Benchmark Retirement Fund

Benchmark Retirement Fund

Quarterly Investment Report: As at 31 March 2021

Table of Contents

Introduction

This document has been compiled with the aim of providing members of the Benchmark Retirement Fund with an overview of the investment options offered to enable them to make informed decisions regarding the investment of their retirement assets.

The following portfolios are offered to members:

Investment Portfolio	Risk Categorisation	Asset Manager's Explicit Performance Objective	Return Expectations derived from Historical Experience (Before Fees)
Allan Gray Namibia Balanced Fund*	Moderate	None	CPI+5% to 6%
Ninety One Namibia Managed Namibia Fund	Moderate	None	CPI+5% to 6%
NAM Coronation Balanced Plus Fund	Moderate	None	CPI+5% to 6%
Old Mutual Namibian Profile Pinnacle Fund [i]	Moderate	None	CPI+5% to 6%
Prudential Namibian Balanced Fund	Moderate	None	CPI+5% to 6%
Standard Bank Namibia Managed Fund	Moderate	None	CPI+5% to 6%
Hangala Capital Absolute Balanced Fund**	Moderate	CPI+5%	CPI+5%
Benchmark Default Portfolio***	Moderate	-	CPI+5%
Old Mutual Namibia Absolute Stable Growth Fund****[i]	Moderate-Low	CPI+4.5%	CPI+4.5%
NAM Coronation Capital Plus Fund	Moderate-Low	CPI+4% (1 year)	CPI+4%
Prudential Namibian Inflation Plus Fund	Moderate-Low	CPI+4%	CPI+4%
Sanlam Namibia Inflation Linked Fund [i]	Moderate-Low	CPI+4%	CPI+4%
NAM Coronation Balanced Defensive Fund	Moderate-Low	IJG Money Market + 3%	CPI+2% to 3%
Sanlam Namibia Absolute Return Plus Fund [i]	Low	CPI +2%	CPI +2%
Capricorn Stable Fund	Low	CPI+2% (2 years)	CPI +2%
Sanlam Namibia Active Fund	Low	1-3 year ALBI	CPI+1% to 2%
Capricorn Investment Fund	Capital Preservation	7 day Repo Rate	CPI to CPI + 1%

*Segregated Portfolio
**Hangala Capital Closed since January 2017 for new investors.
***The Benchmark Default Portfolio is a combination of Allan Gray Namibia Balanced Fund (Segregated) (50%), Prudential Namibia Inflation Plus Fund (25%) and Sanlam Inflation Linked Fund (25%).
****This is a 80% guaranteed portfolio and has an additional capital charge over and above the investment fees. This portfolio is closed for new investments since May 2020. A new series has since been created.
i- Insurance Policy.

Investment Returns

In order to achieve an adequate salary replacement ratio it is imperative that members achieve a real investment return, i.e. a return in excess of price inflation. Refer to Annexure A for an indication of the relationship between investment returns and the salary replacement ratio.

While a real investment return should ideally be set as the explicit performance objective of an investment portfolio, a number of investment portfolios that are suitable for retirement funds, do not have an explicit performance objective related to inflation. The member will therefore have to consider the historic performance experience of an investment portfolio in relation to inflation as a proxy of potential returns in order to link a specific investment portfolio to the salary replacement ratio. It must be noted that the historic performance experience is not guaranteed to be achieved in future. While each investment portfolio will have an internal benchmark as stated by the Investment Manager in the portfolio mandate, that benchmark may not be an explicit real investment return.

Risk

The risk rating of an investment portfolio gives an indication of how volatile investment returns may be and therefore is also an indication of the risk that the investment return per the investment mandate may not be achieved. The risk categories have the following meaning:

- **Aggressive risk portfolios:** Short term negative returns are possible with this type of portfolio. Exposure to equities (shares) is normally maximised for these types of portfolios in order to achieve the return objective. Maximisation of equity exposure however takes place within the prudential investment guidelines laid down by the Pension Funds Act. Investment returns can be very volatile.

- **Moderate risk portfolios:** This type of portfolio will have large exposure to growth assets (shares and property) at times and as such short term negative returns are possible. Investment returns can be volatile.

- **Moderate-low risk portfolios:** This type of portfolio also has exposure to growth assets (shares and property) but typically at lower levels than the moderate risk portfolios. They aim to have minimal negative returns and therefore have a lower risk profile than the moderate risk portfolios. Investment returns can still be volatile.

- **Low risk portfolios:** This type of portfolio should have minimal negative returns over a rolling 12-month period.

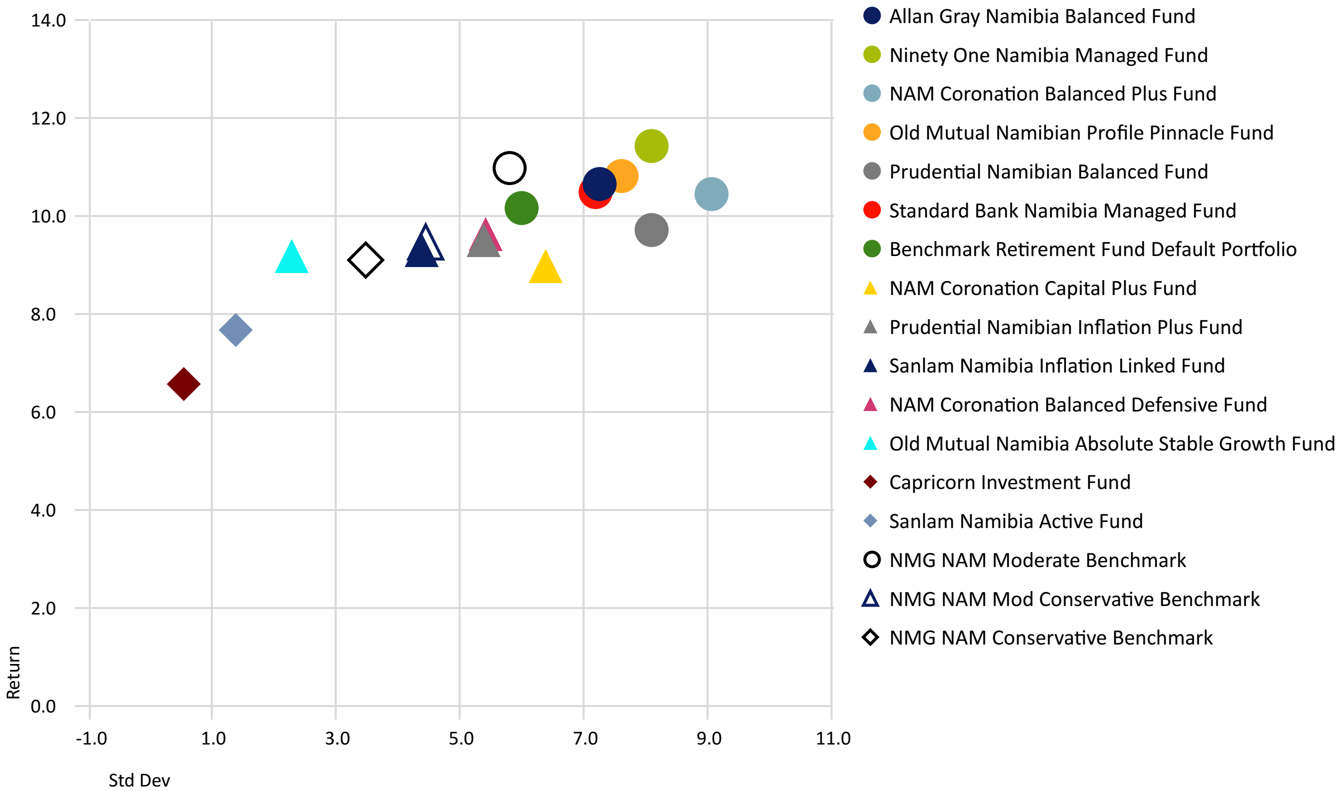
- **Capital preservation portfolios:** There should be no risk of capital loss on a monthly basis.

Investment return and risk are correlated; while the correlation cannot be defined in absolute terms, it is generally accepted that an investor would require compensation in the form of investment returns in return for the investment risk taken.

Introduction

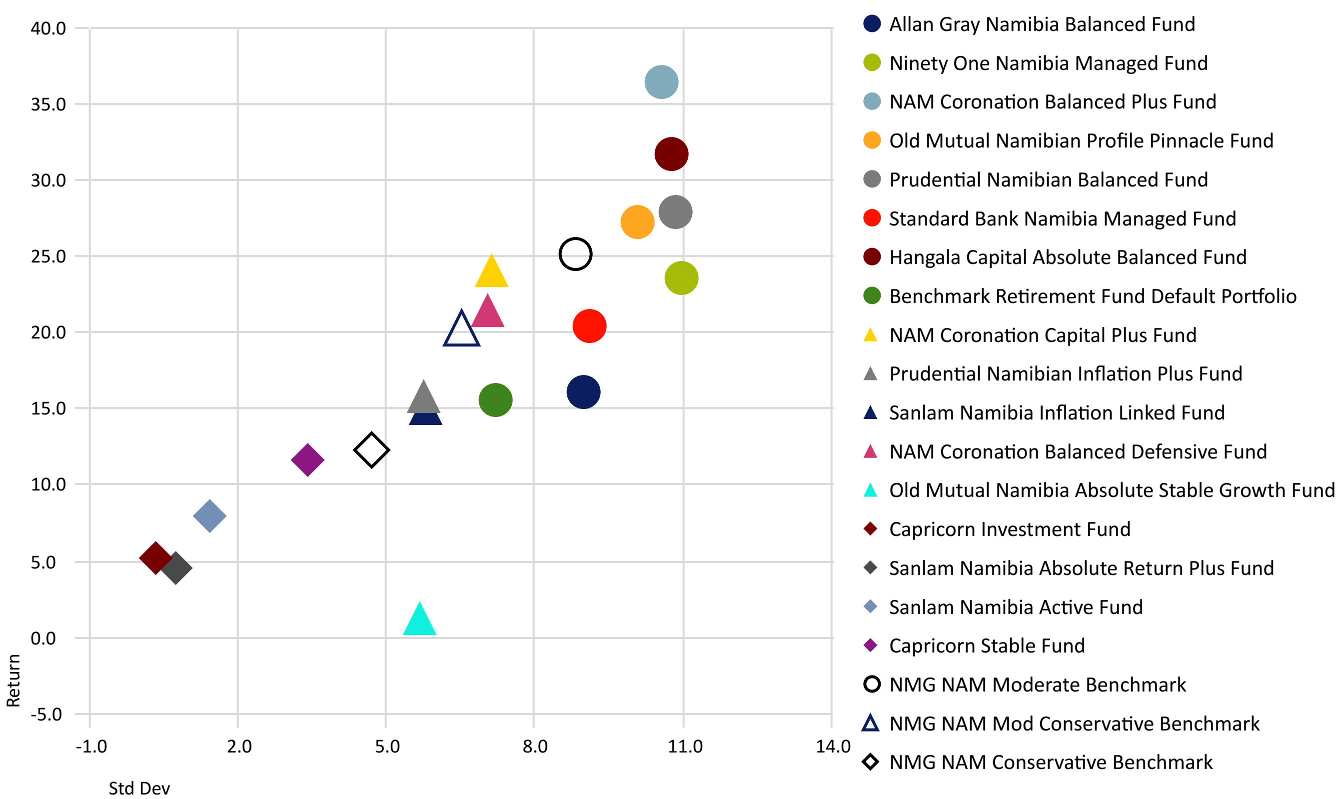
Risk-Reward - Over the long term

Time Period: 01 Apr 2011 to 31 Mar 2021



Risk-Reward - Over the short term

Time Period: 01 Apr 2020 to 31 Mar 2021



Source: Morningstar Direct

Market Overview

Quarter 1 of 2021 was another strong quarter for global markets, and a few more so than the JSE. Local markets ended the first quarter up a mammoth 13%, extending its run of positive returns to 5 months with the JSE All Share Index rallying over 30% since the first Covid vaccine was announced last November. The Reserve bank has remained accommodative after it left rates unchanged at 3.5% during the quarter. This as inflation remains subdued with the latest February print coming in at just 2.9%. Both the SARB and IMF revised their 2021 GDP growth outlook upwards for South Africa to +3.8% and 3.1% respectively. Things are also looking encouraging from a fiscal position as SARS collected R38bn more in revenue than the budget forecast, thanks largely to contributions from the mining sector, which are benefiting momentously from improved commodity prices.

