Flagship IP Worldwide Flexible Fund of Funds

Minimum Disclosure Document - 31 August 2021

FLAGSHIP ASSET MANAGEMENT

Navigate Safely Forward

FUND MANAGERS Flagship Global Investment Team **NAV 1,015.4c**

Launch date	03 April 2003
Fund size	R338m
NAV - A Class	1 015.4c
Benchmark	CPI +5%
Dealing	Daily

No. of participatory interests	33 068 130
Minimum lump sum investment	R 5 000
Base currency	ZAR
Income declaration - Mar '21	0.00cpu
Income declaration - Sep '20	0.00cpu

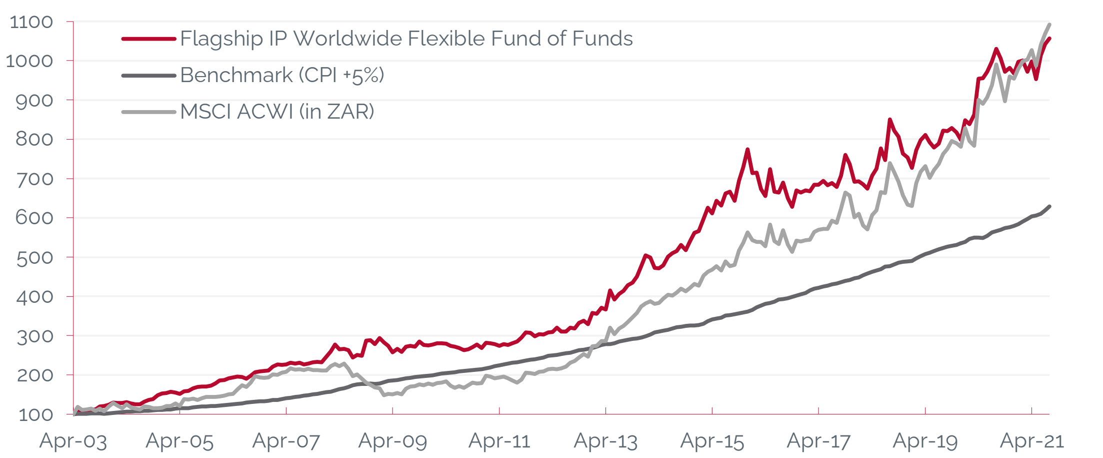
FUND OBJECTIVE

The objective of the Flagship IP Worldwide Flexible Fund of Funds is to deliver long term capital growth by investing in a focused portfolio of stringently selected global equity fund managers. Investments, on a see-through basis, will be diversified across geographic regions, in both developed and emerging markets, and diversifies single manager and single style risk associated with investing through one asset manager only. The fund may invest across all asset classes, but, through the cycle, equity exposure will be maintained at around 80%, with the objective to outperform the MSCI World Index (in rands) over the long term (5 years). Our formal benchmark is CPI +5% and the fund is classified in the Worldwide - Multi Asset - Flexible sector.

FUND EXPOSURES

Global Equity Funds	**69.1%**
Sands Capital Global Growth Fund Benchmark: MSCI World Index | Style: Growth	20.6%
GQG Partners Global Equity Fund Benchmark: MSCI World Index | Style: Quality	12.3%
Lindsell Train Global Equity Fund Benchmark: MSCI World Index (Developed Markets) | Style: Quality	10.9%
Other Funds	25.3%
Exchange Traded Funds	**8.7%**
TOTAL EQUITY EXPOSURE	**77.8%**
Cash	**22.2%**
Domestic	5.0%
Foreign	17.2%
TOTAL PORTFOLIO	**100.0%**

PERFORMANCE CHART



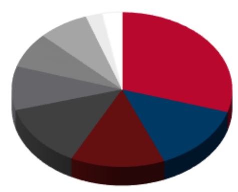
PERFORMANCE AND RISK

Performance (net of fees)	Fund	Benchmark	Outperformance
Since inception	997.9%	510.3%	487.6%
Since inception (annualised)	13.9%	10.3%	3.6%
10 Years (annualised)	14.0%	10.3%	3.6%
7 Years (annualised)	10.8%	9.9%	0.9%
5 Years (annualised)	8.9%	9.6%	-0.7%
3 Years (annualised)	7.5%	9.2%	-1.7%
1 Year	2.5%	10.0%	-7.4%
Year-to-date	9.2%	7.5%	1.7%

Risk Measures (since inception)		
Annualised monthly volatility	13.2	2.9
Sharpe ratio	0.12	0.37
Maximum drawdown	-20.2%	-0.8%
Lowest actual annual return	-0.1%	2 April 2010 to 1 April 2011
Highest actual annual return	+30.1%	2 April 2003 to 1 April 2004

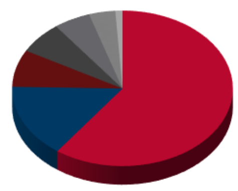
EFFECTIVE EQUITY EXPOSURE

GICS SECTOR



Information Technology	30%
Communication Services	14%
Consumer Discretionary	14%
Healthcare	13%
Financials	9%
Consumer Staples	7%
Industrials	7%
Materials	2%
Other	3%

