

Momentum Collective Investments

With us, investing is personal

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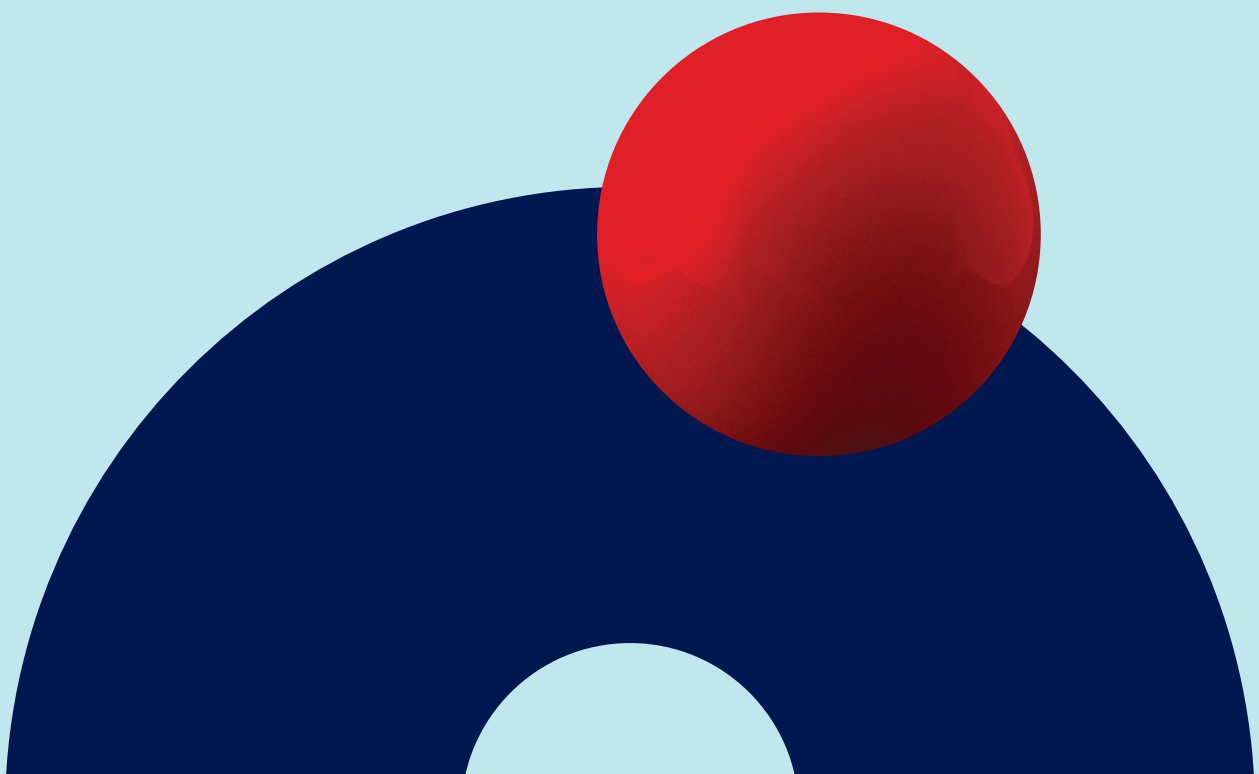


With us, investing is personal. Whether it's investing for a comfortable retirement, saving for a dream holiday or securing a deposit for a house – we all have life goals that require money. We understand this and know that **each client is unique**, which is why we help construct funds based on what your clients want to achieve, how much they have to invest and when the money is needed by. This forms **a solid foundation for achieving investment goals.**

We have a long history in the South African unit trust industry and offer unit trusts across all major asset classes.

Our wide range of local and global unit trusts has a solid track record and is suited to your clients' personal investment needs and goals.

Our superior client service and use of the best investment management skills can help your clients invest with confidence, and stay invested.



Who we are

Momentum Collective Investments (MCI) is the Momentum Metropolitan group's collective investment schemes manager. We construct the group's unit trusts.