The improvement in global markets has largely been driven by the observed increase in global risk sentiment, with markets seemingly pricing in a rapid global recovery, led by the massive vaccine rollout efforts. The UK and US have been the two leading developed economies with regards to vaccinations administered. More than 50% of the UK and US population has already received at least one vaccine jab. Interestingly, however, an emerging market country is leading the inoculation race- in the form of Israel- who have over 54% of their population fully vaccinated. While many rich countries have managed to either produce or procure enough vaccine doses to fully inoculate their populations several times over, a number of emerging economies have struggled to guarantee supplies. The South African government had fallen behind a number of international and even African peers, as the country administered less than 300k doses (as at 31 March 2021). The most recent reports, however, suggest that South Africa finally procured sufficient Covid-19 vaccines to vaccinate around 40 million South Africans, or the countries entire adult population, thanks to deals made with both Pfizer and J&J.

The second catalyst for markets has been the ultra-accommodative policy backdrop. The US has issued unprecedented levels of stimulus, with the US Congress passing another $1.9tr stimulus package in March - the total Covid-19 stimulus now amounts to 26.5% of GDP. Further to this, President Joe Biden unveiled a $2.3trn American Jobs Plan at the end of March, which proposes a multi-trillion-dollar infrastructure investment focused on roads, bridges, clean energy, and high-speed internet infrastructure. This spending will come at a cost and as a result, the US Presidency has substantial increases on corporate taxes (a highly contested topic). Furthermore, the US Federal Reserve left the fed funds rate unchanged at 0.00% to 0.25%. Jerome Powell reiterated the Fed's willingness to allow inflation to overshoot the 2% target for an extended period of time before considering a rate hike, as the Fed continues to focus on full employment targeting. This comes amidst increasing inflationary concerns by the market, resulting in a sharp selloff in US bonds, returning -3.1% for the quarter. The major US stock markets, however, ended the quarter in the green, with the S&P 500, Dow Jones, and Nasdaq returning +5.8%, +7.8%, and +2.8% respectively.

Chinese stock markets have come under significant pressure. To rein in their rising influence on the online economy, the Chinese government continues to increase its regulation of the major tech companies, such as Alibaba and Tencent. Chinese markets were, however, buoyed by better than expected manufacturing PMI data of 51.9 (above 50 indicating manufacturing expansion) during March. The Hong Kong Shanghai Composite returned -0.9% for the quarter.

European Markets also had a strong start to the year with the German Dax returning +9.4%, France's CAC up +9.3%, and the UK market rising 3.9% over the first three months of the year.

In Namibia an average inflation rate of 3.2% y/y in 2021 and 4.3% in 2022 is forecast, indicating a gradual increase in the inflation rate over the next two years and that inflation will likely remain relatively low over this period. This, coupled with high unemployment and struggling economic growth means that it is unlikely that interest rates will be raised in the short term.

The Bank of Namibia has painted a hopeful picture for the Namibian economy – predicting growth of 2.7% for this year after experiencing a contraction of 8.0% in 2020. This, however, largely hinges on the opening of the global economy, mass vaccinations domestically, and trading partners. In its recent economic outlook update for February 2021, the central bank projected an economic recovery of 2.7% set to be driven by the primary sector as usual. Gradual recovery also depends on the opening of other economies, and effective vaccination rollouts domestically.

The NSX Local index continued to have a tough quarter, detracting -2.0% as liquidity constraints continue to keep pressure on prices. NSX Overall returned 9.9% for the quarter, dual-listed counter Anglo American doing most of the heavy lifting.

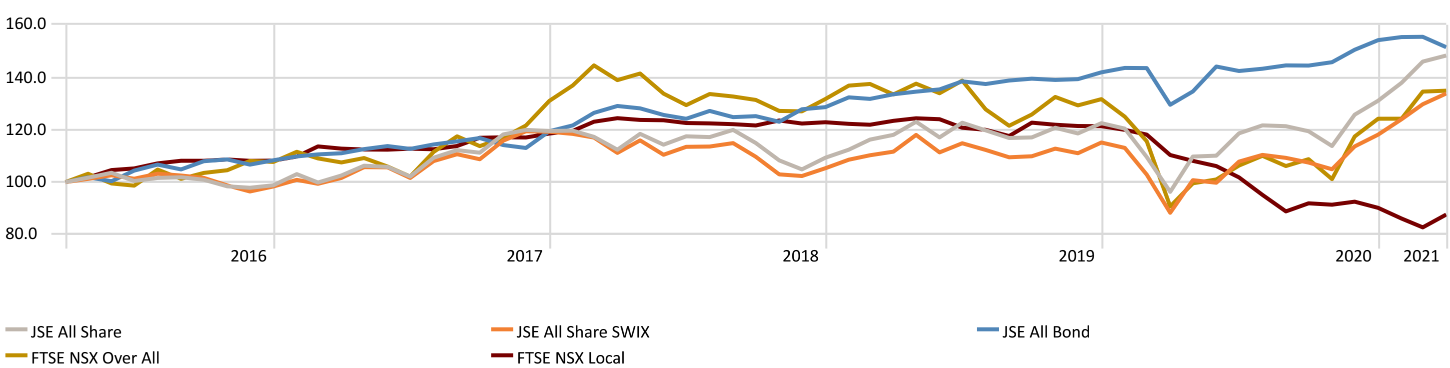
While it is difficult not to get overly optimistic after such a strong quarter, one needs to be cognizant of the fact that Covid-19 is not quite a thing of the past. Although World leaders and policymakers will strive to maintain the momentum gained over the past number of months, an eye must be kept on various risk factors such as fiscal debt levels and rising inflation. The outcome of this balancing act is yet to be seen, but we do remain cautiously optimistic.

Key Indicators as at 31/03/2021

N/US$	N14.92/$
N/£	N20.40£
N/€	N17.48/€
NAM Inflation rate	3.10%
NAM repo rate	3.75%
Oil Price (per barrel)	US$64.14/barrel
Gold Price (per oz)	US$1 685.20/oz

Investment Growth for Selected Indices

Time Period: 01 Apr 2016 to 31 Mar 2021



Investment Growth for Selected Indices

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
JSE All Share	13.1	13.1	54.0	9.7	8.2	10.9
JSE All Share SWIX	13.3	13.3	51.5	6.4	6.0	10.6
JSE All Bond	-1.7	-1.7	17.0	5.5	8.7	8.2
FTSE NSX Over All	8.6	8.6	48.6	-1.0	6.2	4.3
FTSE NSX Local	-2.8	-2.8	-20.6	-11.0	-2.6	9.8

Source: Morningstar Direct

Market Overview

Periodic Table

Best

2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD
JSE Industrial 44.5	MSCI World 57.2	JSE Financial 15 27.8	MSCI World 33.5	JSE SA Resources 34.2	JSE Industrial 25.4	JSE SA Resources 15.5	JSE SA Resources 28.5	MSCI World 22.4	JSE SA Resources 18.7
JSE Financial 15 37.8	JSE Industrial 38.1	JSE SA Listed Property 26.6	FTSE NSX Local 28.0	FTSE NSX Over All 23.5	JSE Financial 15 24.4	JSE All Bond 7.7	MSCI World 24.8	JSE SA Resources 21.2	FTSE/JSE All Share TR ZAR 13.1
JSE SA Listed Property 35.9	FTSE/JSE All Share TR ZAR 21.4	FTSE NSX Local 17.3	JSE Industrial 17.9	JSE All Bond 15.4	FTSE NSX Over All 21.6	STeFI 3 Month 6.9	FTSE/JSE All Share TR ZAR 12.0	JSE Industrial 14.2	JSE Industrial 12.4
FTSE/JSE All Share TR ZAR 26.7	FTSE NSX Local 21.3	JSE Industrial 17.2	JSE SA Listed Property 8.0	JSE SA Listed Property 10.2	FTSE/JSE All Share TR ZAR 21.0	MSCI World 6.7	JSE Industrial 11.0	JSE All Bond 8.7	FTSE NSX Over All 8.6
FTSE NSX Local 23.7	JSE Financial 15 19.8	MSCI World 16.5	STeFI 3 Month 6.1	FTSE NSX Local 9.9	JSE SA Resources 17.9	FTSE NSX Local 3.6	JSE All Bond 10.3	FTSE/JSE All Share TR ZAR 7.0	JSE SA Listed Property 6.4
MSCI World 22.5	JSE SA Listed Property 8.4	FTSE/JSE All Share TR ZAR 10.9	FTSE/JSE All Share TR ZAR 5.1	STeFI 3 Month 7.0	JSE SA Listed Property 17.2	FTSE NSX Over All 0.5	STeFI 3 Month 6.9	STeFI 3 Month 4.8	MSCI World 5.6
FTSE NSX Over All 17.4	STeFI 3 Month 5.0	FTSE NSX Over All 10.2	JSE Financial 15 1.1	JSE Financial 15 3.6	MSCI World 11.4	JSE Financial 15 -4.1	JSE SA Listed Property 1.9	FTSE NSX Over All -5.7	JSE Financial 15 2.3
JSE All Bond 15.9	JSE SA Resources 1.4	JSE All Bond 10.1	JSE All Bond -3.9	FTSE/JSE All Share TR ZAR 2.6	JSE All Bond 10.2	FTSE/JSE All Share TR ZAR -8.5	JSE Financial 15 0.9	JSE Financial 15 -19.7	STeFI 3 Month 0.8
STeFI 3 Month 5.3	FTSE NSX Over All 1.3	STeFI 3 Month 5.7	FTSE NSX Over All -21.2	MSCI World -4.6	FTSE NSX Local 9.5	JSE Industrial -17.9	FTSE NSX Over All 0.0	FTSE NSX Local -25.7	JSE All Bond -1.7
JSE SA Resources 3.1	JSE All Bond 0.6	JSE SA Resources -14.7	JSE SA Resources -37.0	JSE Industrial -8.5	STeFI 3 Month 7.1	JSE SA Listed Property -25.3	FTSE NSX Local -1.2	JSE SA Listed Property -34.5	FTSE NSX Local -2.8

