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Independent Auditor's Limited Assurance Report of Foord Unit Trusts (RF) (Pty) Ltd (the "Manager")

We have undertaken our limited assurance engagement to determine whether the attached Schedule IB '*Assets of the Fund held in compliance with Regulation 28*' at 29 February 2020 (the "Schedule") has been prepared in terms of the requirements of Regulation 28 of the Pension Funds Act of South Africa (the "Regulation") by Foord Conservative Fund (the "Portfolio"), as set out on pages 4 to 7. Our engagement arises from our appointment as auditor of the Foord Unit Trusts (RF) (Pty) Ltd and is for the purpose of assisting the Portfolio's unitholders to prepare the unitholder's Schedule IB '*Assets of the Fund held in compliance with Regulation 28*' in terms of the requirements of Regulation 28(8)(b)(i).

The Responsibilities of the Directors of the Manager

The Directors of the Manager are responsible for the preparation of the Schedule in terms of the requirements of the Regulation, and for such internal control as the Manager determines is necessary to enable the preparation of the Schedule that is free from material misstatements, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of Sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)* and parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together the IRBA Codes), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (including International Independence Standards)* respectively.



KPMG Inc applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to express a limited assurance conclusion on whether, based on the procedures we have performed and the evidence we have obtained, the Schedule has been prepared in terms of the requirements of the Regulation based on the procedures we have performed and the evidence we have obtained.

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historic Financial Information (ISAE) 3000 (Revised)* issued by the International Auditing and Assurance Standards Board. That standard requires us to plan and perform our assurance engagement in order to obtain limited assurance on whether the Schedule has been prepared in terms of the requirements of Regulation 28 of the Pension Funds Act of South Africa.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and includes inquiries, observation of processes followed, inspection of documents, analytical procedures, evaluating reporting policies and agreeing or reconciling with underlying records.

We completed our audit of the financial statements of the Manager for the year ended 29 February 2020, prepared in accordance with International Financial Reporting Standards, on which we issued an unmodified opinion on 1 June 2020. Our audit was performed in accordance with International Standards on Auditing and not for the purpose of expressing an opinion on the Manager's internal controls. Where appropriate, we have drawn on evidence obtained, regarding instances of non-compliance with the Regulation identified during the course of our audit that might materially affect the financial statements, and have performed such additional procedures as we considered necessary. Our audit of the financial statements was not, however for the purpose of expressing an opinion on the Managers internal controls.

The procedures performed included:

- Re-computing the Schedule's arithmetical accuracy;
- Reviewing the appropriateness of the classification of a sample of the underlying assets;
- Agreeing a sample of the fair values on the Schedule to the investment administration system; and



— Inspecting whether any instances of non-compliance with the Regulations were correctly disclosed on the Schedule.

The procedures performed in a limited assurance engagement vary in nature and timing, and are less in extent, than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Accordingly, we do not express a reasonable assurance opinion about whether the Schedule has been prepared in terms of the requirements of the Regulation.

We believe that the evidence obtained as part of our limited assurance engagement is sufficient and appropriate to provide a basis for our limited assurance conclusion expressed below.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Schedule IB 'Assets of the Fund held in compliance with Regulation 28' at 29 February 2020 by the Foord Conservative Fund, has not been prepared in terms of the requirements of Regulation 28 of the Pension Funds Act of South Africa.

Restriction on Use and Distribution

This report is prepared in terms of the requirements of Regulation 28(8)(b)(i)(aa) and is intended only for the Manager and Portfolio's unitholders for the purpose indicated in the first paragraph. Consequently, the Schedule and our report may not be suitable for another purpose and is not to be used for any other purpose nor distributed to any other parties.