What we offer

Our range of funds include local and global unit trusts, across the risk-and-return spectrum. These funds have a credible long-standing track record and can compete on a peer-relevant basis with the best in the industry. **We have the solution, whether it is in equity, fixed income, property, smart beta, index trackers or global investments.**

The range also includes our **flagship multi-asset-class funds**. It is these multi-asset-class funds we launched with our outcome-based investing philosophy to the South African individual investments market in 2017. This pioneering philosophy was built specifically with client needs and objectives in mind. We have a long history in the South African unit trust industry.



What we're about

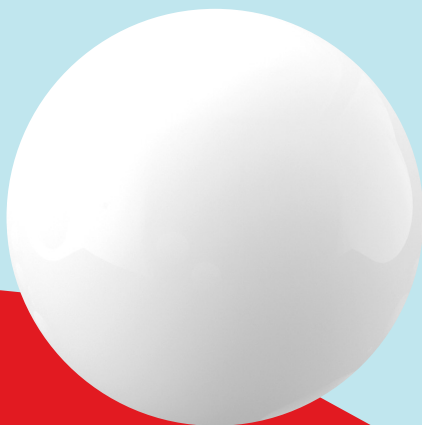
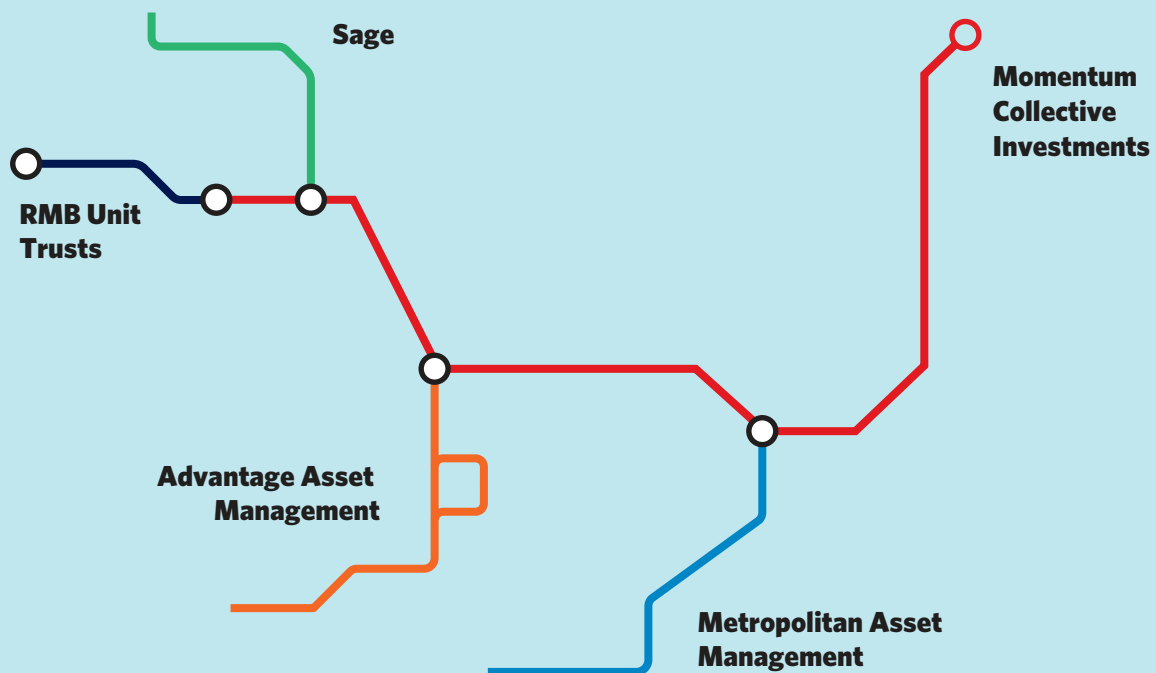
We help individuals, businesses and retirement funds invest with confidence, and stay invested.

It starts with a clear map of your clients' needs, destination and a plan of the best way to get there. You can choose from a wealth of investment options to suit each of your clients' investment needs and goals.