Worst

Asset Class Periodic Returns

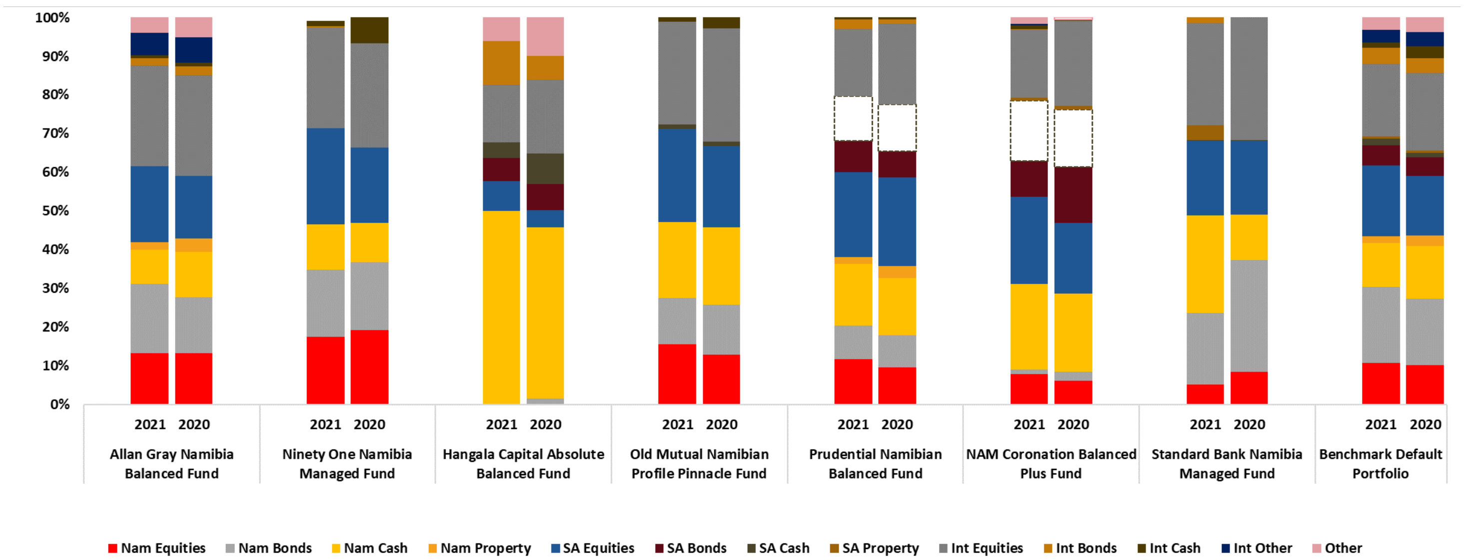
	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
FTSE/JSE All Share TR ZAF	13.1	13.1	54.0	9.7	8.2	10.9
JSE SA Resources	18.7	18.7	92.5	30.5	23.4	5.6
JSE Industrial	12.4	12.4	37.0	8.7	6.2	15.0
JSE Financial 15	2.3	2.3	37.1	-7.0	-0.6	8.7
JSE SA Listed Property	6.4	6.4	34.4	-12.9	-9.0	4.4
JSE All Bond	-1.7	-1.7	17.0	5.5	8.7	8.2
STeFI 3 Month	0.8	0.8	4.0	5.9	6.4	6.0
MSCI World	5.6	5.6	28.0	22.1	14.1	19.5
FTSE NSX Local	-2.8	-2.8	-20.6	-11.0	-2.6	9.8
FTSE NSX Over All	8.6	8.6	48.6	-1.0	6.2	4.3

Source: Morningstar Direct

Performance Comparison

Moderate Risk Portfolios

Asset Allocation as at 31 March 2021 as compared to 31 March 2020



Notes 31 March 2021:

1. Allan Gray: International Other represents Property, Hedged Equity & Commodities
2. Allan Gray: Other represents SA and Namibia Commodities
3. Allan Gray: International Equity represents Net Equity
4. Default: International Other represents Property, Hedged Equity and Commodities.
5. NAM Coronation Balanced: Other represents Commodities and preference shares and International Other represents property and commodities.
6. NAM Coronation and Prudential use derivatives to gain additional exposure to certain assets beyond 100%. Thus the cash allocation has an offsetting negative exposure, representing the liability or cash that is 'owed' for these assets. The total thus represents the "Notional Cash Value" for the entire effective derivative exposure.
7. Negative allocation to an asset class is represented by dashed bars.
8. Hangala Absolute: Other represents Preference shares and investment in a clean energy and infrastructure fund

Notes 31 March 2020:

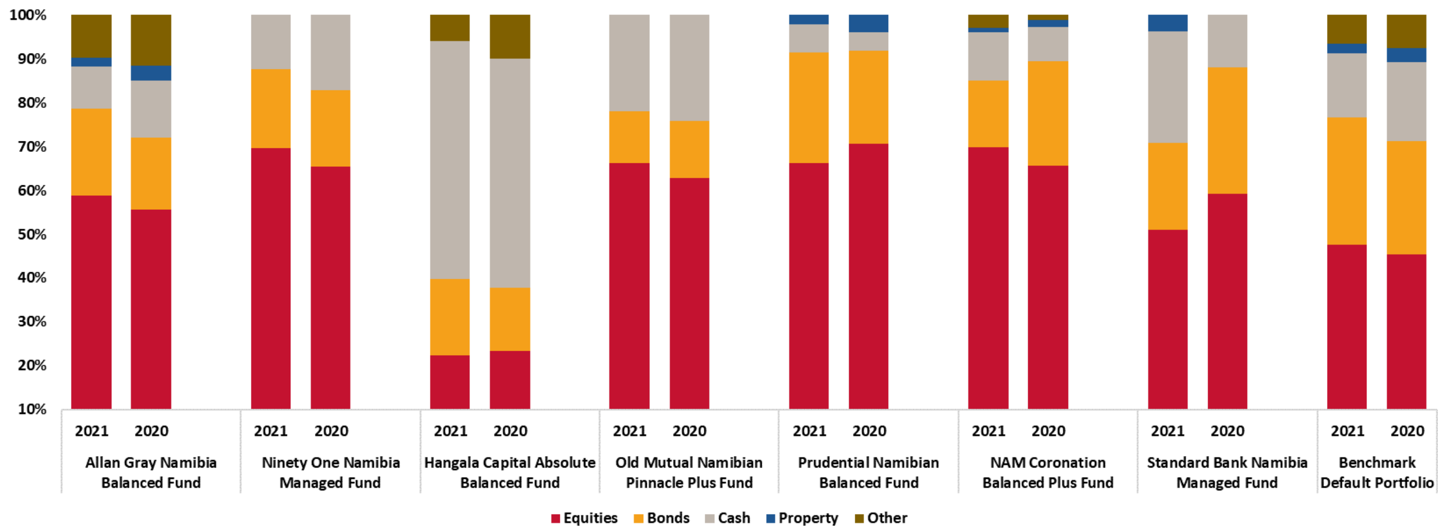
1. Allan Gray: International Other represents Property, Hedged Equity & Commodities
2. Allan Gray: Other represents SA and Namibia Commodities
3. Allan Gray: International Equity represents Net Equity
4. Default: International Other represents Property, Hedged Equity and Commodities.
5. NAM Coronation Balanced Plus: Other represents Commodities and International Other represents Property.
6. NAM Coronation and Prudential use derivatives to gain additional exposure to certain assets beyond 100%. Thus the cash allocation has an offseting negative exposure, representing the liability or cash that is 'owed' for these assets. The total thus represents the "Notional Cash Value" for the entire effective derivative exposure.
7. Negative allocation to an asset class is represented by dashed bars.
8. Hangala Absolute: Other represents Preference shares and investment in a clean energy and infrastructure fund

Source: Morningstar Direct

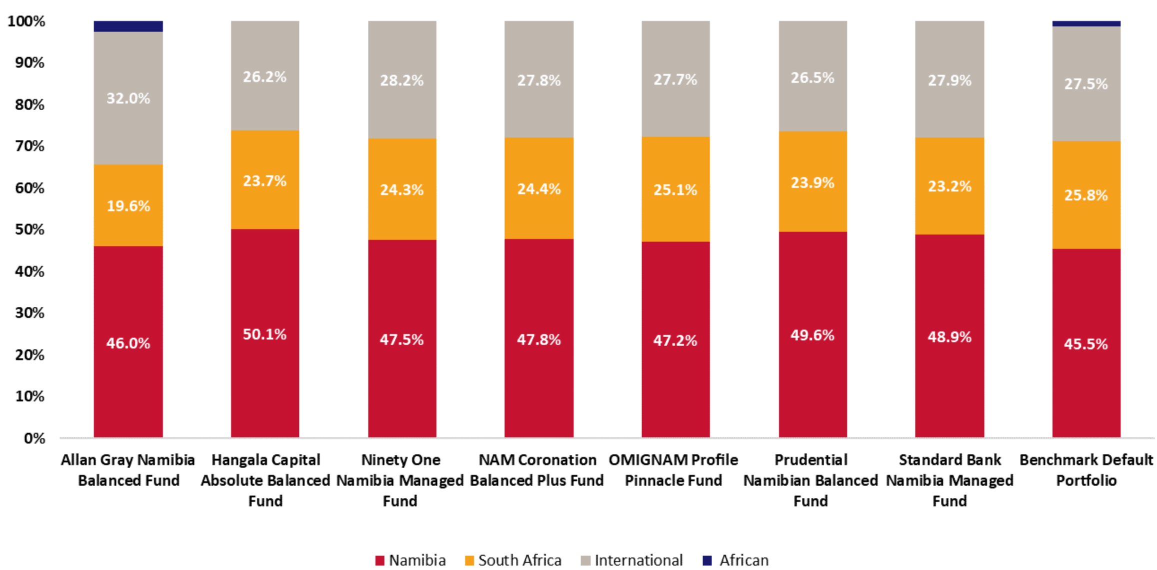
Performance Comparison

Moderate Risk Portfolios

Asset Allocation as at 31 March 2021 as compared to 31 March 2020



Geographical Split as at 31 March 2021:

