT) on the value of actual portfolio turnover.



ABOUT THE PORTFOLIO MANAGER

Alwyn van der Merwe, BCom (Hons), MBA

Alwyn was appointed as Director of Investments of Sanlam Private Wealth in 2007. He has over 25 years` experience in the investment industry and has managed institutional and unit trust portfolios successfully for 14 years. Alwyn leads and chairs Sanlam Private Wealth`s formal investment committee.

PORTFOLIO MANAGER'S COMMENTS

May was a month of two halves for financial markets. Both bonds and equities initially sold off only to recover strongly in the second half of the month. This schizophrenic behaviour was driven by changing views on inflation and the likely path of the global interest rate cycle. SA equities largely followed the global trend. However, the recovery of local equities was not strong enough to end in positive territory - the FTSE/JSE All Share Index recorded a total return of -0.36% for the period under review.

May was also a month of material disparity within the range of economic sectors. Gold shares were generally under pressure and Goldfields declined by 29%. Other losing sectors were personal goods (Richemont being the biggest constituent) which lost 8.4%, and healthcare providers, which retreated by 4.5%. Big gainers were chemicals (Sasol), adding another 5.2%, diversified miners, which advanced by 6%, with software and computer services (Naspers/Prosus) gaining 5.5% off a low base. It was a mixed month for commodities as the prices of precious metals (gold down by 3.4%) and base metals came under pressure. However, Brent (+12.3%) and WTI (+9.5%) had another very strong month and have now risen for six consecutive months for the first time since 2011. Cash returned 0.4%.

The portfolio recorded a return of 15.3% - net of fees - for the 12 months to the end of May, outperforming the benchmark return of 11.3% and comfortably ahead of the median peer return of 11.4%. The outperformance relative to the benchmark over the past year was driven by the portfolio's overweight positions in Investec, Sasol and British American Tobacco, partially countered by the Prosus overweight and the underweight position in MTN. In the first five months of 2022, the portfolio returned 2.5%, ahead of the benchmark's -0.3%.

When compared to competing general equity unit trusts, the portfolio was in the top quartile of its peer group over the past 12 months. The portfolio's performance remains in the top third of its peer group over three and five years and in the top quintile over 10 years. In May, we reduced our Sasol exposure, but kept the overweight positioning. We also sold out of Nedbank, which had reached our fair value after returning >30% since its unbundling from Old Mutual in late 2021.

ABOUT SANLAM PRIVATE WEALTH

Sanlam Private Wealth is a holistic, integrated wealth management business that provides advice and manages assets for high net worth private individuals, cultural organisations, charitable institutions and similar entities with investable assets of more than R1 million.

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MANDATORY DISCLOSURE

Participation in the SPW Equity Portfolio is a medium- to long-term investment. The value of this portfolio is subject to fluctuation and past performance is not necessarily a guide to its future performance. Calculations are based on a lump sum investment with gross income reinvested on the ex-dividend date. All performance figures are net of fees and costs. Actual investment performance will differ based on the fees applicable, the actual investment date and the date of reinvestment of income. A schedule of fees and maximum commissions is available from the manager. Sanlam Private Wealth (Pty) Ltd, registration number 2000/023234/07, is a member of the Johannesburg Stock Exchange, a licensed Financial Services Provider (FSP 37473) and a Registered Credit Provider (NCRCP1867).

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