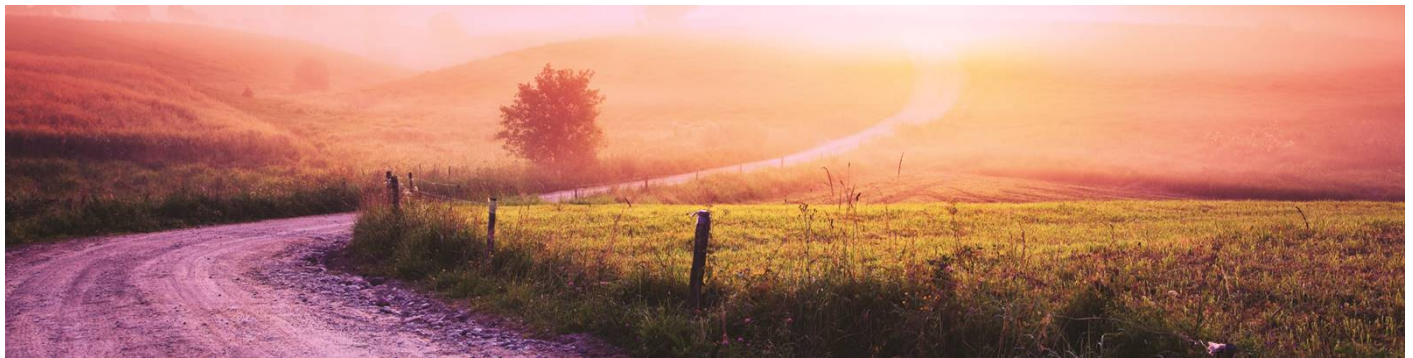


Absa Retirement Annuity Fund: Core Portfolio



Minimum Disclosure Document - 30 September 2019



Fund objectives

The Absa Retirement Annuity Core Portfolio (the "Core Retirement Annuity") is a uniquely designed low cost retirement annuity ("RA") solution, based on so-called life stage investment philosophy. Life stage investing is based on the observation that investor's risk appetite generally declines as they near their retirement date. In the Core Retirement Annuity, your exposure to risky assets is automatically reduced as you near retirement.

The Core Retirement Annuity provides diversified exposure to various asset classes (domestic and international equity, property, fixed income and cash), subject to overall limits imposed by Regulation 28 of the Pension Funds Act. The portfolio is composed of Exchange Traded Funds (passive building blocks) to ensure low investment costs, ease of access, diversification, liquidity and transparency. The portfolio is rebalanced every six months, January and July each year.

Performance

Please refer to your latest client statement for your individual performance. The below table is a performance summary per years to retirement category based on a theoretical record.

Period	Years to Retirement							
	35+	30-35	25-30	20-25	15-20	10-15	5-10	0-5
3 Months	-2.9%	-2.9%	-2.9%	-2.9%	-2.8%	-2.6%	-2.3%	-0.8%
6 Months	-0.1%	-0.1%	-0.1%	-0.1%	0.1%	0.3%	0.4%	1.8%
1 Year (Ann.)	1.4%	1.4%	1.4%	1.4%	1.2%	1.7%	1.6%	6.1%
3 Year (Ann.)	3.6%	3.6%	3.6%	3.6%	2.3%	3.9%	3.1%	4.9%
5 Year (Ann.)	4.8%	4.8%	4.8%	4.8%	3.2%	4.5%	4.4%	5.3%

Source: Absa CIB. Close prices as at 30 September 2019.

Annualised return is the weighted average compound growth rate over the period measured. Performance is calculated using the close prices of the ETFs and represents only past performance. An individual's performance may differ to that of the portfolio as a result of initial fees, brokerage, actual investment date, dividend withholding tax and income reinvestment date. The reinvestment of income is assumed to be effected on actual distributed amount net of withholding taxes; and on distribution payment date.

Fund details

Product Supplier	Absa Bank Limited
Asset Administrator	Absa Investment Management Services (Pty) Ltd
Inception Date	13 March 2014
Portfolio Information	etfcib.absa.co.za

Fees and total expense ratios

Annual Administration Fee	0.228%
Consolidated TIC of Underlying Funds	0.50% - 0.69%
Effective Annual Cost	0.73% - 0.92%

The annual administration fee is calculated on the market value of the units held in the fund. Any financial advisor initial and annual review fees are negotiable between you and your financial advisor, if applicable.