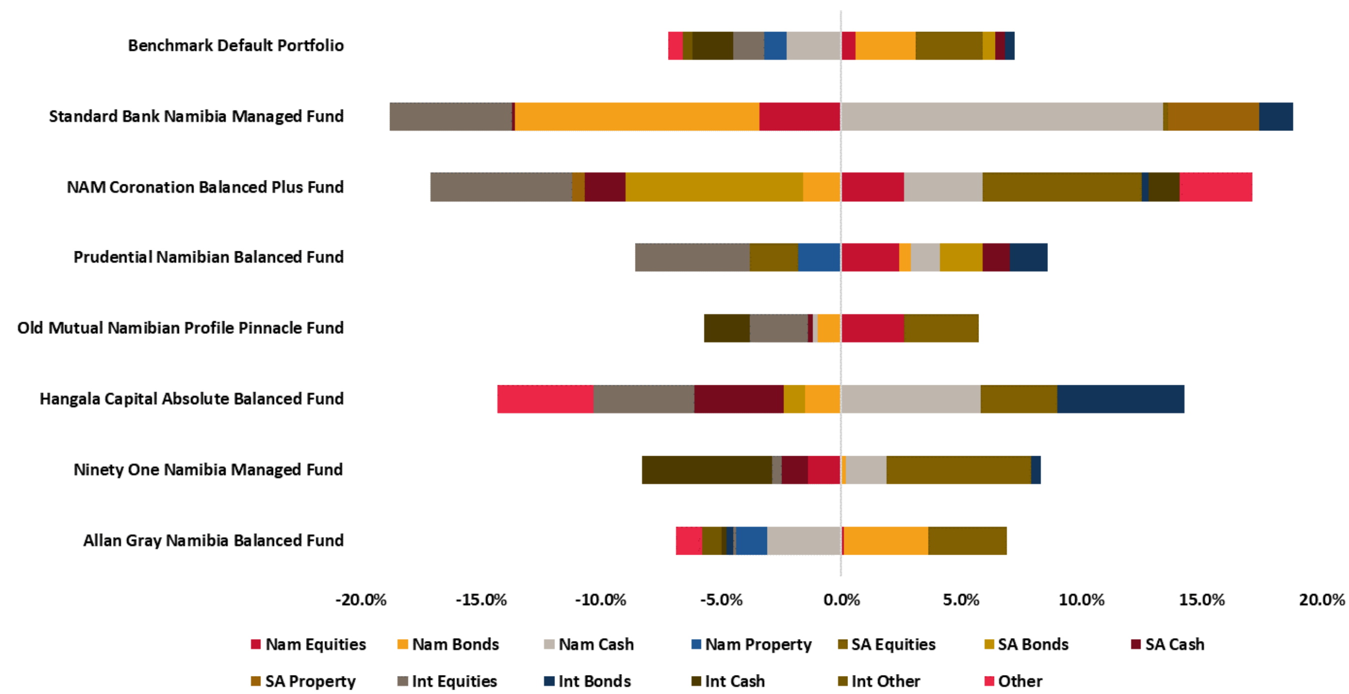


Notes:
Allan Gray: 2.4% African
Benchmark Default: 1.2% African

Performance Comparison

The following graph illustrates the changes that were made to the managers' asset allocation over the 12 month period ending **31 March 2021.** In the event that the allocation to an asset class was decreased, the change would be indicated on the left hand side of the vertical axis, and vice versa.

Change in Asset Allocation



Standard bank, NAM Coronation Balanced, Prudential and Hangala, made the most changes to their portfolio over the year, while Allan Gray and Old Mutual had the least amount of changes. On average, managers increased their exposure to both South African and Namibian assets, with SA Equity exposures increasing most over the year. This change has been funded by a relative fall in International Assets, which has been negatively affected by the significant local currency appreciation over the last twelve months.

Source: Morningstar Direct

Performance Comparison

Moderate Risk Portfolios

Trailing Returns as at 31 March 2021

	1 Year	3 Years	5 Years	10 Years
Allan Gray Namibia Balanced Fund	16.1	6.2	5.6	10.7
Hangala Capital Absolute Balanced Fund	31.7	7.3	6.0	—
NAM Coronation Balanced Plus Fund	36.4	8.6	6.5	10.4
Ninety One Namibia Managed Fund	23.6	9.6	7.5	11.4
Old Mutual Namibian Profile Pinnacle Fund	27.2	8.2	7.5	10.8
Standard Bank Namibia Managed Fund	20.4	9.8	7.4	10.5
Prudential Namibian Balanced Fund	27.9	7.2	6.8	9.7
Benchmark Retirement Fund Default Portfolio	15.5	6.5	5.8	10.1
NMG SA Moderate Benchmark	29.4	10.1	8.4	11.1
NMG NAM Moderate Benchmark	25.1	10.4	10.2	11.0
FTSE/JSE All Share TR ZAR	54.0	9.7	8.2	10.9
NAM CPI + 6%	9.3	9.5	10.3	11.2

Trailing Returns as at 31 March 2020

	1 Year	3 Years	5 Years	10 Years
Allan Gray Namibia Balanced Fund	-4.1	2.8	5.8	10.0
Hangala Capital Absolute Balanced Fund	-12.1	0.0	-0.2	—
NAM Coronation Balanced Plus Fund	-10.8	-0.4	1.3	7.3
Ninety One Namibia Managed Fund	-2.6	4.4	4.6	10.3
Old Mutual Namibian Profile Pinnacle Fund	-7.2	2.5	4.0	9.5
Standard Bank Namibia Managed Fund	-1.5	5.5	4.5	10.1
Prudential Namibian Balanced Fund	-10.3	1.3	3.1	7.9
Benchmark Retirement Fund Default Portfolio	-3.1	3.4	5.2	9.6
NMG SA Moderate Benchmark	-4.5	3.7	4.3	9.4
NMG NAM Moderate Benchmark	-2.5	6.5	6.5	9.5
FTSE/JSE All Share TR ZAR	-18.4	-2.1	-0.1	7.7
NAM CPI + 6%	8.5	9.7	11.1	11.2

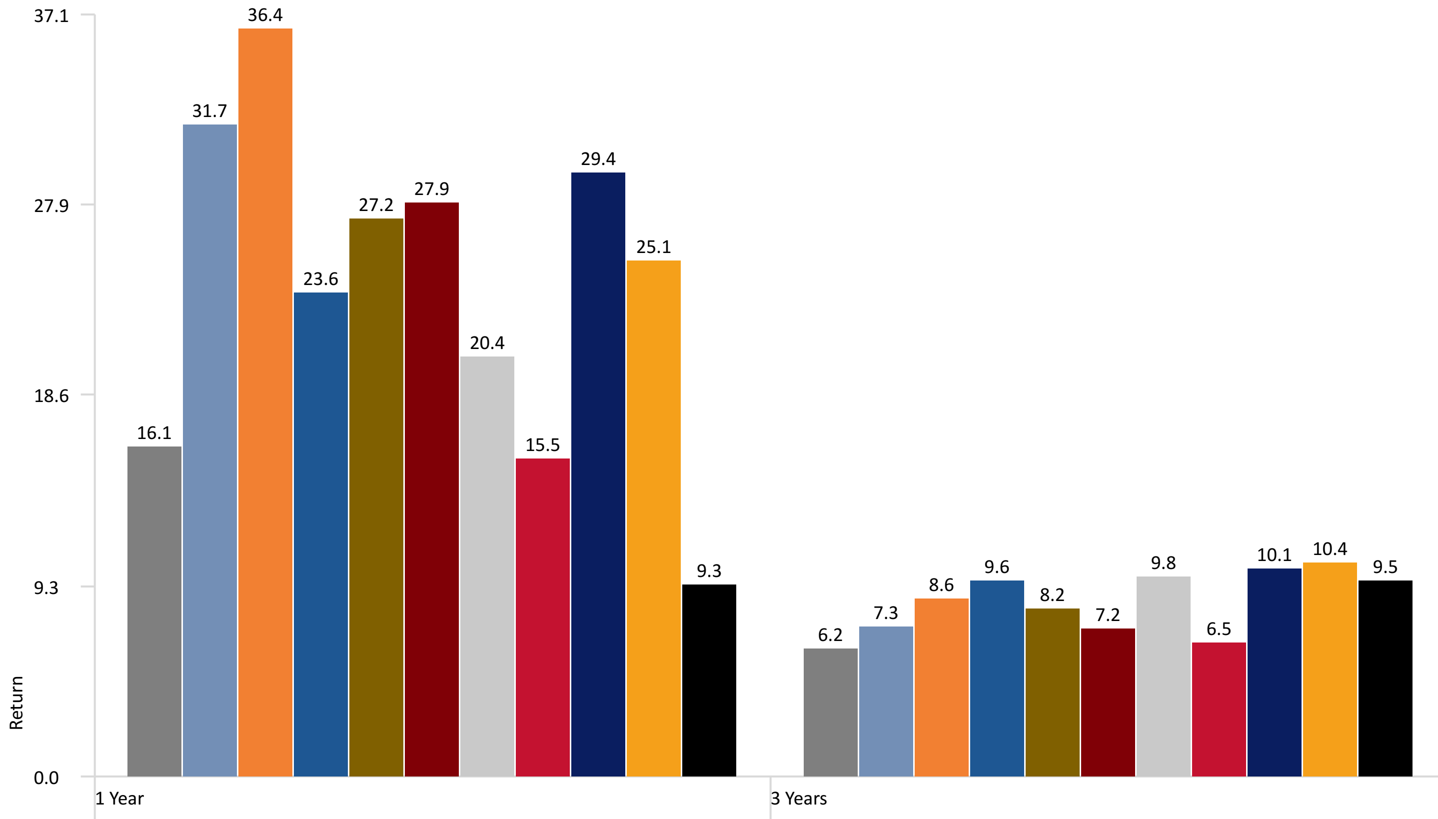
The returns for the Default Portfolio and the Allan Gray Namibia Balanced Fund (segregated) are received from Retirement Fund Solutions. The returns for the Old Mutual AGP portfolios are sourced from the NMG Survey data. The remaining returns are net money-weighted rate of return values calculated by NMG Investment Consultants from the data provided by the individual asset managers.

Source: Morningstar Direct

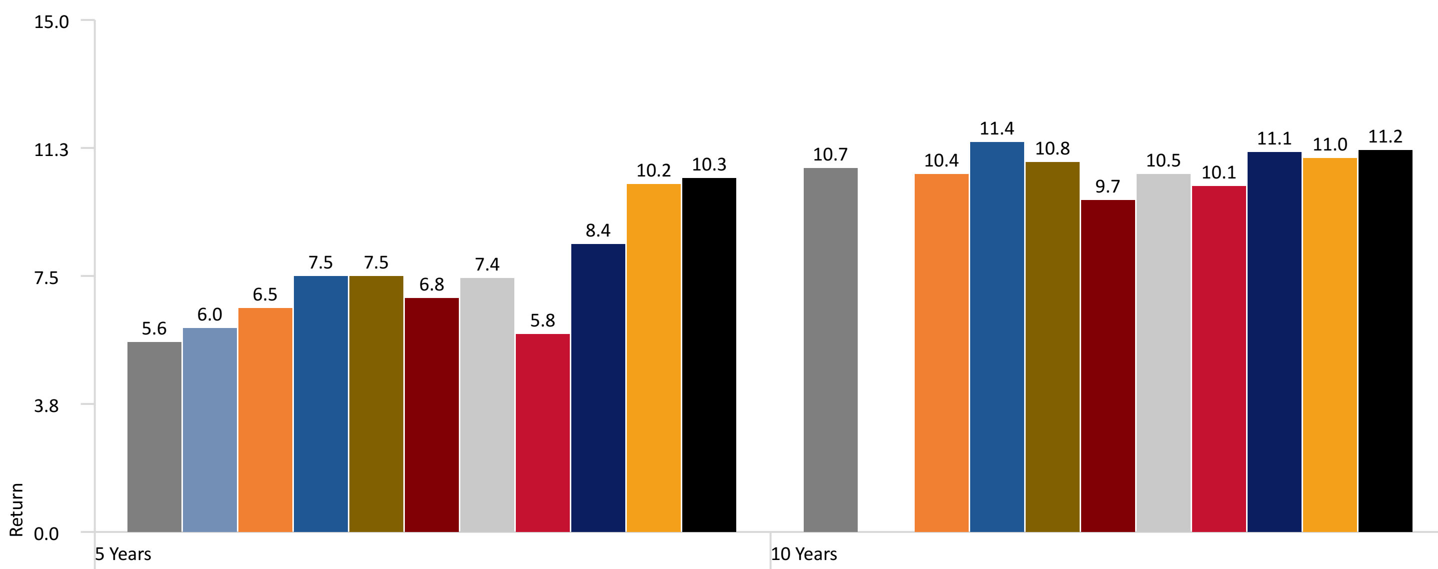
Performance Comparison

Moderate Risk Portfolios

1 & 3 year performance for the period ended 31 March 2021



5 & 10 years performance for the period ending 31 March 2021



Allan Gray Namibia Balanced Fund
Hangala Capital Absolute Balanced Fund
NAM Coronation Balanced Plus Fund
Ninety One Namibia Managed Fund
Old Mutual Namibian Profile Pinnacle Fund
Prudential Namibian Balanced Fund
Standard Bank Namibia Managed Fund
Benchmark Retirement Fund Default Portfolio
NMG SA Moderate Benchmark
NMG NAM Moderate Benchmark
NAM CPI + 6%