History as a collective investment schemes manager

MCI was established almost three decades ago. It was originally known as RMB Unit Trusts before the unbundling of Momentum Metropolitan Holdings from the FirstRand Group and has ties that go back to the first management company in South Africa.

In addition to organic growth, strategic acquisitions and mergers have been part of our growth strategy and, through our acquisition of Sage, some of the first registered unit trusts ever offered in South Africa continue today in MCI's range.



Reasons to use us

1

Part of a top listed financial services group

2

Leading outcome-based investing in South Africa

3

Best-in-class investment management skills

4

Countless years of intellectual capital

5

Local and global fund offering

6

Best-practice principles in regulatory compliance

7

Competitive fee structures

8

Fund proposition spans multiple client life stages

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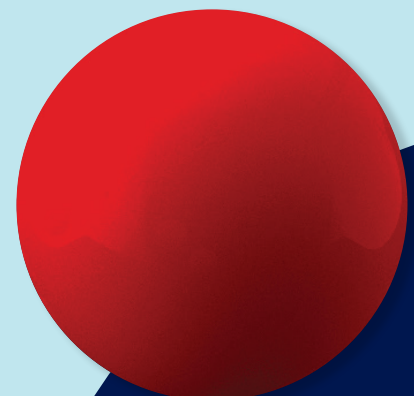
Retail and institutional offering

10

We strive to provide superior service

11

Industry leader in smart beta



Investment team

We have 65 investment professionals with 1152 years of investment experience. Our investment team has earned their stripes.

These professionals have experienced many periods of market turbulence including the Dot.com bubble of 2001, the Global Financial Crisis of 2008 and the most recent market crash of 2020.

Our investment team also manages other investments, apart from the R100 billion it manages for MCI. In total, the team manages more than R842 billion.



CIO office

We refine, own and champion our investment philosophy. To formulate principles, guide and approve frameworks, assess needs and prioritise investment initiatives that facilitate the creation of responsible investment portfolios that are consistent with and take into account the specific client needs as identified in on-going engagement with segments and stakeholders.



Mike Adsetts

Chief Investment
Officer



Eugene Botha

Deputy Chief
Investment Officer

Research and insight

We undertake relevant macro economic, asset class and investment manager research to generate investment views required to create and manage outcome-based investing portfolios.



**Herman van
Papendorp**

Head: Investment Research
and Asset Allocation



**Sanisha
Packirisamy**

Economist



Jean Badenhorst

Head: Manager Research



Tatjana Raunich

Manager Research



Tshiamo Masike

Economist

Outcome-based research

Outcome-based-related practitioner research and innovation help drive the outcome-based investing philosophy and improve portfolio construction to ensure robust outcomes for clients.



Eugene Botha

Head: Outcome-based Research



Evan Gilbert

Senior Research Analyst

Responsible investment team

We acknowledge that we are in a privileged position to implement fiduciary duties to our clients and stakeholders. Responsible Investing is part of our core beliefs, and sustainable and responsible investment practices are a material factor underpinning our long-term success.



Mike Adsetts

Chief Investment Officer



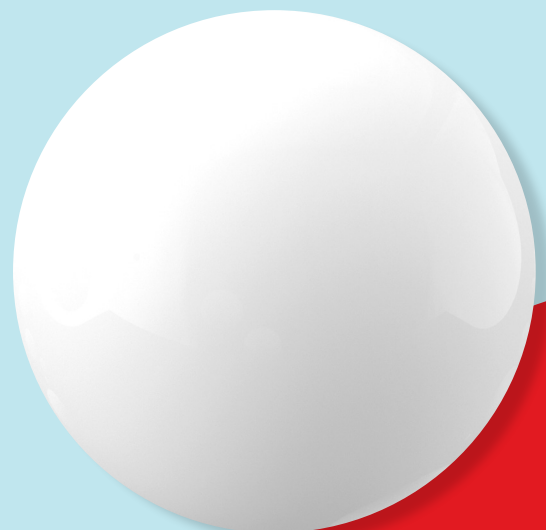
Piet van der Merwe

Environmental, Social and Governance Analyst



Jana van Rooijen

Responsible Investment Specialist



Our investment philosophy

Out with the old, in with the new

Our investment philosophy is that we target a specific return over a chosen period and we define risk as the likelihood that the fund won't deliver the return it's targeting. It may sound like semantics. However, it means risk doesn't have to be reduced to three simple definitions of 'low', 'medium' and 'high' any longer, but can be described in sync with your client's goals: Will they or won't they achieve their investment goal and, if they miss it, by how much will it be?

