

MIFID II PRODUCT GOVERNANCE

IFSL Sanlam Defensive Fund

Product

The product is a non-complex, FCA authorised UCITs fund. The Fund is actively managed.

The aim of the Fund is to grow the value of your investment over a period of at least 5 years. This growth is expected to come from a combination of profit on investments and income paid out of investments, such as interest and dividends.

The Fund will be managed on a low to medium risk strategy, with between 20-80% invested in bonds, which are loans typically issued by companies and governments.

This may include investment grade bonds, where the issuer has a higher capacity to repay the debt, as well as sub-investment grade bonds, which can be more vulnerable to changing market conditions but typically pay a higher rate of interest. In particular, the Investment Manager looks for bonds which pay a good rate of interest given the perceived risk of default.

Between 20-50% of the Fund will be invested in the shares of companies. The aim is to identify companies:

- with superior business models where the Investment Manager has conviction that management can deliver against our expectations; or
- whose future prospects do not appear to be fully reflected in the current stock market price.

The Fund may also invest in property and commodities, such as gold and oil up to a maximum of 30%. No more than 10% will be invested in any one commodity type or property. Investments will cover a range of global markets, with no more than 20% being invested in emerging or frontier markets.

The Fund will hold cash to enable the ready settlement of liabilities (including redemptions) and for the efficient management of the Fund. The Fund may also hold a larger cash balance (up to a maximum of 30%) as part of the Fund's strategy to meet the investment objective.

Target Market

The type of client to whom the product is targeted

As a non-complex fund it is targeted at retail investors, professional investors and eligible counterparties.

Clients' knowledge and experience

This fund is suitable for the basic investor. Investment experience is not a necessity however a basic understanding of the kind of underlying investments of the scheme is important. It has no complex features or guarantees in place that would require more than a basic understanding of investment markets or instruments.

Investors should read the Key Investor Information document which is intended to help

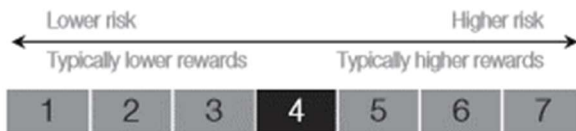
investors understand the nature and risk of investing in this fund. Investors are also advised to read the fund's prospectus which contains details on the objectives, investment strategies, risk, distribution policy, fees, expenses and Fund Management.

Clients' financial situation, with a focus on the ability to bear losses

Clients should be prepared to commit to their investment for the long term or risk losing part of their investment in the short to medium term. The minimum investment horizon should be greater than five years.

Investors will have no risk of loss greater than their invested amount. As a fund with exposure to financial instruments investors should be aware that the potential exists for a total loss of assets and should therefore be able to bear such losses. However, the fund will be managed in such a way to reduce this risk considerably.

Clients' risk tolerance and compatibility of the risk/reward profile of the product with the target market



This Fund has been measured as 4 because its investments have experienced moderate volatility in the past. The Fund's volatility is affected by various risks.

The Fund is therefore compatible with clients who have a medium, or balanced, risk tolerance.

Perceptions of risk will vary from person to person. The risk tolerance identified here refers to a fund which invests in such a way as to maintain moderate volatility. It will not take significant positions in single markets or asset classes or invest in highly speculative assets.

Clients' objectives and needs

The client's objectives should be in line with the Fund's investment objective, which is to generate capital growth over the longer term (5 years +) by gaining exposure to a defensive mix of asset classes.

Clients who should not invest (the 'negative-target market')

The Fund may not be suitable for certain investors, including but not limited to those whose objectives and needs are not consistent with the nature of the Fund, those who are unable to commit capital for a sufficient term or do not have sufficient resources to bear any loss which may result from an investment in the Fund. The Fund is also not committed to meeting any specific ethical, social, religious or environmental restrictions which some investors may be seeking.

Distribution channel

The Fund will be distributed primarily via fund platforms, wealth managers, discretionary fund managers and financial institutions.