Source: Morningstar Direct

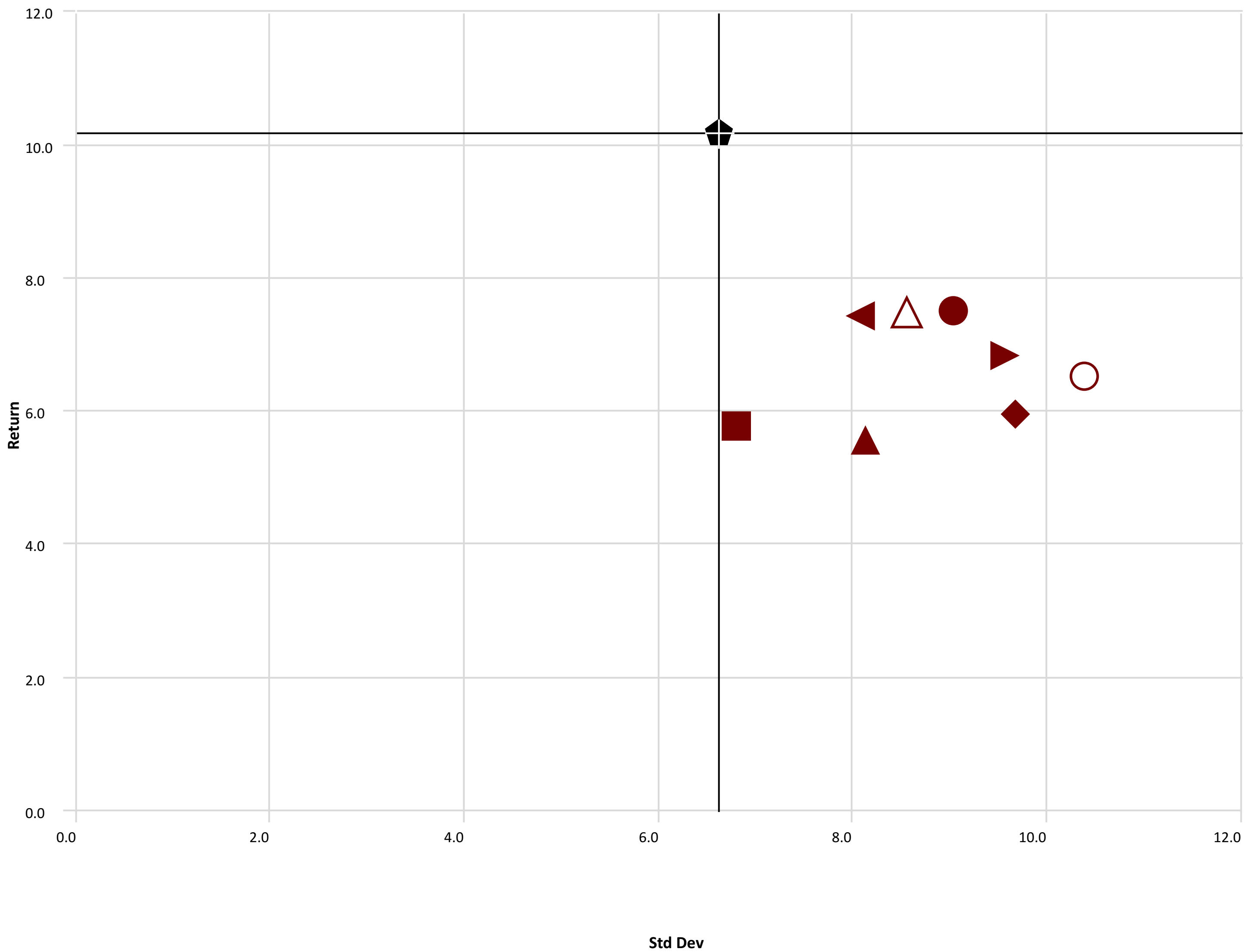
Performance Comparison

Moderate Risk Portfolios: Volatility vs Return

The following graph illustrates the volatility and return statistics of the moderate portfolios for a 5 year period. These returns are **net** of all investment charges.

Risk-Reward

Time Period: 01 Apr 2016 to 31 Mar 2021



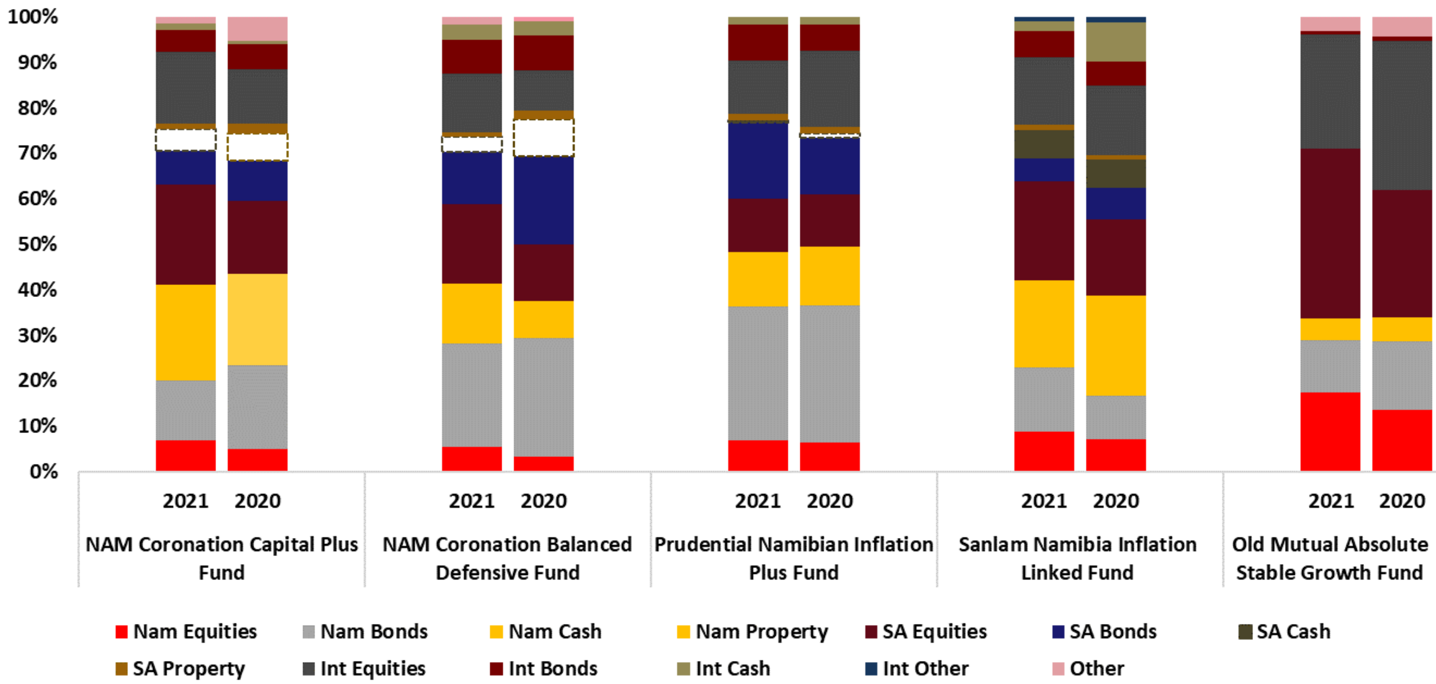
- ▲ Allan Gray Namibia Balanced Fund
- ◆ Hangala Capital Absolute Balanced Fund
- ● Ninety One Namibia Managed Fund
- O NAM Coronation Balanced Plus Fund
- △ Old Mutual Namibian Profile Pinnacle Fund
- ▶ Prudential Namibian Balanced Fund
- ◀ Standard Bank Namibia Managed Fund
- ■ Benchmark Retirement Fund Default Portfolio
- ⬟ NMG NAM Moderate Benchmark

Source: Morningstar Direct

Performance Comparison

Moderate-Low Risk Portfolios

Asset Allocation as at 31 March 2021 as compared to 31 March 2020



Notes 31 March 2021:
1. NAM Coronation Capital Plus: International Other represents Commodities
2. Sanlam Namibia Inflation Linked: International Other represents Property
3. NAM Coronation Balanced Defensive SA Cash position includes an **off-set or "Notional Cash value"** for all derivative effective exposure.
4. NAM Coronation Capital Plus SA Cash position includes an **off-set or "Notional Cash value"** for all derivative effective exposure.
5. NAM Coronation Capital Plus & NAM Coronation Balanced Defensive: SA & NAM Other represents Commodities, Preference shares and other securities
6. Old Mutual Stable Growth: Other represents Namibian Alternative Investments

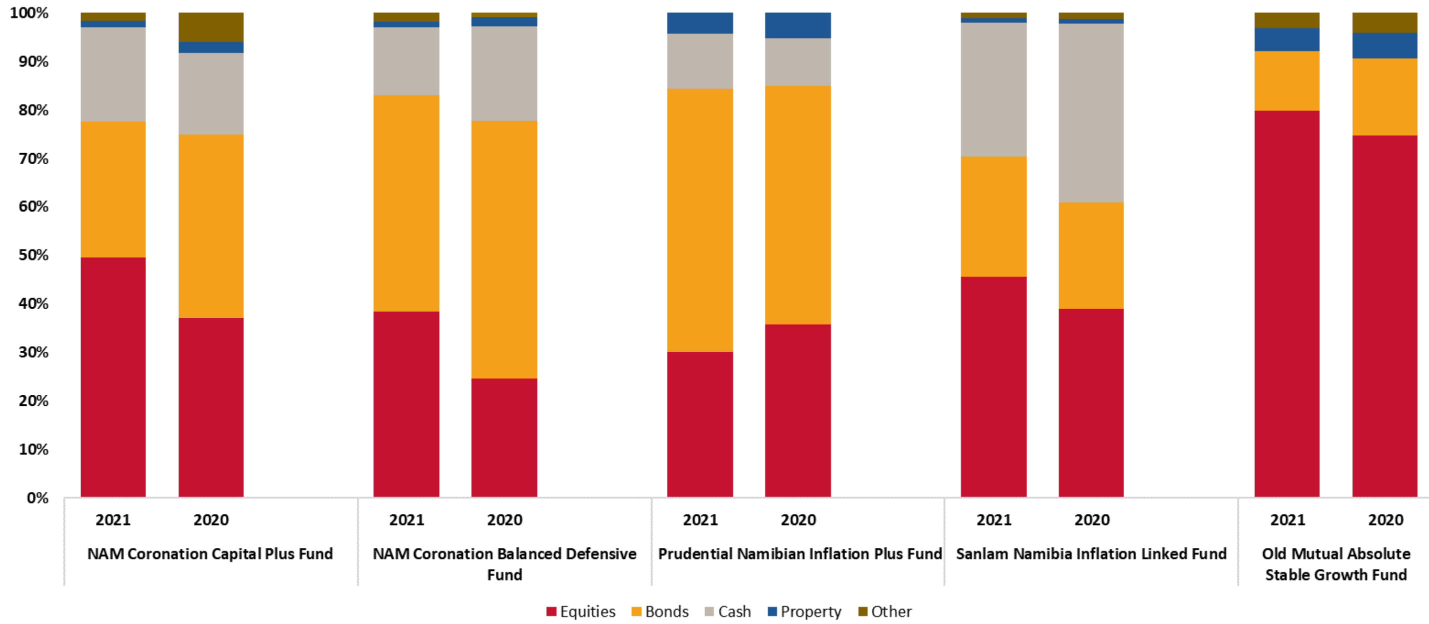
Notes 31 March 2020:
1. NAM Coronation Capital Plus: International Other represents Commodities
2. Sanlam Namibia Inflation Linked: International Other represents Property
3. NAM Coronation Balanced Defensive NAM Cash position includes an **off-set or "Notional Cash value"** for all derivative effective exposure.
4. NAM Coronation Capital Plus SA Cash position includes an **off-set or "Notional Cash value"** for all derivative effective exposure.
5. NAM Coronation Capital Plus & NAM Coronation Balanced Defensive: SA & NAM Other represents Commodities, Preference shares and other securities
6. Old Mutual Stable Growth: Other represents Namibian Alternative Investments