This approach, called outcome-based investing, has gained ground in countries like the UK, the US and Germany. We have followed this approach with our institutional clients, such as retirement funds, since 2011 and individuals are also benefitting greatly from the skills and expertise we gained with this approach.

6 Tailormade **investment solutions** to meet your clients' goals

Our investment philosophy

Outcome-based investing

Your clients have specific needs and they often think they need a particular investment, but when it doesn't perform according to their expectations immediately, they get nervous. You can help them change their thinking so they realise that staying the course is as important as choosing the right fund.

We don't know what your clients' investment experiences have been like. People tend to look at arbitrary benchmarks, compare their investments to those - and sometimes then act. Maybe your clients had to pull their money out of a risky investment loaded with shares when their bullish sentiments turned nervous.

Maybe they were been stuck in inflation-hungry cash after they had burnt their fingers.

Old habits die hard. You can help your clients focus on a particular goal and within the timeframe they determine.

What this means for advice

Behaviour tax

When investors make decisions that leave a gap between what they should have earned and what they actually earned, they incur a behaviour tax.

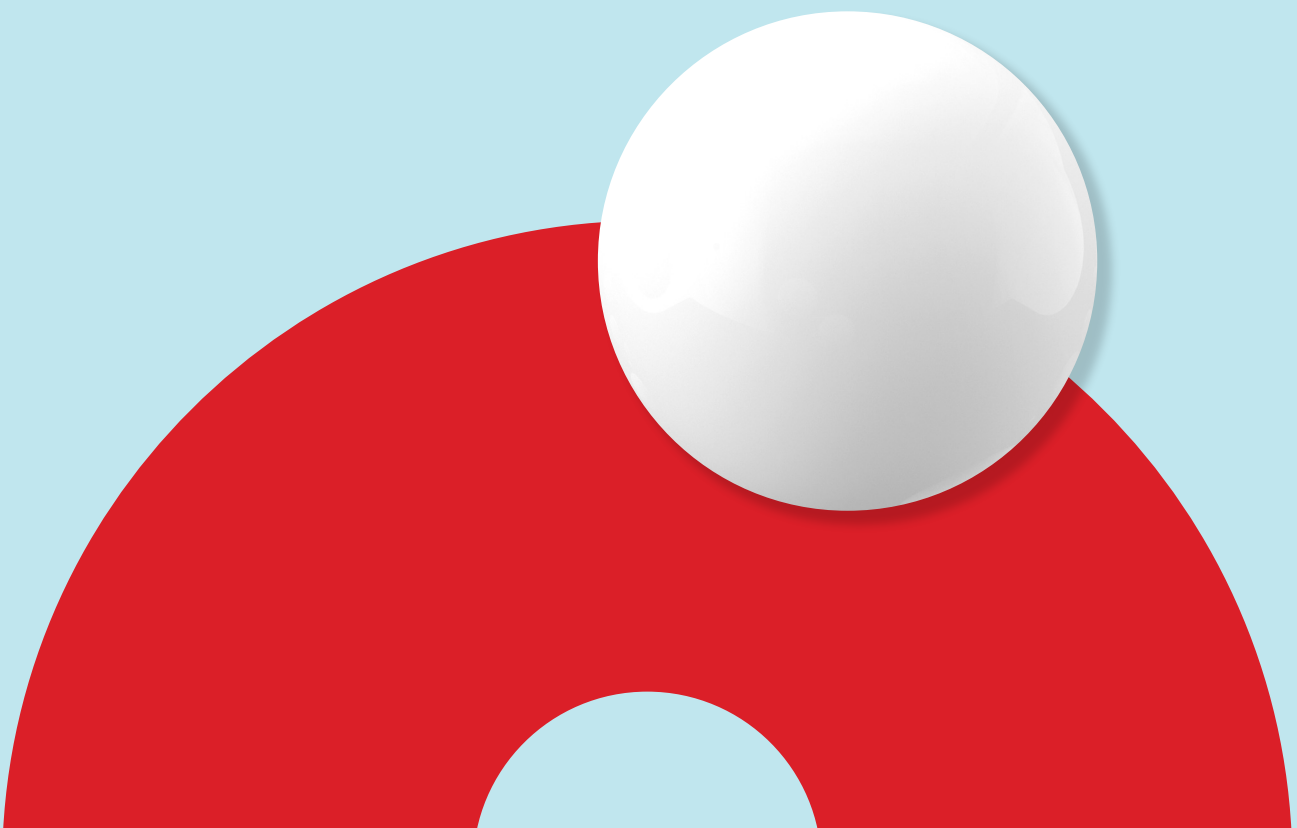
There are many types of behaviours that can adversely affect an investment, such as leaving money in cash for a long period instead of building a diversified portfolio, or switching to funds that appear to be more successful in the moment.