The consolidated total expense ratio (TER) is a measure of the weighted average total expense ratios of the ETFs that make up each years to retirement category. The TER is a measure of the ETFs assets that have been sacrificed as payment for services rendered (allowable charges per prescribed industry standards) in the management of the ETF (the TER excludes brokerage and transactional costs), expressed as a percentage of the daily average value of the portfolio and calculated over a 12 month rolling period. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.

Fund holdings and consolidated total expenses ratios effective 30 September 2019

ETF Name	Asset Class	Years to Retirement							
		35+	30-35	25-30	20-25	15-20	10-15	5-10	0-5
NewFunds S&P GIVI Top 50 ETF	Domestic Equity	21.2%	21.2%	21.2%	21.2%	19.3%	17.6%	12.5%	8.8%
NewFunds Equity Momentum ETF	Domestic Equity	21.2%	21.2%	21.2%	21.2%	19.3%	17.6%	12.5%	8.8%
NewFunds SWIX 40 ETF	Domestic Equity	21.2%	21.2%	21.2%	21.2%	19.3%	17.6%	12.5%	8.8%
Sygnia Itrix MSCI World Index ETF	International Equity	11.3%	11.3%	11.3%	11.3%	12.2%	12.2%	12.4%	8.5%
Stanlib SA Property ETF	Property	1.4%	1.4%	1.4%	1.4%	1.2%	2.1%	5.9%	2.5%
NewFunds GOVI ETF	Fixed Income	11.8%	11.8%	11.8%	11.8%	14.4%	16.4%	22.1%	13.1%
NewFunds ILBI ETF	Fixed Income	8.8%	8.8%	8.8%	8.8%	12.2%	11.9%	12.7%	18.2%
NewFunds TRACI ETF	Cash	3.0%	3.0%	3.0%	3.0%	2.2%	4.6%	9.3%	31.2%
Total:		100%	100%	100%	100%	100%	100%	100%	100%
Consolidated Total Investment Charge ¹		0.69%	0.69%	0.69%	0.69%	0.67%	0.64%	0.57%	0.50%

Source: Absa CIB, 30 September 2019.

¹Total Investment Charges (TIC) is the weighted average costs of the quoted TIC quoted by the respective product issuers at a point in time.

Please note: Due to the price of each underlying ETFs making up the asset allocation being priced as full units, smaller investments may not achieve the targeted asset allocation in the first few months of the investment. The remaining cash will be placed in the cash account until it is sufficient to purchase additional full units.

Fund features

Simplicity and convenience: Your portfolio is automatically adjusted biannually so that your risk reduces as you approach retirement.

Easy to transact and manage: Simple online application process, investment tools, statements on demand, and recommended annual investment reviews.

Life stage model: Automatic investment risk adjustment based on time to retirement.

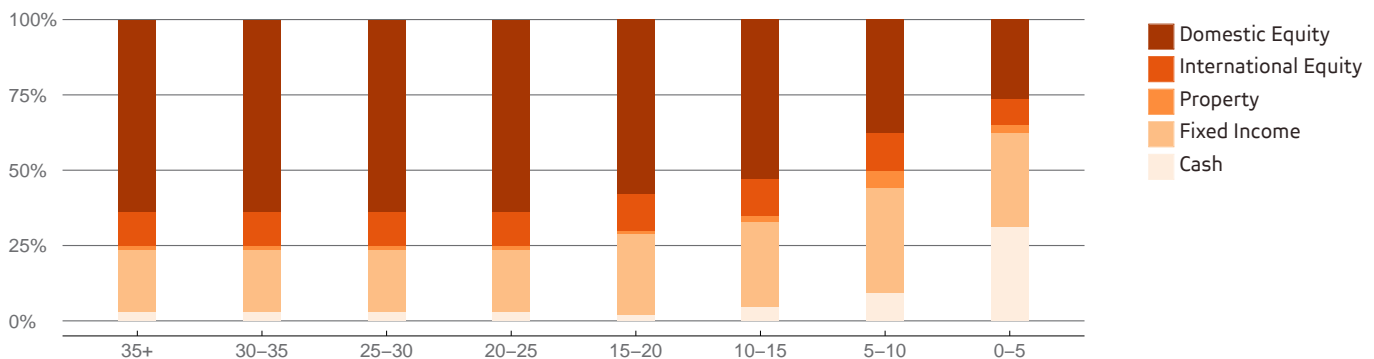
Low investment costs: Portfolio building blocks comprise low-cost passive Exchange Traded Funds listed on the JSE.