Source: Morningstar Direct

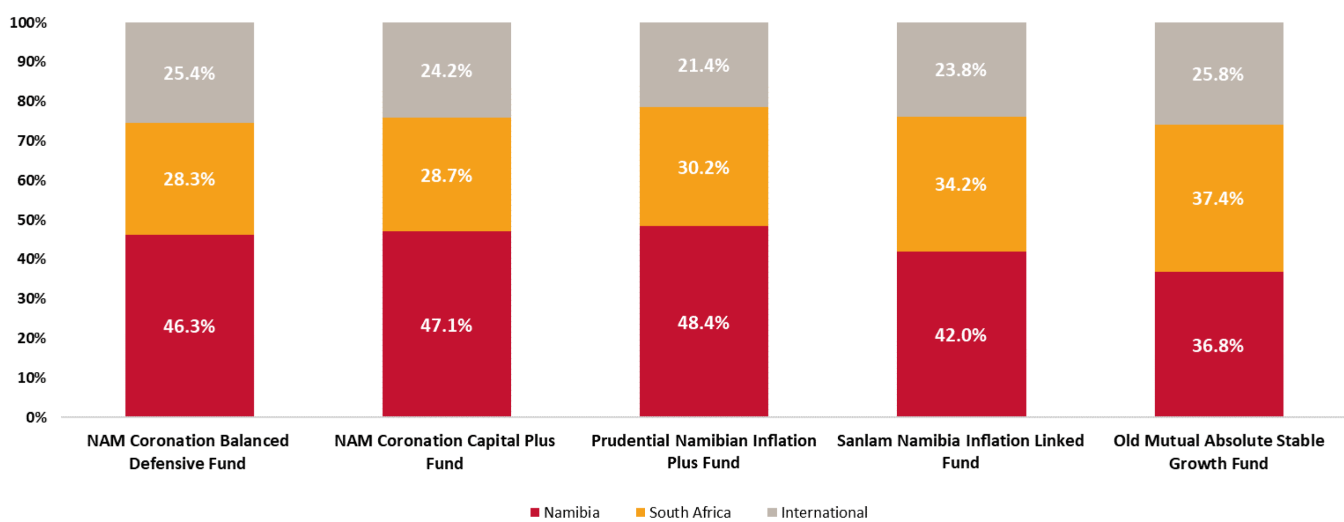
Performance Comparison

Moderate-Low Risk Portfolios

Asset Allocation as at 31 March 2021 as compared to 31 March 2021



Geographical Split as at 31 March 2021:



*Note: Sanlam and Old Mutual portfolios are classified as insurance policies and therefore their Namibian exposure is managed in accordance with the life company's balance sheet exposure

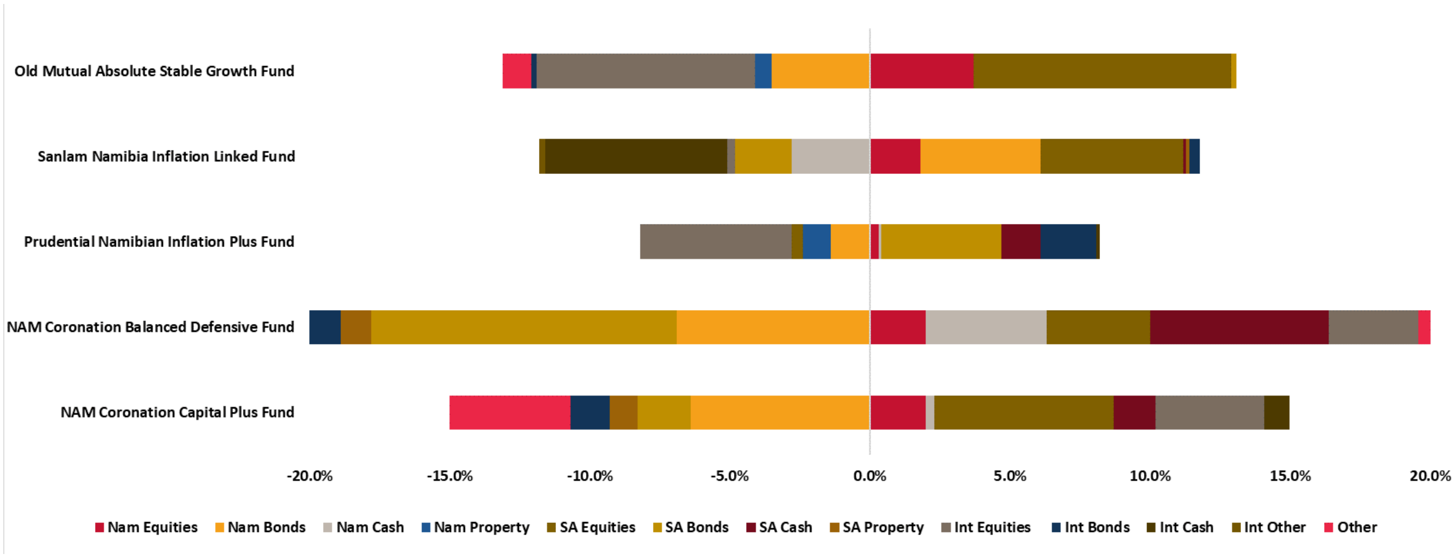
Source: Morningstar Direct

Performance Comparison

Moderate-Low Risk Portfolios

Change in Asset Allocation

The following graph illustrates the changes that were made to the managers' asset allocation over the 12 month period ending **31 March 2021.** In the event that the allocation to an asset class was decreased, the change would be indicated on the left hand side of the vertical axis, and vice versa.



Again, most of the portfolio's look meaningfully different from last year. The NAM Coronation funds showing the largest changes to their allocation, with Prudential showing the least. On aggregate the managers saw few changes to their overall Namibian allocation, with small increases in Namibian Equities being offset with declines in Namibian Bonds. The Prudential and Old Mutual portfolios saw significant reductions to their International Equities exposure in favour of South African Bonds and Equities, again supported by strong local currency performance.

Source: Morningstar Direct

Performance Comparison

Moderate-Low Risk Portfolios

Trailing Returns as at 31 March 2021

	1 Year	3 Years	5 Years	10 Years
NAM Coronation Balanced Defensive Fund	21.5	8.4	6.9	9.6
NAM Coronation Capital Plus Fund	24.1	8.4	6.3	9.0
Prudential Namibian Inflation Plus Fund	15.8	6.3	5.9	9.5
Sanlam Namibia Inflation Linked Fund	15.1	8.0	6.9	9.3
Old Mutual Absolute Stable Growth Fund	1.3	3.5	5.5	9.2
NMG NAM Mod Conservative Benchmark	20.4	9.1	9.5	9.5
NAM CPI + 4%	7.3	7.5	8.3	9.1

Trailing Returns as at 31 March 2020

	1 Year	3 Years	5 Years	10 Years
NAM Coronation Balanced Defensive Fund	-4.0	2.9	4.2	8.6
NAM Coronation Capital Plus Fund	-4.2	1.4	2.6	7.9
Prudential Namibian Inflation Plus Fund	-4.3	3.6	4.5	8.8
Sanlam Namibia Inflation Linked Fund	0.2	4.6	5.7	8.9
Old Mutual Absolute Stable Growth Fund	4.5	6.4	7.4	10.6
NMG NAM Mod Conservative Benchmark	-0.8	6.8	6.5	8.3
NAM CPI + 4%	6.5	7.6	9.0	9.1

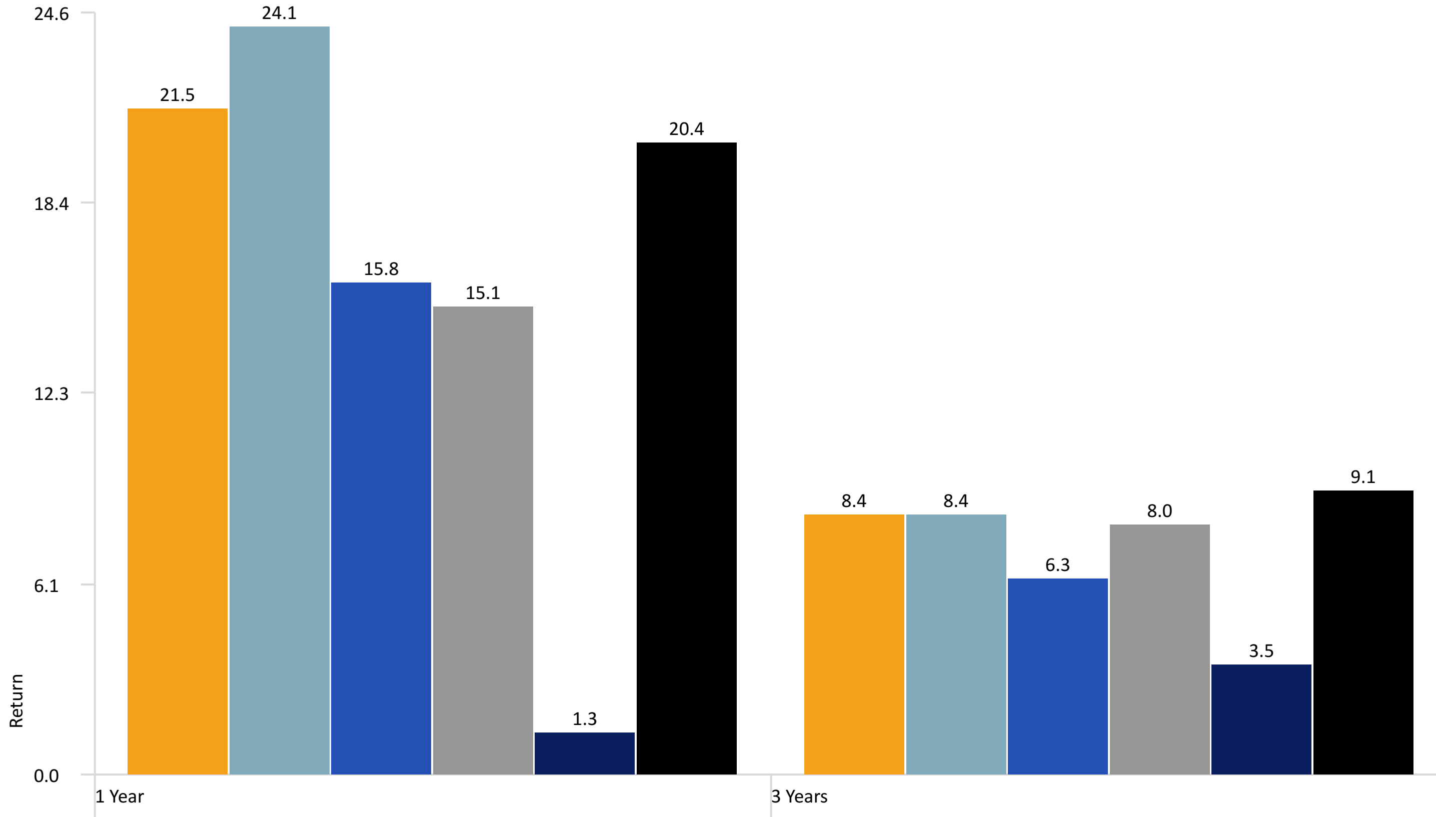
The returns for the Old Mutual AGP portfolios are sourced from the NMG Survey data. The remaining returns are net money-weighted rate of return values calculated by NMG Investment Consultants from the data provided by the individual asset managers.