Maintaining focus on a set goal can minimise behaviour tax.

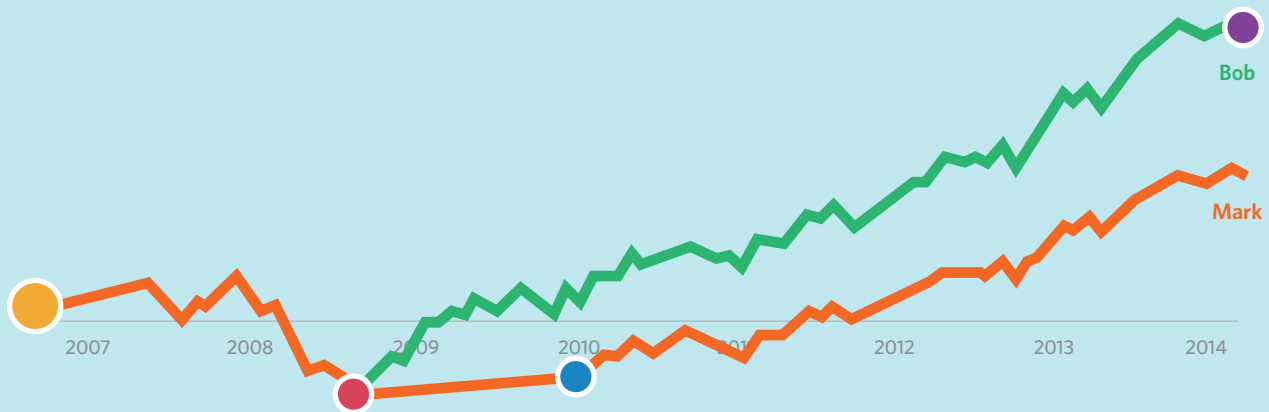
How Momentum can help

By using machine-learning techniques, we have identified client behavioural patterns during market cycles. From the 'avoiders', who don't take enough investment risk over time, to the 'assertives', who take too much risk and can be overconfident, we can give personal insights to you about your clients' financial personalities and likely investment behaviour along their journey.

6 In some cases, behaviour tax can **cost an investment 1.11% a year**, which amounts to **about a 17.5% difference** in fund value in 20 years.