KPMG Inc

Per MJ Coelho
Chartered Accountant (SA)
Registered Auditor
Director

12 June 2020

Schedule IB (Foord Conservative Fund)

Assets held in compliance with Regulation 28 as at 29 February 2020

		Fair value R	
A Total assets of the fund		586 592 312	
Categories of kinds of assets	%	Fair value R	Fair value %
1 CASH	100%	78 860 535	13,44%
1,1 Local notes, deposits, money market instruments issued by a South African Bank, margin accounts, settlement accounts with an exchange and Islamic liquidity management financial instruments	100%	41 459 243	7,07%
(a) Notes and coins, any balance or deposit in an account held with a South African bank -per issuer/entity	25%	40 912 816	6,97%
FIRST RAND BANK LIMITED		40 912 816	6,97%
(b) A money market instrument issued by a South African bank including an Islamic liquidity management financial instrument -per issuer/entity	25%	-	0,00%
(c) Any positive net balance in a margin account with an exchange -per issuer/entity	25%	546 427	0,09%
JSE LIMITED		546 427	0,09%
(d) Any positive net balance in a settlement account with an exchange, operated for the buying and selling of assets -per issuer/entity	25%	-	0,00%
1,2 Foreign balances or deposits, money market instruments issued by a foreign bank including Islamic liquidity management financial instruments	SARB maximum limits	37 401 291	6,38%
(a) Any balance or deposit held with a foreign bank -per issuer/entity	5%	37 401 291	6,38%
Foord Global Equity Fund X : Cash Effect		5 654 009	0,96%
Foord Int. Fund Lux B : Cash Effect		31 747 282	5,41%
(b) Any balance or deposit held with an African bank -per issuer/entity	5%	-	0,00%
(c) A money market instrument issued by a foreign bank including an Islamic liquidity management	5%	-	0,00%
2 DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS	100% issued/guaranteed by Republic otherwise	161 982 905	27,61%
2,1 Inside the Republic	75%/100%	147 205 989	25,10%
(a) Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic	100%	147 205 989	25,10%
(b) Debt instruments issued or guaranteed by the government of a foreign country -per issuer	75%	-	0,00%
(c) Debt instruments issued or guaranteed by a South African Bank against its balance sheet-	75%	-	0,00%
(c)(i) Listed on an exchange with an issue market capitalisation of R20 billion or more, or an amount or conditions as prescribed -per issuer	25%	-	0,00%
(c)(ii) Listed on an exchange with an issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed -per issuer	75%	-	0,00%
(c)(iii) Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed -per issuer	10%	-	0,00%
(c)(iv) Not listed on an exchange - per issuer	5%	-	0,00%
(d) Debt instruments issued or guaranteed by an entity that has equity listed on an exchange, or debt instruments issued or guaranteed by a public entity under the Public Finance Management Act, 1999 (Act No. 1 of 1999) as prescribed:-	50%	-	0,00%
(d)(i) Listed on an exchange -per issuer	10%	-	0,00%
(d)(ii) Not listed on an exchange -per issuer	25%	-	0,00%
(e) Other debt instruments:-	25%	-	0,00%
(e)(i) Listed on an exchange - per instrument	25%	-	0,00%
(e)(ii) Not listed on an exchange -per instrument	15%	-	0,00%