Source: Morningstar Direct

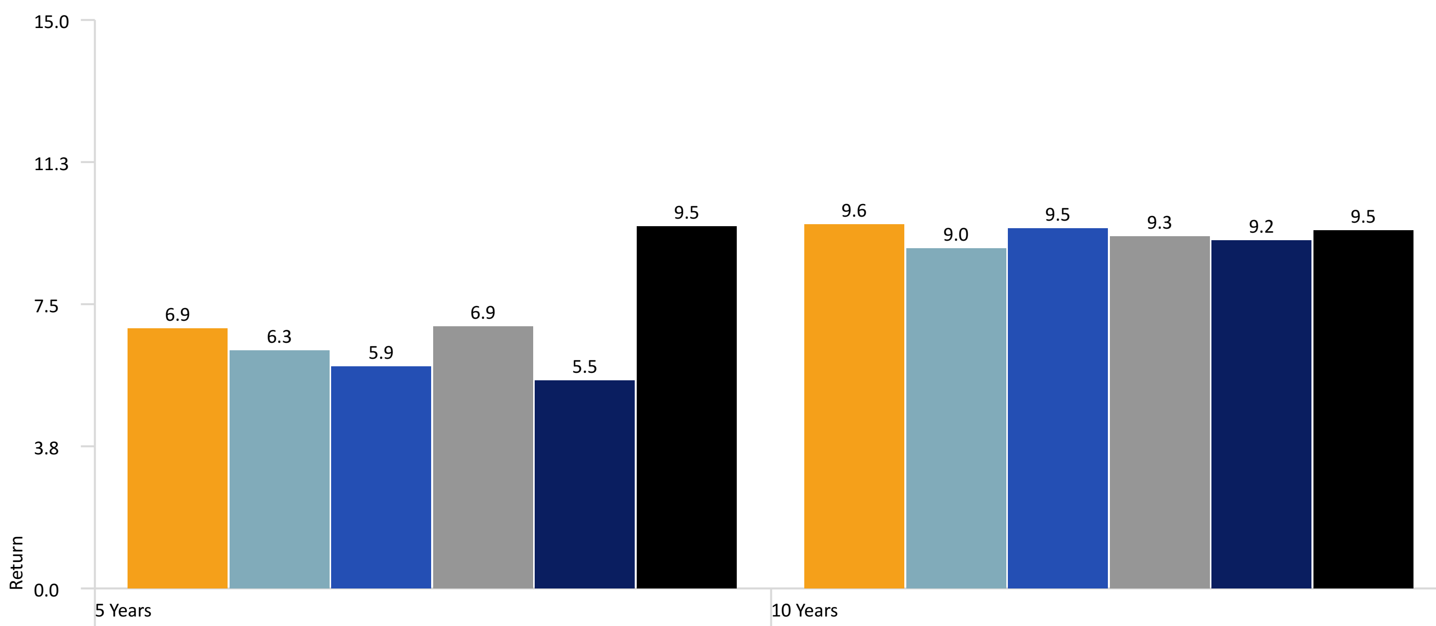
Performance Comparison

Moderate-Low Risk Portfolios

1 & 3 year performance for the period ended 31 March 2021



5 & 10 years performance for the period ended 31 March 2021



NAM Coronation Balanced Defensive Fund
NAM Coronation Capital Plus Fund
Prudential Namibia Inflation Plus Fund
Sanlam Namibia Inflation Linked Fund
Old Mutual Absolute Stable Growth Fund
NMG NAM Mod Conservative Benchmark

Source: Morningstar Direct

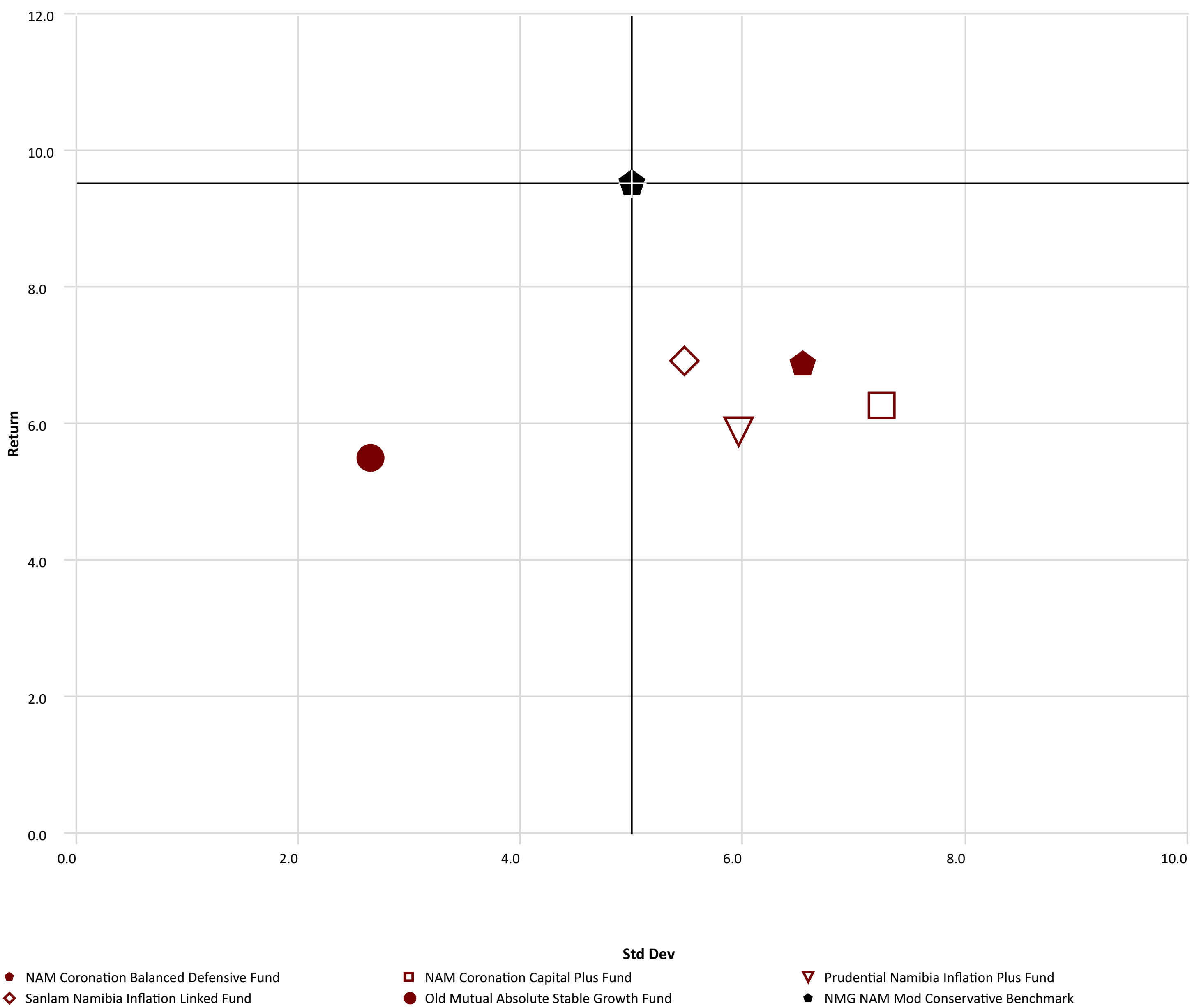
Performance Comparison

Moderate-Low Risk Portfolios: Volatility vs Return

The following graph illustrates the volatility and return statistics of the moderate low portfolios for a 5 year period. These returns are **net** of all investment charges.