Full transparency as per the factsheet of each instrument.

Tax benefits: Your contributions to all retirement funds (combined) are tax deductible up to a max of 27.5% of your total taxable income. At retirement a significant portion of the cash lump sum may be tax-free.

This product aims to offer you a low cost retirement annuity and the fees are well below the industry average.

Asset allocation



Source: Absa CIB, 30 September 2019

Contact us

Absa NewFunds Index & Structured Solutions
 Tel: 0861 345 223
 Email: aiss@absa.africa
 Website: etfcib.absa.co.za

Absa Online & AIMS Investment Plan
 Tel: 0860 000 005
 Email: aimsenquiries@absa.co.za

Legal disclaimer

Absa Bank Limited, registration number 1986/004794/06 is an Authorised Financial Services Provider in terms of the Financial Advisory and Intermediary Services Act 37 of 2002 ("FAIS"), FSP number 292; and a Registered Credit Provider Reg No NCRCP7. This product is supplied by Absa Bank Limited and administered by Absa Investment Management Services (Pty) Ltd (AIMS), Registration Number 1980/002425/07 (collectively referred to as "Absa").

Absa does not expressly, tacitly or by implication represent, recommend or propose that the securities and/or financial or investment products or services ("the products") referred to in this brochure/document/material ("commentary") as appropriate and/or suitable for your particular investment objectives or financial situation or needs. This commentary is not, nor is it intended to be, advice as defined and/or contemplated in the FAIS Act; or any other financial, investment, trading, tax, legal, accounting, retirement, actuarial or other professional advice or service whatsoever ("advice"). Investors are encouraged to obtain independent professional investment advice before investing. The commentary is neither an offer to sell nor a solicitation of an offer to buy any of the products, which will always be subject to Absa's internal approvals and a formal agreement between you and Absa. Any pricing included in this commentary is only indicative and is not binding as such on Absa. All the risks and significant issues related to or associated with the products are not disclosed and therefore, prior to investing or transacting, you should fully understand the products and any risks and significant issues related to or associated with them. The products may involve a high degree of risk, including but not limited to, the risk of (a) low or no investment returns, (b) capital loss, (c) counterparty or issuer default, (d) adverse or unanticipated financial market fluctuations, (e) inflation and (f) currency exchange. The value of any product may fluctuate daily as a result of these risks.

Retirement Annuities are long term investments. The value of the underlying solution may go down as well as up and past performance is not generally a guide to the future. The information, views and opinions expressed herein are based on third party sources believed by Absa to be reliable and are therefore expressed in good faith. Illustrations are not guaranteed but are for illustrative purposes only. All views and estimates are given as of the date hereof and may change without notice. Absa may not request or induce in any manner a client to waive any right or benefit conferred on the client by or in terms of any provision of the FAIS General Code of Conduct, or recognise, accept or act on any such waiver by the client. Neither Absa, its affiliates, holding company, subsidiaries or directors, shareholders, agents, consultants or employees shall be liable for any damages or losses suffered by you resulting from your use of this document or the information contained therein, including without limitation any indirect, special or consequential losses whether arising out of contract, delict or equity. Absa expressly disclaims any liability for any damage or loss as a result of errors or omissions. This document is for information purposes only and may be amended without notice. Absa holds adequate professional indemnity and fidelity insurance cover to meet its contractual obligations. The Conflict of Interest Management Policy and the Complaints Resolution Policy and Procedure may be accessed on www.absa.co.za or may be requested from the Compliance Department.

Product Supplier

Absa Bank Limited Registration Number 1986/004794/06 Authorised Financial Services Provider with FSP number 292 and Registered Credit Provider Reg No NCRCP7. Registered address 7th Floor, Barclays Towers West, 15 Troye Street, Johannesburg, 2001, Postal address 15 Alice Lane, Sandton, Box 7735, Johannesburg, 2023, Internet address <http://etfcib.absa.co.za>

Administrator

Absa Investment Management Services (Pty) Ltd (AIMS) Registration Number 1980/002425/07, Authorised Financial Services Provider with FSP number 524, approved benefit administrator in terms of section 13B of the Pension Funds Act with registration number 24/246, Registered address, Absa Investments Campus, Block D/E, 61 Empire Road, Parktown, 2193, Postal address, PO Box 974, Johannesburg, 2000 Telephone number 0860 000 005, Fax number 0861 339 265, Internet address <https://www.absainvestments.co.za>

This document was published on 10 October 2019.