NEDGROUP INVESTMENTS

Prospectus

Nedgroup Collective Investments (RF) Proprietary Limited

see money differently

Contents

1. Introduction

This Prospectus has been prepared in accordance with the requirements of the Conduct Standard 3 of 2025 issued under the Collective Investment Schemes Control Act, 2002 (“CISCA”). The Conduct Standard requires managers of collective investment schemes to provide investors with a comprehensive, clear and accessible disclosure document containing all material information necessary to make an informed investment decision.

The purpose of this Prospectus is therefore to ensure transparency and to enable prospective investors to properly assess the nature of the Nedgroup Collective Investments Scheme, the associated risks, costs, and their rights and obligations prior to investing.

The information contained in this Prospectus, and in any document referred to herein, including the relevant Supplement, is not to be construed as legal, tax or investment advice. If you are in any doubt about the contents of these documents, you should consult your stockbroker, bank manager, attorney, accountant or other independent financial adviser.

This Prospectus provides important information relating to investment in the Nedgroup Investments Collective Investments Scheme (the “Scheme”) and should be read carefully in its entirety before making any investment decision. It explains, inter alia, how the Scheme operates, the applicable risks, fees and charges, and the rights and responsibilities of investors.

This Prospectus must be read together with:

- the relevant Sub- Fund Prospectus,
- the relevant Sub- Fund Minimum Disclosure Document, the relevant Portfolio Characteristics Document;
- the Investment Agreement; and
- any applicable application forms.

If any aspect of this Prospectus is unclear, investors are encouraged to contact their financial adviser or the Nedgroup Investments Client Service Centre for further information.

The Directors of Nedgroup Collective Investments (RF) Proprietary Limited accept responsibility for the information contained in this Prospectus. To the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained herein is true and accurate in all material respects and does not omit any information likely to affect the import of such information. The Directors accept responsibility accordingly.

In respect of any new sub-fund introduced within the Scheme, and subject to prior approval from the Financial Sector Conduct Authority (“the FSCA”), the Company will prepare and issue a new or updated Prospectus for that Sub- Fund setting out the specific details applicable to such fund or sub-fund, which shall form part of, and be read in conjunction with, this Prospectus.

2. Regulatory status and applicable legislation

Nedgroup Collective Investments (RF) Proprietary Limited is authorised in terms of the Collective Investment Schemes Control Act 45 of 2002 to administer collective investment schemes.

The Scheme operates in accordance with applicable legislation, subordinate legislation, Conduct Standard 3 of 2025, and FSCA directives.

Nedgroup Investments is also a member of the Association for Savings and Investment South Africa (ASISA).

3. Structure of the scheme

The Scheme is structured as a collective investment scheme in participatory interests in terms of the Collective Investment Schemes Control Act, 2002 (“CISCA”), and is established as a unit trust comprising multiple funds (each a “Fund” or “Sub-Fund”).

The Nedgroup Investments Collective Investment Scheme is governed by a Trust Deed ("the Deed"), which is the primary constitutive document of the Scheme. The Deed establishes the Scheme, sets out the rights and obligations of the Manager, Trustee/Custodian and investors, and governs the manner in which the Scheme is operated in accordance with the Collective Investment Schemes Control Act, 2002 ("CISCA") and applicable regulatory requirements. The Deed provides the legal framework for the administration, management, safeguarding of assets, valuation, pricing, investor rights, distributions and winding-up of the Scheme, and is binding on all investors in the Scheme.

Each Fund constitutes a separate portfolio of assets, with its own distinct investment objective, strategy, risk profile and fee structure. The assets of each Fund are segregated and are not available to meet the liabilities of any other Fund within the Scheme.

Investors acquire participatory interests ("Units") in a Fund. Each Unit represents a proportionate, undivided share in the net asset value of that Fund. The value of Units fluctuates in accordance with the market value of the underlying assets held within the relevant Fund.

4. Trustee and custody of assets

In terms of the Collective Investment Schemes Control Act, 2002 ("CISCA"), all assets of a collective investment scheme must be entrusted to an independent trustee (or custodian) for safekeeping and oversight.

The trustee acts as the legal custodian of the assets of each Fund and performs an essential investor protection function. In this capacity, the trustee is required to:

- hold and safeguard all assets of the Scheme on behalf of investors;
- ensure that the sale issue, repurchase and cancellation of Units are carried out in accordance with applicable legislation and the terms of the Scheme;
- monitor that the Manager complies with CISCA and the Deed of the Scheme; and
- act with due care, diligence and independence in the interests of investors.

The Manager has appointed Standard Bank of South Africa Limited as the independent trustee of the Scheme. In this role, the trustee acts as custodian of all assets of the Nedgroup Investments unit trusts and holds such assets for the benefit of investors.

