Corporate Profile
Think Efficient. Realise potential.

Introduction
Brand significance 1

Overview - Efficient Group
About us 2
The Efficient Approach 3
Sustainability And Transformation 3
Corporate Governance And Compliance 4
Corporate Social Responsibility 4

Efficient Select
Introduction 5
Investment Philosophy and Process
+ Investment Philosophy 6
+ Investment Process 7
Our People 8
Product Range 11
Awards 12

Contact us Back
EFFICIENT GROUP

BRAND SIGNIFICANCE

The Efficient brand embodies the core of our commitment to investors and stakeholders and serves as the benchmark for our company's products and services.

It defines the qualities of the values and principles of our employees and expresses our approach to performance and service delivery.

Our identity

Our company name has a meaning which is emphatically rooted in our company culture. Our identity is symbolic of the experience we offer our clients, irrespective of which subsidiary you are dealing with. Efficiency directly refers to competency in performance; a state or quality that is evident in our processes, our philosophy and our people.

The icon in our logo symbolises the company's ambition for growth and expansion, both for our clients and for our business.
The Efficient Group is an integrated JSE-listed financial services company offering a comprehensive value proposition in financial services to private clients, institutional investors and financial advisors.

Since starting out in 1999 as primarily an asset management company with administrative supporting services, the company has followed a sustainable growth plan incorporating strategy, knowledge, innovation and sound business practices to evolve and progress into a multi-faceted, quality financial solutions provider.

We add significant value for clients by providing diverse, effective and progressive financial services and solutions through our three business segments:

- **Financial services** for financial planning and products
- **Investments** for asset administration, -management and -consulting
- **Value-added financial services and solutions**

Our client base includes individual investors, institutions, corporations, intermediaries and pension funds.
Overview

How we do it:

Through our employees; a team of highly-skilled professionals with wide-ranging abilities and unswerving dedication for what they do. Whether it is in asset management, economic research and analysis, financial planning, client portfolio administration or compliance, we all share the same enthusiasm and passion for service excellence.

Through our processes; we create wealth, protect capital, reduce costs, improve risk management, increase audit and compliance efficiency, streamline services and increase client satisfaction. With standardised processes for finance, compliance, economic research, human resources, information technology, marketing, and sales and distribution on a national basis, we are able to provide support for multiple business subsidiaries.

SUSTAINABILITY AND TRANSFORMATION

Our underlying business philosophy - and that of each subsidiary - is to make sure that we serve the requirements of our stakeholders effectively by being attuned and responsive to their needs at all times.

We are firm in our resolve to ensure that our relations with our clients and our employees are founded on mutual appreciation, trust and long-lasting partnerships.

Our business objectives are defined purposefully and reviewed continuously. The focus of every business division is to create and deliver sustainable, profitable and efficient solutions for our clients.

Retaining a competitive advantage requires a perfect balance between strategy and execution; process and administration and value versus cost. We aim to maintain this balance without compromising our values, integrity and ethics.

We continuously review our sustainability drivers - strategy, processes, people and capital, and where practical, we draw on synergies between divisions to develop and implement more efficient and sustainable solutions that capitalise on our company’s expertise and infrastructure.

We continue to implement strategies to ensure that the company and its subsidiaries meet their respective transformation and BBBEE requirements. We are committed to meaningful and sustainable transformation and regularly review our progress to identify areas for improvement.
EFFICIENT GROUP (Continued)

CORPORATE GOVERNANCE AND COMPLIANCE

The Efficient Group is a financial services business. Corporate governance and compliance are key components in our process of delivering financial services and products to clients.

Implied in this service offering are a multitude of risks and formalities that we manage in an ethical and prudent manner in order to ensure the sustainability of our business.

Compliance requires much more than merely ensuring that the necessary checks and balances are in place. It is rather a way of doing business, of using regulatory reform to adjust our priorities in line with stakeholder expectations and of creating a competitive advantage based on trust, confidence and pure ethical standards.

We have a dedicated compliance department responsible for managing compliance with all legislation applicable to Efficient Group or any of its subsidiaries.

Compliance and excellent corporate governance are essential elements in our business and we adhere to the principles of the Code of Corporate Practices and Conduct as set out in King III.

The Efficient Group and its employees conduct all business affairs with honesty, integrity, accountability and transparency.