The effect of behaviour tax

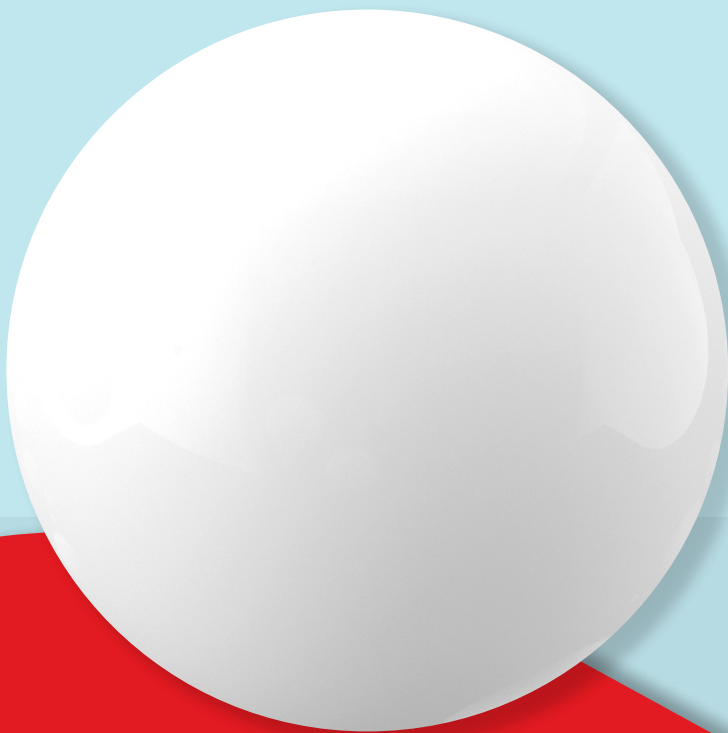


The chart illustrates typical investor behaviour that may have occurred during the previous period of market turmoil which was known as the 'credit crisis' between 2007 and 2014. The maximum fees and charges that may be applicable to the investments have been assumed.

- Bob and Mark invested R100 000 in a diversified equity investment at the start of 2007.
- Markets fell, and Mark switched to a diversified money market investment. Bob did nothing and stayed invested.
- The market recovered, as markets typically do. Mark reinvested into the same diversified equity investment and missed out on the recovery. Bob did nothing and waited.
- At the end of 2014, Bob's investment is worth almost R60 000 more than Mark's.

Mark's desire to do something when markets were in turmoil cost him a behaviour tax. If he stayed invested and focused on his long-term goals he would have been better off, like Bob.

Our investment management capabilities



Our capabilities include multi-asset-class funds and single-asset-class funds for local and global unit trusts across the risk-and-return spectrum to suit various personal investment needs and goals.



Multi-asset-class funds

Retail outcome-based investments



Jako De Jager

Head: Retail Portfolio
Solutions



Ronnie Bornman

Portfolio Manager

6

The names of the outcome-based investing unit trusts help you select the right fund for the right client, for example, **the Momentum Focus 3 Fund of Funds** is aimed at clients willing to commit their investment to at least three years in the market.

Each fund focuses on the outcome a client needs to achieve a goal.

Multi-asset-class unit trusts contain various asset classes, for example, equities, bonds and cash.

Our multi-asset-class funds have proven track records. Over time, we evolved our outcome-based investing philosophy and our multi-asset-class, multi-strategy and multi-mandate investments to match clients' investment needs.

We set our sights beyond mere benchmarks and instead focus on the things that matter the most to your clients – making sure we maximise the likelihood of achieving their personal investment goals.

Client need
Long-term
capital
growth

Term
From 3 years
to 7+ years

Risk
From low to
moderate to
high

Single-asset-class funds

Fixed income investments



Ian Scott

Head: Fixed Income



Zisanda Gila

Portfolio Manager



Karabo Seima

Portfolio Manager



Keagon Dodo

Portfolio Manager

Fixed income refers to investments where a business or government regularly pays a specified interest amount into the investment. **Fixed income investments give your clients access to the interest-bearing markets in South Africa.**

They can vary from low-risk cash investments to medium-risk bond investments. These markets are an integral part of the South African financial system, as they provide the money necessary for government, state-owned enterprises and businesses to function effectively.



The aim of fixed income investments is to generate a high level of interest for investors at a lower level of risk.

The instruments we invest in are liquid and have defined dates of maturity. A good investment manager will make sure there is diversification across different interest rates and terms to maturity to deliver the best outcome for you.