5. Investment objectives and strategy

Each Fund within the Scheme has a clearly defined and distinct investment objective, which may include, inter alia, capital growth, income generation, capital preservation, or a combination thereof. The specific investment objective, together with the associated investment policy, risk profile, and benchmark (where applicable), is set out in the relevant Minimum Disclosure Document and Sub- Prospectus for each Fund.

The assets of each Fund are managed in accordance with its stated investment objective and mandate, and are not commingled with those of any other Fund. Accordingly, each Fund operates independently, and the performance, risks and returns of one Fund will not impact those of another.

6. Investment restrictions and permissible assets

Each Fund is subject to investment limits and diversification requirements in terms of the Collective Investment Schemes Control Act, 2002 ("CISCA"), including the provisions historically set out in Board Notice 90 of 2014, as amended, and any applicable Directives, Conducts & Standards issued by the Financial Sector Conduct Authority.

In constructing and managing funds, each Fund must comply with prescribed limits relating to, inter alia, issuer concentration, asset class exposure, liquidity, derivatives usage and foreign investments. These limits are designed to ensure diversification and to mitigate undue risk to investors.

Funds may invest across a range of permissible asset classes, including equities, bonds, money market instruments, listed property, derivatives and participatory interests in other collective investment schemes. Investment in underlying collective investment schemes is subject to specific regulatory limits.

The composition of each Fund is further guided by the classification framework of the Association for Savings and Investment South Africa, which categorises funds based on their investment mandate and asset allocation. This classification assists investors in understanding the risk profile and appropriate investment horizon of each Fund.

The Manager is responsible for ensuring that each Fund complies on an ongoing basis with all applicable investment limits and regulatory requirements. Compliance is monitored through internal controls, risk management systems, and oversight by the Manager and the Trustee.

Any breach of applicable limits is required to be addressed promptly in accordance with regulatory requirements, with due regard to the interests of investors.

7. Investment approach – Best of Breed™

The Scheme adopts the Best of Breed investment approach. This approach is based on the principle that no single investment manager is consistently the best across all asset classes, market conditions, or investment styles.

In terms of this approach, the Manager conducts a rigorous and independent selection process to identify and appoint specialist third-party investment managers who are considered best suited to manage a particular Fund or asset class. These managers may be selected from both local and international markets and are appointed based on their demonstrated expertise, investment philosophy, track record, and alignment with the Fund's objective.

This process is continuous and actively monitored. The Manager retains full discretion to review and, where necessary, replace an appointed investment manager if it is considered to be in the best interests of investors.

8. Investment risk factors

General

The risks set out below should not be regarded as an exhaustive list of all risks that may be relevant to an investment in the Funds. Prospective investors should consider all of the information contained in this Prospectus and the relevant Sub Fund Prospectus prior to making an investment decision.

An investment in a Fund may be subject to market fluctuations and other risks inherent in the underlying assets. Although the Manager seeks to identify, monitor and manage such risks, investors ultimately bear the risks associated with the investments of the relevant Fund.

Investors should consult their professional financial, legal and tax advisers before making an investment decision. An investment in a Fund should be viewed as medium to long term in nature.

General Investment Risk

Collective investment schemes are medium- to long-term investments. The value of your investment may go down as well as up and you may not receive back the full amount invested. Past performance is not necessarily a guide to future performance and returns are not guaranteed.

Market Risk

The value of financial instruments may be affected by changes in overall market conditions, including economic trends, interest rates, inflation, political developments and investor sentiment. Market movements may result in volatility across asset classes, and values may decline irrespective of the performance of individual issuers.

Liquidity Risk

Liquidity risk arises where a Fund may be unable to realise assets at their fair value within a reasonable timeframe in order to meet redemption requests. In adverse market conditions, certain investments may become illiquid, which may impact the Fund's ability to meet obligations or may result in disposals at reduced prices.

Credit Risk

Credit risk refers to the possibility that an issuer of a financial instrument, or a counterparty to a transaction, may fail to meet its obligations. This may result in a loss of income or capital for the Fund.

Currency Risk

Where a Fund invests in assets denominated in currencies other than its base currency, changes in exchange rates may adversely affect the value of the Fund's assets. Currency movements may impact returns independently of the underlying asset performance.

Emerging Markets Risk

Investments in emerging markets may be subject to additional risks, including political and economic instability, lower levels of regulation, reduced liquidity, and differences in accounting, legal and settlement systems. These factors may increase volatility and the risk of loss.

Custody and Settlement Risk

The safekeeping of assets and settlement of transactions may involve risks, particularly in less developed markets. Failures or delays in settlement systems or custody arrangements may result in losses or delays in accessing assets.