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2.2 Outside the Republic		14 776 917	2,52%
(a)	Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic	SARB max limits	0,00%
(b)	Debt instruments issued or guaranteed by the government of a foreign country	SARB max limits	1,30%
	-per issuer	10%	
	Food Int. Fund Lux B : Gov. Bond Effect	7 619 348	1,30%
(c)	Debt instruments issued or guaranteed by a South African Bank against its balance sheet-	SARB max limits	0,00%
(c)(i)	Listed on an exchange with an issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	SARB max limits	0,00%
	-per issuer	25%	
(c)(ii)	Listed on an exchange with an issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	SARB max limits	0,00%
	-per issuer	15%	
(c)(iii)	Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	SARB max limits	0,00%
	-per issuer	10%	
(c)(iv)	Not listed on an exchange	SARB max limits	0,00%
	- per issuer	5%	
(d)	Debt instruments issued or guaranteed by an entity that has equity listed on an exchange	SARB max limits	1,22%
(d)(i)	Listed on an exchange	SARB max limits	1,22%
	-per issuer	10%	
	Food Int. Fund Lux B : Corp. Bond Effect	7 157 569	1,22%
(d)(ii)	Not listed on an exchange	25%	0,00%
	-per issuer	5%	
(e)	Other debt instruments:-	25%	0,00%
(e)(i)	Listed on an exchange	25%	0,00%
	- per instrument	5%	
(e)(ii)	Not listed on an exchange	15%	0,00%
	-per instrument	5%	
		15%	
3 EQUITIES		258 694 950	44,10%
3,1	Inside the Republic	144 732 411	24,67%
(a)	Preference and ordinary shares in companies, excluding shares in property companies, listed on an	144 732 411	24,67%
(a)(i)	Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	128 217 966	21,86%
	-per issuer	15%	
	Anheuser-Busch InBev	15 881 517	2,71%
	Aspen	13 806 300	2,35%
	AVI	1 525 700	0,26%
	BHP	16 427 032	2,80%
	Bidcorp	2 101 272	0,36%
	British American Tobacco	10 580 325	1,80%
	Richemont	5 442 053	0,93%
	Mediclinic	5 406 400	0,92%
	Mr Price	1 418 967	0,24%
	Naspers "N"	8 892 811	1,52%
	Pepkor	1 261 056	0,21%
	Prosus "N"	5 516 238	0,94%
	RMB Holdings	14 518 254	2,48%
	Standard Bank Group	7 877 777	1,34%
	Santam	1 172 000	0,20%
	Sasol	10 860 650	1,85%
	Spar Group	1 722 000	0,29%
	Vodacom	1 068 734	0,18%
	All Share Index March 2020	2 738 880	0,47%
(a)(ii)	Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as	16 514 445	2,82%
	-per issuer	10%	
	Afrox	1 964 600	0,33%
	Hudaco	856 277	0,15%
	Italtile	1 606 289	0,27%
	KAP	611 492	0,10%
	Omnia	2 965 236	0,51%
	Spurcorp	8 510 551	1,45%
(a)(iii)	Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed		0,00%
	-per issuer	5%	
(b)	Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange		0,00%
	-per issuer	2,5%	

3,2	Outside the Republic		SARB max limits	113 962 539	19,43%
(a)	Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange:-		SARB max limits	113 962 539	19,43%
(a)(i)	Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed		SARB max limits	113 962 539	19,43%
	-per issuer		15%		
		Foord Global Equity Fund X : Equity Effe Foord Int. Fund Lux B : Equity Effe		57 048 321 56 914 218	9,73% 9,70%
(a)(ii)	Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed		SARB max limits		0,00%
	-per issuer		10%		
(a)(iii)	Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed		SARB max limits		0,00%
	-per issuer		5%		
(b)	Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange		SARB max limits		0,00%
	-per issuer		2,5%		
4	IMMOVABLE PROPERTY				
4,1	Inside the Republic		25%	41 237 396	7,03%
(a)	Preference shares, ordinary shares and linked units comprising shares linked to debentures in property companies, or units in a Collective Investment Scheme in Property, listed on an exchange		25%	36 140 077	6,16%
(a)(i)	Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed		25%	36 140 077	6,16%
	-per issuer		15%		
		Capital & Counties Properties Fortress		23 321 064 17 318 254 6 002 810	3,98% 2,95% 1,02%
(a)(ii)	Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed		25%	12 819 013	2,19%
	-per issuer		10%		
		Emira Property Stor-Age Property		1 188 876 11 630 137	0,20% 1,98%
(a)(iii)	Issuer market capitalisation of less than R3 billion or an amount or conditions as prescribed		25%		0,00%
	-per issuer		5%		
(b)	Immovable property, preference and ordinary shares in property companies, and linked units comprising shares linked to debentures in property companies, not listed on an exchange		15%		0,00%
	- per issuer		5%		
4,2	Outside the Republic		SARB max limits	5 097 319	0,87%
(a)	Preference shares, ordinary shares and linked units comprising shares linked to debentures in property companies, or units in a Collective Investment Scheme in Property, listed on an exchange		SARB max limits	5 097 319	0,87%
(a)(i)	Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed		SARB max limits		0,00%
	-per issuer		15%		
(a)(ii)	Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed		SARB max limits		0,00%
	-per issuer		10%		
(a)(iii)	Issuer market capitalisation of less than R3 billion or an amount or conditions as prescribed		SARB max limits	5 097 319	0,87%
	-per issuer		5%		
		Foord Global Equity Fund X : Property Effect Foord Int. Fund Lux B : Property Effect		825 867 4 271 452	0,14% 0,73%
(b)	Immovable property, preference and ordinary shares in property companies, and linked units comprising shares linked to debentures in property companies, not listed on an exchange		SARB max limits		0,00%
	- per issuer		5%		
5	COMMODITIES				
5,1	Inside the Republic			45 816 527	7,81%
(a)	Kruger Rands and other commodities on an exchange, including exchange traded commodities		10%	38 081 734	6,49%
(a)(i)	Gold (including Kruger Rands)		10%	38 081 734	6,49%
(a)(ii)	Other commodities		5%		0,00%
	-each other commodity				
5,2	Outside the Republic			7 734 792	1,32%
(a)	Gold and other commodities on an exchange, including exchange traded commodities		10%	7 734 792	1,32%
(a)(i)	Gold		10%	7 734 792	1,32%
(a)(ii)	Other commodities		10%		0,00%
	-each commodity				
6	INVESTMENTS IN THE BUSINESS OF A PARTICIPATING EMPLOYER INSIDE THE REPUBLIC IN TERMS OF:-				
(a)	Section 19(4) of the Pension Funds Act		5%		
(b)	To the extent it has been allowed by an exemption in terms of section 19(4A) of the Pension Funds Act		10%		
7	HOUSING LOANS GRANTED TO MEMBERS IN ACCORDANCE WITH THE PROVISIONS OF SECTION 19(5)		95%		