Client need
Capital protection, liquidity, or income

Term
From 1 to 12 months to 3+ years

Risk
From low to moderate

Equity investments



Jako De Jager

Head: Retail Portfolio
Solutions



Ronnie Bornman

Portfolio Manager

Equity investments contain shares of listed companies from security exchanges in South Africa or around the world.

We follow a **multi-mandate approach** by combining the specialist expertise of skillful and well-diversified equity investment managers to maximise their investment styles.

Our equity investments have specific outcomes from passive to actively managed solutions.



The investment managers we select are highly rated and complement each other to make sure our funds benefit from the best practice style of the investment manager.

We also offer equity investment management capabilities that make use of single managers.

Client need
Long-term
capital
growth

Term
7+ years

Risk
High

Smart-beta investments



Wayne Dennehy

Head: Passives and Smart Beta



Loftie Botha

Portfolio Manager



Imtiaz Mohammed Alli

Portfolio Manager

Our smart-beta equity funds offer the benefits of active and passive investing.

These funds aim to deliver **benchmark-outperforming returns at lower fees** than what is associated with traditional equity funds. To achieve this, we follow a rules-based process to identify shares that are likely to outperform due to having **trending or value or quality attributes**.

Investment decisions are based on objective data and subjectivity is kept to a minimum. Funds are assertively positioned and typically include around 30 shares.

Smart beta funds are gaining popularity as a result of their lower fees, reduced risk and attractive returns.

The Momentum Value Equity Fund is a one of the top 10 equity funds in South Africa with the highest inflows to end March 2021. With its competitive fee pricing and attractive returns, you can understand why we dominate the smart beta market with the highest assets under management for unit trust smart betas in South Africa.

Client need
Long-term
capital
growth

Term
7+ years

Risk
High

Index-tracker investments



Wayne Dennehy

Head: Passives and Smart Beta



Loftie Botha

Portfolio Manager



Imtiaz Mohammed Alli

Portfolio Manager

Our index-tracker funds are designed to closely track their benchmark indices at a low cost. Investment horizons are similar to those of traditional equity investments. Clients are exposed to market risk, but not share-specific risk.

6

We make it easy for you to help your clients achieve their goals and stay invested.

We're here for you to get your clients there with more certainty and less anxiety, keeping your clients on their journey to success.

Client need
Long-term
capital
growth

Term
7+ years

Risk
High

Listed property investments



Pelo Manyeneng

Head: Listed Property



Lawrence Koikoi

Portfolio Manager and
Equity Analyst

The listed property market in South Africa allows us to invest in real estate investment trusts (Reits), which offer investors exposure to **property-related opportunities on the Johannesburg Stock Exchange (JSE)**. Property loan companies and property unit trusts listed on the JSE have been converted into Reits since April 2013.

South African Reits are diverse and have invested in offices, retail and industrial properties, self-storage, as well as local and global residences and hotels.

6 Go beyond the
benchmark and
focus on what matters

Client need
Long-term
capital
growth

Term
7+ years

Risk
High

Global investment management capabilities



Andrew Hardy, CFA

Director of Investment Management



Alex Harvey, CFA

Co-head of Research and Portfolio Manager



Richard Stutley, CFA

Portfolio Manager

Global investments are invested across asset classes and countries around the world. They can be focused on a single asset class or allocated to multiple asset classes. Holdings may include positions in various equity, fixed income, currency, commodities and futures markets.

Our global investments have proven track records. **Over time, we evolved our outcome-based investing philosophy and our global multi-strategy and multi-mandate investments to match your clients' investment needs.** We set our sights beyond mere benchmarks and instead focus on the things that matter the most to your clients – making sure we maximise the likelihood of them achieving their investment goals

Our global range of funds are managed by our London office, Momentum Global Investment Management (MGIM). MGIM was established in the UK in 1998 as a specialist global investment manager and is our international investment management division.

For more information on MGIM go to momentum.co.uk.

Client need
Capital preservation and long-term growth

Term
From 3 years to 7+ years

Risk
From moderate to high

What responsible investing means to us

Responsible investing is part of our core belief. Sustainable and responsible investment practices are a material factor underpinning our long-term success.