Risk-Reward

Time Period: 01 Apr 2016 to 31 Mar 2021

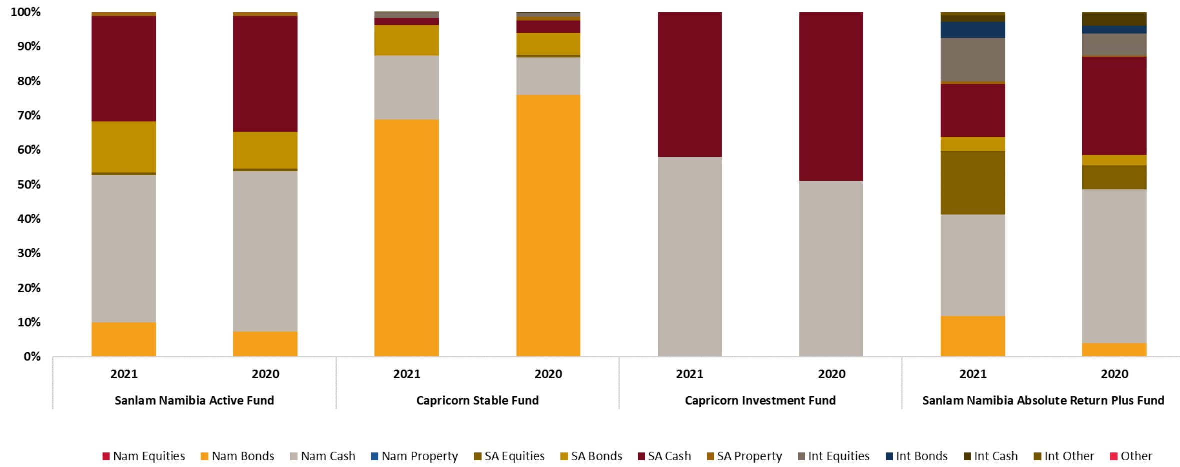


Source: Morningstar Direct

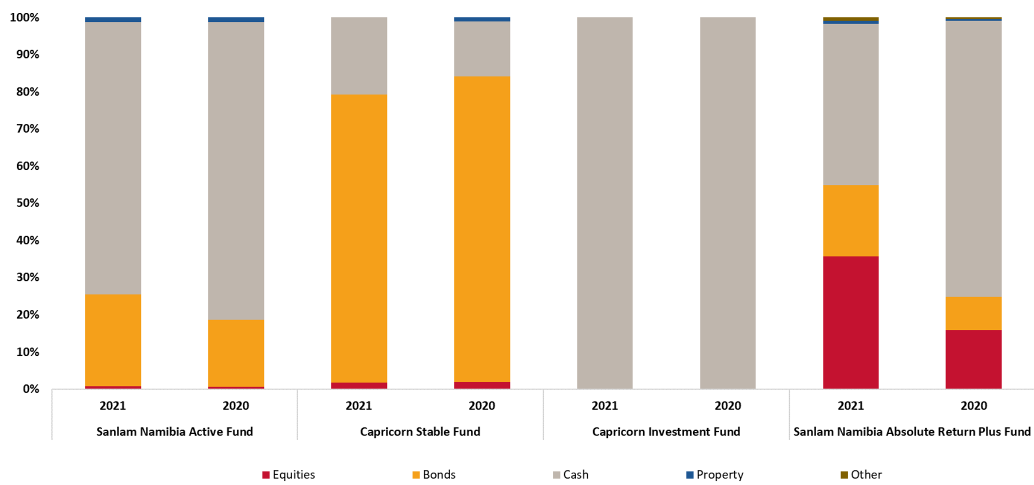
Performance Comparison

Low Risk and Capital Preservation Portfolios

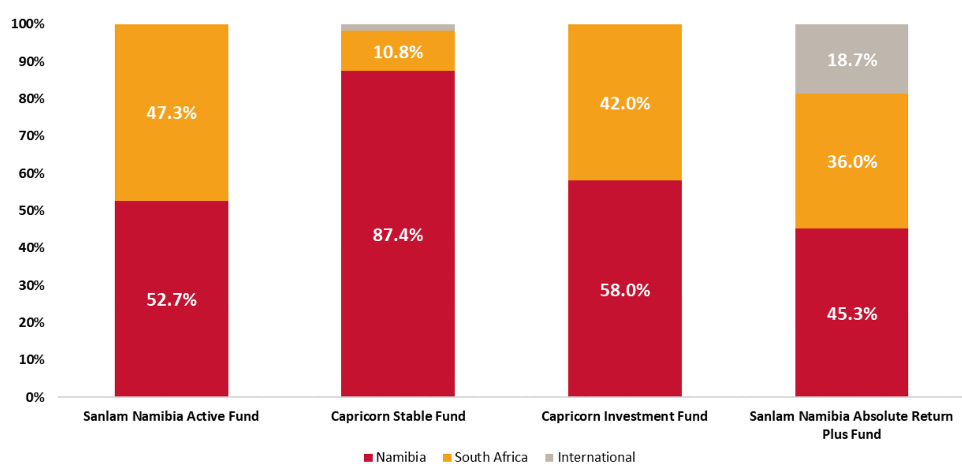
Asset Allocation as at 31 March 2021 as compared to 31 March 2020



The total Namibian exposure is 52.7% for the Sanlam Namibia Active Fund. The Capricorn Stable fund is a multi-asset low risk fund. 87.4% of the funds assets are currently invested in Namibian assets. The Money Market Fund (Capricorn Investment Fund) is managed by Capricorn Asset Management and is mainly invested in Namibian & South African cash investments. The Sanlam Namibia Absolute Return Plus fund is a low risk smoothing product with 45.3% exposure to Namibian assets.



Geographical Split as at 31 March 2021:



*The Sanlam Namibia Absolute Return Plus fund is classified as an insurance policy and therefore their Namibian expsorue is managed in accordance with the life company's balance sheet exposure.

Source: Morningstar Direct

Performance Comparison

Low Risk and Capital Preservation Portfolios

Trailing Returns as at 31 March 2021

	1 Year	3 Years	5 Years	10 Years
Capricorn Stable Fund*	11.6	6.8	7.9	—
Sanlam Namibia Absolute Return Plus Fund**	4.6	6.1	6.3	—
Sanlam Namibia Active Fund	8.0	6.5	7.4	7.7
NAM CPI	3.1	3.3	4.1	4.9
NAM CPI + 2%	5.2	5.4	6.2	7.0
FTSE/JSE ALB 1-3 Yr TR ZAR	10.0	8.4	8.8	7.8

*Investment by Benchmark into the fund was only made at the end of March 2019. Returns beyond that period are for illustrative purposes.
**Investment by Benchmark into the fund was only made during June of 2019. Returns beyond that period are for illustrative purposes.

Trailing Returns as at 31 March 2020

	1 Year	3 Years	5 Years	10 Years
Capricorn Stable Fund*	3.7	6.5	6.6	—
Sanlam Namibia Absolute Return Plus Fund**	8.8	7.0	7.5	—
Sanlam Namibia Active Fund	4.1	6.6	7.4	7.7
NAM CPI	2.4	3.5	4.8	4.9
NAM CPI + 2%	4.4	5.5	6.9	7.0
FTSE/JSE ALB 1-3 Yr TR ZAR	6.8	8.3	7.9	7.5

*Investment by Benchmark into the fund was only made at the end of March 2019. Returns beyond that period are for illustrative purposes.
**Investment by Benchmark into the fund was only made during June of 2019. Returns beyond that period are for illustrative purposes.

Trailing Returns as at 31 March 2021

	1 Year	3 Years	5 Years	10 Years
Capricorn Investment Fund	5.2	6.7	7.3	6.6
NAM CPI + 1%	4.2	4.4	5.1	5.9
IJG Money Market GR NAD	5.1	6.7	7.3	6.6

Trailing Returns as at 31 March 2020

	1 Year	3 Years	5 Years	10 Years
Capricorn Investment Fund	7.2	7.8	7.5	6.7
NAM CPI + 1%	3.4	4.5	5.8	6.0
IJG Money Market GR NAD	7.3	7.8	7.6	6.8

The returns are net money-weighted rate of return values calculated by NMG Investment Consultants from the data provided by the individual asset managers.

Source: Morningstar Direct

Performance Comparison

Unlisted Investments

Trailing Returns as at 31 March 2021

	1 Year	3 Years	01 Jan 2016 - 31 Mar 2021
Allegrow Fund	-1.2	1.1	2.7
Caliber Capital Fund (A)	6.5	8.6	6.6
IJG Frontier Investment Fund	-12.8	-20.1	-8.8
NAM CPI + 4.5%	**7.8**	**8.0**	**9.3**

Due to the illiquid nature of unlisted investments, returns over shorter time periods may not be a true reflection of the funds' performance over that period.

Trailing Returns as at 31 March 2020

	1 Year	3 Years	01 Jan 2016 - 31 Mar 2020
Allegrow Fund	2.6	7.4	3.6
Caliber Capital Fund (A)	9.3	8.7	6.6
IJG Frontier Investment Fund	-27.5	-13.4	-7.8
NAM CPI + 4.5%	**7.0**	**8.1**	**9.7**

Due to the illiquid nature of unlisted investments, returns over shorter time periods may not be a true reflection of the funds' performance over that period.

The returns are net money-weighted rate of return values calculated by NMG Investment Consultants from the data provided by the individual asset managers.

Source: Morningstar Direct

Glossary

Asset Allocation: The weighting of assets in an investment portfolio amongst different asset classes (shares, bonds, property, cash, and international investments).

BEASSA All Bond Index (ALBI): Bond Exchange Actuarial Society of South Africa Index.

Balanced Fund: An investment portfolio that spreads its holdings over a range of asset classes, which typically include shares, fixed interest, property, international securities and cash.

Benchmark: An index or other market measurement that is used by a fund manager as a yardstick to assess the risk and performance of a portfolio; for example, the All Share Index is a commonly used benchmark for Domestic Equity portfolios.

Bottom-up Analysis: A form of security analysis that begins with forecasting returns for individual companies, then moves to industries and, finally, the economy as a whole.

Capital Preservation Portfolio: Portfolios that provide investors with greater stability in returns and aim to preserve capital. These portfolios experience less volatility and may or may not have an underlying guarantee.

FTSE/JSE All Share Index (ALSI): A “basket” of shares representing all the shares on the JSE. This index is used as a measurement to indicate price movements in the market.

Growth Style: Growth style managers identify companies with above average earnings growth, which they believe will be reflected by the price in future. These shares usually have a higher P/E ratio as the price is higher due to earnings being generated at a fast pace.

Growth at a Reasonable Price: An investment style in which the manager selects shares where the company is growing profits, but the share price is not over-priced relative to that growth or shares of which the P/E ratio is below that of the index.

Inflation (CPI): The consumer price index represents the increase in the price of a “basket” of basic goods and services e.g. food, petrol. It provides an indication as to how fast prices are increasing in the economy.

Institutional Investor: An organisation whose primary purpose in investment markets is to invest its own assets or those that it holds in trust for others. Institutional investors include fund managers, life companies, retirement funds, banks, etc.

JP Morgan Global Bond Index: An index which can be used to measure global bond market movements. Countries’ bonds across the globe form part of the index, each carrying a certain weight in the index.

Market Value Adjustment: A term used with smooth bonus products. All disinvestments which are not for benefit payment (ie switches, terminations) will be paid out at the lower of book or market value. Genuine benefit payments are defined to be payments iro resignation, death and retirement.

Median: The middle value that exceeds half of the values in the sample and which is exceeded by the other half. For example, if five items cost N$20, N$80, N$100, N$300, and N$500 respectively, the median value would be N$100, whereas the mean would be N$200.

MSCI World Equity Index: An index which can be used to measure global market movements. Countries across the globe form part of the index, each carrying a certain weight in the index.

Glossary

NSX Index: A “basket” of shares representing all the shares on the Namibian Stock Exchange. This index is used as a measurement to indicate price movements in the market.

Price Earnings Ratio: A stock's market price divided by its current or estimated future earnings per share. The PE ratio is used by the investing public as a measure of the attractiveness of a particular share versus all other shares. The lower the ratio relative to the average of the share market, the lower the market's profit growth expectations.

Prudential Unit Trust: A unit trust which complies with Regulation 13 of the Pension Fund Act.

Regulation 13: The regulation in the Pension Fund Act providing guidelines for the investments of retirement funds.

Strategic Asset Allocation: The composition of an asset mix within a portfolio, constructed with the aim of meeting the long-term objectives of a fund, rather than being based on short-term views of relative performance of the various asset classes. Usually a benchmark is derived in this fashion.

STeFI: Short Term Fixed Interest Index. An index used to measure performance for short term (cash) investments.

Top Decile: A statistical measure dividing a sample into ten numerically equal groups. Thus, ‘top decile’ means the top 10% of a given sample.

Top-Down Analysis: A form of security analysis that begins with forecasting broad macroeconomic trends, then assessing the impact on industries and, finally, on individual companies.

Tactical Asset Allocation: A process by which the asset allocation of a fund is changed on a short-term basis to take advantage of perceived differences in relative values of the various asset classes. TAA can also be described as the variation of asset allocation around the strategic asset allocation.

Upper Quartile: A statistical measure dividing a sample into four numerically equal groups. Thus, 'upper quartile' means the top 25% of a given sample.

Value Style: Asset managers who have a value style identify shares which trade below intrinsic value in the belief that the share price will return to its intrinsic value. These securities usually have low prices relative to book value or earnings.

Volatility: A measure used to define risk which refers to the degree of fluctuation of returns over a specified period (normally short-term). The higher the volatility, the higher the fluctuation of returns which is associated with greater uncertainty of expected returns. This scenario is defined as being high risk.