Regulatory and Political Risk

Changes in laws, regulations, taxation or government policy in jurisdictions in which a Fund invests may adversely affect the value of investments or the ability of the Fund to operate as intended.

Taxation Risk

The tax treatment of investments may change over time and may differ depending on the investor's individual circumstances. Taxes applicable to a Fund or its underlying investments may reduce returns.

A Fund may be exposed to additional risks including legal and regulatory changes, valuation uncertainties, operational and cyber risks, reliance on third parties, and the use of derivatives or other financial instruments.

External factors such as geopolitical events, sustainability risks, pandemics and changes in taxation or regulation may also impact investment performance, particularly during periods of market stress.

9. Fees and charges

Fees and charges apply to an investment in the Funds and will reduce the value of an investor's investment over time. The level and type of fees payable depend on the specific Fund selected and, where applicable, the class of Units held.

Fees are fully disclosed in the relevant Portfolio Characteristics Document and related disclosure documents, which are available from the Manager, the Client Service Centre, the website or the investor's financial planning business.

Fees may be charged on an initial and ongoing basis and may include:

- Investment management fees, charged for the management of the Fund; and
- Financial planning fees, payable to an appointed financial planning business where applicable.

10. Valuation and pricing

Participatory interests in each fund of the Scheme are valued and priced on in accordance with the Collective Investment Schemes Control Act, 2002 ("CISCA"), applicable FSCA requirements, the Deed of the Scheme and the ASISA pricing and valuation policies adopted by the Manager.

The price of participatory interests is determined by dividing the net asset value ("NAV") of the relevant fund by the number of participatory interests in issue at the applicable valuation point. The NAV of a fund is calculated by taking into account the market value of the underlying assets of the fund, together with any income accruals and cash holdings, less permitted liabilities, fees, charges, expenses and any applicable provisions.

Valuation of fund assets takes place at 15:00 (South African time) on each business day, or at such other time as may be permitted under applicable legislation or determined in accordance with the Deed and the Manager's valuation policy. The issue and repurchase prices of participatory interests are calculated based on the valuation determined at the relevant valuation point.

Underlying assets are generally valued at market value using prices obtained from recognised exchanges, independent pricing vendors, counterparties or other approved valuation sources. Where market quotations are unavailable, stale, unreliable or do not reflect fair value, the Manager may apply alternative valuation methodologies in accordance with applicable regulatory requirements and fair valuation principles.

11. Investing, withdrawing and switching

Investors may invest in, withdraw from, or switch between Funds by submitting the prescribed instruction forms, either directly or through an authorised financial planning business.

All instructions are subject to acceptance, verification and processing requirements, including compliance with applicable legislation (such as anti-money laundering requirements), receipt of cleared funds, and completion of all required documentation.

All transactions are processed at the ruling price for the relevant Business Day. Investors should be aware that withdrawals and switches may give rise to tax consequences, including capital gains tax.

The Manager may, in certain circumstances, delay, suspend or reject instructions where required to do so in terms of legislation, operational requirements or in the interests of investors.

12. Distributions

Funds may generate returns in the form of income (such as interest or dividends) and/or capital growth, depending on the nature of the underlying investments.

Where a Fund generates distributable income, such income may be:

- distributed to investors at periodic intervals (e.g. monthly, quarterly or annually); or
- reinvested in the Fund on behalf of the investor, resulting in the acquisition of additional Units.

Investors may elect their preferred distribution option in accordance with the terms of the relevant Product or Fund. If income is reinvested, it increases the number of Units held and the overall value of the investment.

Distributions may be subject to applicable taxation, including dividend withholding tax, and investors are responsible for understanding their individual tax obligations

13. Borrowing and investment powers

The Scheme may, subject to the provisions of CISCA and applicable regulatory limits, exercise certain borrowing and investment powers in the management of the Funds.

A Fund may borrow on a temporary basis to meet liquidity requirements, including the settlement of redemption requests, provided that such borrowing does not exceed the prescribed limits (typically up to 10% of the market value of the Fund).

Funds may also utilise derivatives and other financial instruments for purposes including efficient portfolio management, hedging, or investment exposure. The use of such instruments is subject to regulatory constraints and internal risk management processes.

In addition, the Scheme may engage in securities lending or similar transactions where permitted, which may enhance returns but may also introduce counterparty and operational risks.

These powers are exercised with due regard to the investment objective, risk profile and regulatory requirements applicable to each Fund.

Nedgroup Investments has the right to close funds to new investors.