Our purpose is to ensure due care and diligence is taken when making responsible investment decisions.

We help people grow their savings, protect what matters to them and invest for the future.

Through our responsible investment approach, we aim, as fiduciaries of clients' investments, to invest in a manner that is fair and driven by the intention to generate long-term, sustainable investment returns, while at the same time making sure we remain true to our investing philosophy, portfolio construction and robust investment processes.



We consider the environmental, social and governance (ESG) risks of our investments to be relevant to the performance of the overall objective - across all asset classes, sectors, markets and through time.

Governance team

Our brand has a strong reputation for ethics, honesty, integrity and transparency, as well as stability and governance. **We continually engage with the industry bodies and we work non-stop to make sure the legal and regulatory compliance of all processes and procedures is constantly improved.**

We have a rigorous internal governance architecture, which is facilitated through several governance committees that report to our board of directors and various sub-committees of the board of directors.

Fund specialists

Contact one of our fund specialists for the latest asset class and economic views, fund insights, and support for you and your clients' portfolio building requirements.



Ali Simpkins

Ali.simpkins@momentum.co.za

Local Fund Specialist



Odirile Sebolao

Odirile.sebolao@momentum.co.za

Local Fund Specialist



Nkosana Nzima

Nkosana.nzima@momentum.co.za

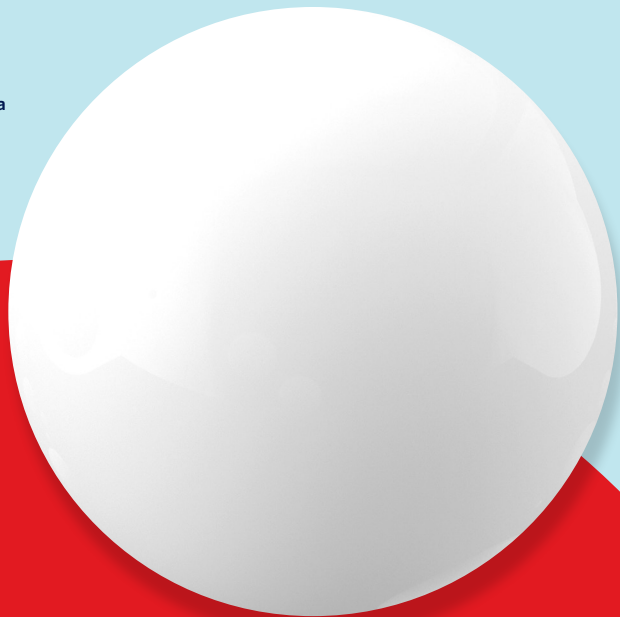
Global Fund Specialist



Natalie Harrison

Natalie.harrison@momentum.co.za

Global Fund Specialist



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CIS disclosures

The investment funds are administered by Momentum Collective Investments (RF) (Pty) Ltd (the management company), registration number 1987/004287/07, which is authorised in terms of the Collective Investment Schemes Control Act, No 45 of 2002 (Cisca) to administer collective investment schemes (CISs) in securities. The management company is the manager of the Momentum Collective Investments Scheme (the scheme) and a part of Momentum Metropolitan Life Limited, an authorised financial services provider (FSP) (FSP6406) under the Financial Advisory and Intermediary Services Act No. 37 of 2002 (Fais), a registered credit provider (NCRCP173), a full member of the Association for Savings and Investment SA (Asisa) and rated B-BBEE level 1. Standard Bank of South Africa Limited, registration number 1962/000738/06, is the trustee of the scheme.

CISs are generally medium- to long-term investments. The value of participatory interests may go down as well as up and past returns are not necessarily a guide to the future. CISs are traded at ruling prices and can engage in borrowing and securities lending. The CIS may borrow up to 10% of the market value of the investment fund to bridge insufficient liquidity. Different classes of units apply to investment funds, which are subject to different fees and charges. A schedule of fees and charges and maximum commissions is available on request from the management company. The management company reserves the right to close and reopen certain investment funds to new investors from time to time to manage them more efficiently in accordance with their mandate.

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