



OLDMUTUAL

OLD MUTUAL SUPERFUND CHOICE INVESTMENT

THE STRATEGY & EXTENDED INVESTMENT PACKAGES



CORPORATE
RETIREMENT SOLUTIONS

DO GREAT THINGS EVERY DAY

CONGRATULATIONS ON BECOMING A MEMBER OF OLD MUTUAL SUPERFUND CHOICE

– the flexible retirement and risk benefits solution that offers you financial peace of mind today, and a better financial future tomorrow.

In addition to the Trustee Choice and Lifestage investment solutions (see separate fact sheets), your employer has chosen to make the Strategy and/or Extended Investment Package available to you as a retirement investment option.

This fact sheet provides you with more information about these valuable retirement solutions to help you make your investment choice.



A BIT ABOUT THE STRATEGY AND EXTENDED INVESTMENT PACKAGES

- **The Strategy investment package** allows you to choose your retirement investments from a select range of Old Mutual Group-managed investment portfolios; while
- **The Extended investment package** allows you to select from a wide range of investment portfolios offered by various investment providers, including Old Mutual.

These are both 'hands-on' solutions, which means you need to be involved in investment decisions. Only choose to invest in these packages if you have the knowledge and time to be involved actively in managing where your retirement savings are invested.



HOW THEY WORK

When you opt for the Old Mutual SuperFund Choice Strategy or Extended investment package, you take full control of where and how your retirement savings are invested. This means you need to be aware of the balance between investment risk and reward as having an understanding of what the various types of investment portfolios are and how they work.

To make the selection of portfolios you want to include easier, Old Mutual SuperFund provides you with detailed fact sheets and performance information on each one, which can be accessed at www.oldmutual.co.za/corporate/products-and-services/employee-benefits/old-mutual-superfund/investment-funds.

WHEN YOU CHOOSE YOUR PORTFOLIOS, YOU NEED TO THINK ABOUT:

1 RISK VERSUS REWARD
 -and how these characteristics of each available portfolio align with your own risk and reward preferences

2 INVESTMENT TYPE OR ASSET CLASS
 -and which portfolios align best with your investment preferences.

To simplify this complicated aspect of investment, the portfolios in the Strategy and Extended packages are categorised into three main risk/reward profiles as follows:

RISK/REWARD PROFILE	WHAT YOU CAN EXPECT
HIGHER REWARD/HIGHER VOLATILITY	These portfolios can have high levels of volatility (investment risk), but they also offer the potential for high returns (reward) in the long term.
MEDIUM REWARD/MEDIUM VOLATILITY	These portfolios have a slightly lower proportion of growth assets than the first category and a slightly higher proportion of cash and bonds. This means lower volatility, but also the likelihood of lower returns.
LOW REWARD/LOW VOLATILITY	These portfolios will have lower levels of volatility (lower risk) than the other two categories, but also lower returns in the long term.

TYPES OF INVESTMENT PORTFOLIOS AVAILABLE TO YOU

Against this risk/reward backdrop, the types of investment portfolios available within the Old Mutual SuperFund Choice Strategy and Extended packages are broadly as follows:

PORTFOLIO TYPE	WHAT YOU CAN EXPECT
MARKET-LINKED INVESTMENT PORTFOLIOS	The returns on these investment portfolios are directly related to returns achieved on the stock and bond exchanges. They will therefore produce more variable returns than smoothed bonus investment portfolios (see below).
SMOOTHED BONUS INVESTMENT PORTFOLIOS	A smoothed bonus investment portfolio holds some of the returns back in years of good performance to support returns in years when the markets do badly.
TARGETED RETURN INVESTMENT PORTFOLIOS	These are market-linked investment portfolios in which the investment manager targets a specific real return higher than inflation.
FIXED INTEREST	These are usually longer-term loan arrangements (known as bonds) issued by the government or companies to raise capital. They are fairly secure investments with expected returns that are higher than cash over the long-term.
MONEY MARKET	This is also known as “cash” and is a low-risk investment earning a rate similar to what you would earn in a savings or a fixed deposit account from a bank. These portfolios preserve capital so they are useful just before retirement, but not suitable as long-term investments for retirement.



SOME IMPORTANT INFORMATION ABOUT CHOOSING YOUR INVESTMENT:

- If more than one of the above investment packages is available to you, your retirement savings have to be fully invested in only ONE of the packages at any given time. Within Strategy and Extended, investments can be split between different investment portfolios within the package, but investments cannot be split across packages. You can, however, switch between packages at any time.
- If you don't make a specific investment choice, your retirement savings will automatically be placed into the default package chosen by your employer. The default investment package will be either Trustee Choice or Lifestage.



NEED MORE INFORMATION OR GUIDANCE?

Before you make any investment decision, it is always a good idea to first speak to a qualified financial adviser. Remember that, in order to meet your needs when you retire, you need to consider many other factors as well, such as how much you are saving towards retirement and how long you have until your retirement. If you don't have your own adviser or broker, contact Old Mutual SuperFund on 0860 38 88 73 or email us at superfund@oldmutual.com and we will arrange for a personal financial adviser to call you.

A dedicated service centre is available at 0860 20 30 40. Consultants can answer all service queries, including questions about:

- Making a claim,
- Updating personal details (via phone, sms, email, etc.),
- Updating beneficiary nomination, and
- Switching between investment packages.

Regulatory information:

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