8 HEDGE FUNDS, PRIVATE EQUITY FUNDS AND ANY OTHER ASSET NOT REFERRED TO IN THIS SCHEDULE				
8,1	Inside the Republic	15%	-	0,00%
(a)	Hedge fund	10%	-	0,00%
(a)(i)	Funds of hedge funds	5%	-	0,00%
(a)(ii)	Hedge funds	2,5%	-	0,00%
(b)	Private equity funds	10%	-	0,00%
(b)(i)	Funds of private equity funds	5%	-	0,00%
(b)(ii)	Private equity funds	2,5%	-	0,00%
(c)	Other assets not referred to in this schedule and excluding a hedge fund or private equity fund	2,5%	-	0,00%
8,2	Outside the Republic	15%	-	0,00%
(a)	Hedge fund	10%	-	0,00%
(a)(i)	Funds of hedge funds	5%	-	0,00%
(a)(ii)	Hedge funds	2,5%	-	0,00%
(b)	Private equity funds	10%	-	0,00%
(b)(i)	Funds of private equity funds	5%	-	0,00%
(b)(ii)	Private equity funds	2,5%	-	0,00%
(c)	Other assets not referred to in this schedule and excluding a hedge fund or private equity fund	2,5%	-	0,00%
9 Fair value of assets to be excluded in terms of sub-regulation (8)(b) of Regulation 28				
9,1	Inside the Republic			
9,2	Outside the Republic	SARB max limits		
TOTAL (equal to the fair value of assets)			586 592 312	100% RC
Investments outside the Republic				
		Fair value	Fair Value	
		R	Percentage	
Foreign balances or deposits, money market instruments issued by a foreign bank including Islamic liquidity management financial instruments		37 401 291	6,38%	
Debt instruments including Islamic debt instruments		14 776 917	0,00%	
Equities		113 962 539	19,43%	
Immovable property		5 097 319	0,87%	
Commodities outside the Republic		7 734 792	1,32%	
Hedge Funds, private equity funds and any other assets not referred to in this schedule		-	0,00%	
Fair value of assets to be excluded in terms of sub-regulation (8)(b) of Regulation 28				
TOTAL		178 972 858	27,99%	
Asset Limits in terms of sub regulation 3(f)				
Item 2.1(e)(ii)		-	0,00%	
Item 3.1(b)		-	0,00%	
Item 4.1(b)		-	0,00%	
Item 8		-	0,00%	
TOTAL		-	0,00%	
Asset Limits in terms of sub regulation 3.1(g)				
Item 3.1(b)		-	0,00%	
Item 8.1(b)		-	-	
TOTAL		0	0	
Breaches in terms of Regulation 28				
No breaches were noted. Market movements caused the market value of foreign assets to exceed 30% of the portfolio as follows:				
Date investment limit exceeded		Date resolved		
Monday, 11 February 2019		2019/12/24		
Friday, 03 January 2020		2020/01/06		
Friday, 10 January 2020		2020/01/21		
Thursday, 27 February 2020		2020/02/28		