14. Ballot process

Certain changes to a collective investment scheme or its funds may require investor approval in terms of the Collective Investment Schemes Control Act, 2002. Amendments to a scheme deed or a fund may require the consent of investors holding a majority in value of participatory interests, excluding the management company. In some circumstances, the Financial Sector Conduct Authority may determine that investor consent is not required.

Where a ballot is required, investors will be informed of the proposed change and provided with sufficient information to understand its purpose, impact and implications. Communication will be done using clear and understandable language and may be delivered electronically, by post or through other appropriate channels. Investors may also receive reminders and notifications to ensure they have an opportunity to participate.

In the case of amalgamations of funds, investors will be informed of the proposed transaction, the expected impact on their investment and their available options. Where applicable, investors will have the opportunity to vote or to object before the change is implemented, in accordance with the requirements of applicable legislation.

15. Investor rights and responsibilities

The Investment Agreement, which is provided to investors upon onboarding and acceptance as an investor, sets out the terms and conditions applicable to the investment relationship and contains important information relating to the rights, obligations, representations, warranties, consents and responsibilities of both the investor and the Manager. Investors are required to read the Investment Agreement carefully and are bound by its terms upon investing in the Scheme.

Subject to applicable law and the terms of the relevant fund, investors generally have the right to:

- invest in, redeem or switch participatory interests;
- receive periodic statements, reports and material disclosures relating to their investment;
- access information relating to the pricing, valuation and performance of the Scheme;
- participate in ballots or vote on material amendments, amalgamations or other matters affecting investor rights where required under CISCA, the Deed or applicable regulatory requirements; and
- have their interests administered in accordance with the principles of fairness, fiduciary oversight and investor protection contemplated in CISCA.

Investors are responsible for ensuring that all information and representations provided to the Manager are accurate, complete and up to date, including all identification, tax, anti-money laundering, source of funds and regulatory disclosure requirements. Investors are further responsible for understanding the nature and risks of the investment, obtaining independent professional advice where appropriate, monitoring their investment on an ongoing basis and ensuring that the investment remains appropriate to their financial objectives, risk appetite and investment horizon.

The Manager does not provide tax, legal or financial advice unless expressly agreed otherwise in writing, and investors remain responsible for complying with all applicable legal, tax and regulatory obligations arising from their investment in the Scheme.

You have the right to access information, withdraw investments and vote on material changes.You are responsible for understanding risks and monitoring your investment.

The Manager does not provide tax, legal or financial advice unless expressly agreed otherwise in writing, and investors remain responsible for complying with all applicable legal, tax and regulatory obligations arising from their investment in the Scheme.

You have the right to access information, withdraw investments and vote on material changes.You are responsible for understanding risks and monitoring your investment.

16. Taxation

The taxation of an investment in the Scheme will depend on the nature of the investor, the type of return generated by the fund and the investor's individual tax circumstances. Investors may be liable for income tax, capital gains tax, dividends tax or other applicable taxes arising from their investment in the Scheme. Tax legislation and its interpretation may change from time to time and may have retrospective effect. Investors should consult their own professional advisers regarding the tax consequences of an investment in the Scheme, having regard to their specific circumstances..

17. Reporting and communication

The Manager will provide investors with ongoing reporting, disclosures and communications in accordance with CISCA, applicable FSCA requirements, the Deed of the Scheme and industry standards issued by ASISA.

The Manager will publish fund pricing, performance information and other prescribed disclosures in accordance with applicable regulatory requirements on its website.

Communications may be provided electronically, through online platforms, websites, email or other approved communication channels, subject to applicable law.

18. Reliance on this prospectus

You should read this Prospectus together with the relevant Fund Supplement and any other documents referred to in it carefully and in full before making an investment. The information contained in this Prospectus is based on the laws and practices applicable at the time it is issued and may change from time to time.

The delivery of this Prospectus or any related document does not imply that the information remains correct after the date of issue. We may update this Prospectus and related documents periodically and you should ensure that you have the latest version when making an investment decision.

This Prospectus provides information only and does not constitute legal, tax or investment advice. You are responsible for obtaining independent advice where necessary and for ensuring that the investment is appropriate for your circumstances.

This Prospectus may be updated from time to time. The latest version is available on request.

NEDGROUP INVESTMENTS

Contact us

Phone: 0800 123 263 (within South Africa)
+27 21 412 2003 (outside South Africa)

Email: clientservices@nedgroupinvestments.co.za

Write To Us: Po Box 1510, Cape Town, 8000

Our offices are located at

South Africa: Nedbank Clocktower, Clocktower Precinct, V&A Waterfront, Cape Town, 8001

London: 12 Arthur Street, London, EC4R 9AB

Isle Of Man: First Floor, St Mary's Court, 20 Hill Street, Douglas, Isle Of Man, IM1 1EU, British Isles

see money differently