GEOGRAPHY



United States & Canada	60%
Western Europe	15%
Rest of World	8%
United Kingdom	7%
Emerging Asia	5%
Japan	4%
China	1%

ANNUAL FUND PERFORMANCE

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund	-2.4%	11.1%	10.4%	44.7%	18.0%	37.8%	-14.2%	4.0%	4.9%	5.9%	21.1%
CPI +5%	8.6%	11.5%	11.0%	10.7%	11.2%	10.1%	12.0%	10.0%	9.8%	8.8%	8.4%

FEES

	1 Year	3 Year
Total Expense Ratio (incl. VAT)	2.32%	2.11%
Fund management fee (excl. VAT)	1.50%	1.50%
VAT on fund management fee	0.23%	0.23%
Fund expenses (incl. VAT)	0.60%	0.39%
Transaction Costs (incl. VAT)	0.05%	0.24%
Total Investment Charge (incl. VAT)	**2.37%**	**2.35%**

FUND COMMENTARY - AUGUST 2021

Your fund returned +1.3% in ZAR for the month. This brings its year-to-date return to +9.2% versus the +7.5% its CPI+5% benchmark delivered.

The strongest performers for the month were the growth-orientated Sands Capital and Artisan Global Discovery, while Lindsell Train again hampered fund performance.

As required by legislation, we confirm that the fund has adhered to its policy objective and strategy.

MARKET COMMENTARY

International

August was a strong month for most global stock indices, with the S&P 500 up 3% for the month. Most commodity prices, with the exception of gold, weakened slightly during the month even though they remain up strongly for the year. The negative correlation between commodities and the dollar remains intact, as the US dollar appreciated slightly against most major currencies during the month.

There have been a number of developments which have caused investors to reassess Chinese regulatory risk upwards. This began with the withdrawal of ANT's (an associate of Alibaba) IPO last year and has continued with, amongst other things, an investigation into anti-competitive practices of its tech titans; as well as a ban on after school tutoring; additional restrictions on computer gaming amongst children; and pressure being applied on corporates to make donations to social causes. This has resulted in a broad-based sell-off of Chinese stocks (-12.3% year-to-date). While enhanced monitoring of regulatory risk within China is paramount, we continue to believe that China is an attractive investment destination. Consequently, in our view, the fall in share prices of Chinese stocks more than compensates for the increase in regulatory risk.

Elsewhere in the world, the withdrawal of the US from Afghanistan on August 30th took centre stage, having been involved in conflict in the country for twenty years. While the move has attracted widespread criticism, it is worth noting that the US has spent an estimated $2 trillion on the war and experienced 6,500 casualties, with little lasting progress having been made.

South Africa

Following the chaotic developments of last month, news out of South Africa was relatively muted.

Cyril Ramaphosa announced sweeping changes to his cabinet on August 5th although it was (in our opinion, correctly) viewed as a missed opportunity for him to remove certain serial underperforming members. Former Minister of Defence, Nosiviwe Mapisa-Nqakula, who attracted criticism for the way she handled last month's riots, effectively received a promotion – as the Speaker of Parliament she will earn more than she did previously as a minister.

Jacob Zuma succeeded in having himself removed from Estcourt Prison to hospital on medical grounds, although he has subsequently refused to subject himself to a Con Court ordered examination by the NPA doctors.

Risk Considerations and Important Information

Investment Policy

The Flagship IP Worldwide Flexible Fund of Funds is a Worldwide-Asset Allocation portfolio in the Flexible Portfolio Sector. The primary objective of the portfolio is to offer medium to long-term capital growth. The portfolio will invest in a range of participatory interests in equity, bond, money or property markets, in portfolios of collective investment schemes.

In order to achieve its objective, the investments normally to be included in the Flagship IP Worldwide Flexible Fund of Funds will, apart from assets in liquid form, consist of participatory interests of portfolios of collective investment schemes or other similar schemes, in equity, bond, money or property markets, registered in the Republic of South Africa, or of portfolios of collective investment schemes or other similar schemes operated in territories with a regulatory environment which is to the satisfaction of the Manager and the Trustee, and comply with the requirements of the Act and any regulations thereto.

TER and Transaction Costs

From 1 July 2018 to 30 June 2021 2.12% of the value of the fund was incurred as expenses relating to the administration of the fund. 0.23% of the value of the fund was incurred as costs relating to the buying and selling of the assets underlying the fund. Therefore, 2.35% of the value of the fund was incurred as costs relating to the investment of the fund. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's. Transaction Costs are a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER.

Fund Risk Profile

- The investment philosophy is medium to long term in nature but with a conservative bias. The use of several managers diversifies the single-manager and single-style risk associated with investing through one asset manager only. Asset allocation is adjusted according to changes in market conditions..

LOWER RISK — HIGHER RISK

Potentially lower reward — Potentially higher reward

1	2	3	4	**5**	6	7

- Shares are potentially volatile investments and there is a risk of capital loss over the short term.
- Foreign securities may have additional material risks, depending on the specific risks affecting that country, such as: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information.
- Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down.

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