Our internal Code of Ethics is supported by other workplace policies developed to protect our stakeholders.

CORPORATE SOCIAL RESPONSIBILITY

Efficient Group is committed to making a contribution to economic and social development through active participation in community enrichment projects.

Our social responsibility program encourages involvement from all employees, and we strive to deliver life-changing, sustainable benefits to those in need.

We have formed lasting relationships with several local non-profit organisations to provide essential resources and services.
Efficient Select is the asset management division of the Efficient Group. Established in 1999, we have, since inception, developed into a multi-solution asset management business through organic growth and acquisitions.

At Efficient Select we recognise the importance of delivering capital preservation and long-term sustainable investment growth for our clients. We aim to achieve this through active management by taking advantage of mispriced investments due to market inefficiencies.

Our multi-skilled, passionate and entrepreneurial team performs fundamental bottom-up research based on our QUALITY Investment Philosophy to identify these inefficiencies.

We endeavour to deliver above average returns at lower risk over the long term through our repeatable and disciplined process.

Our boutique environment and team approach have been key attributes to our sustained achievements. Efficient Select offers a comprehensive range of investment services. Our client base includes private investors, retirement funds, trusts, companies, foundations and financial advisers.

We are an authorised and licensed financial services provider, FSP 859.

"Our vision is to be recognised as the top rated QUALITY investment house in southern Africa; delivering above average long-term investment performance and service excellence for clients." - The Efficient Select team
Irrational investment behaviour creates inefficient markets
Irrational investment behaviour and market sentiment often drive asset prices above or below their fair value in the short term. These market inefficiencies create opportunities for us to invest in assets that are undervalued by the market.

Active Management
We believe that active management is a critical factor in being able to identify and take advantage of asset mispricing.

We buy at attractive valuations
We aim to buy quality investments at attractive valuations incorporating an adequate margin of safety to protect the investment.

Long-term investment focus
We take a medium- to long-term view on all investments that we make.

“One team” approach
One philosophy signifies that you are buying the investment house and not an individual. Our multi-skilled, innovative and talented team implement our QUALITY Investment Philosophy through a disciplined and repeatable investment process.

Our QUALITY Investment Philosophy is the foundation on which our day-to-day investment process is built.

Investment philosophy
Quality investments offer the best opportunities for consistent returns.

We subscribe to a QUALITY Investment Philosophy; based on clearly defined fundamental factors. This investment philosophy seeks to identify investments with outstanding quality characteristics.

The criteria applied to identify quality investments consist of both hard (e.g. financial strength) and soft (e.g. management credibility) characteristics.

QUALITY investing focusses on capital preservation in volatile market conditions while providing a reasonable level of returns in rising markets. The emphasis we place on capital preservation ensures a positive compounding effect, resulting in consistent long-term returns.

Qualitative analysis is backed by Quantitative screening
**Investment process**

Using various proprietary tools to identify investment opportunities which meet our strict Quality Criteria, the investment team constantly screens our entire investment universe. These quality criteria consist of both hard (e.g. financial strength) and soft (e.g. management credibility) characteristics. This approach ensures that investments are selected on the basis of best overall as opposed to best in a particular class.

Our team performs ongoing bottom-up fundamental in-house research on equity, property, bonds, cash and funds. Being thoroughly informed of what we are investing in is a non-negotiable practice. Key components of our fundamental research process include site visits and regular interaction with the management of the companies in which we invest your money.

To strengthen our investment strategy and provide us with a top-down view incorporating asset allocation and sector allocation calls, rigorous global and local economic assessments are conducted on a quarterly basis.

Risk is inherent in every investment. We monitor risk on an ongoing basis through our Risk Management Framework (RMF), which enables us to continuously monitor market, company specific, regulatory and compliance risks across all our portfolios.

Monthly portfolio evaluations consist of meticulous reviews of essential return, risk, risk/return, liquidity and scenario analyses. We use a variety of systems to monitor these metrics, enabling us to modify portfolios if, when and where necessary.

This disciplined and repeatable investment process ensures consistent implementation of our philosophy.

---

**6 Step Investment process**

![Process Diagram]

- Idea generation
- Quality Assessment
- Portfolio Construction
- Execution
- Attribution & Monitoring
- RMF
CORPORATE PROFILE

OUR PEOPLE

Within our boutique environment we have structured our business to ensure sustainability, depth of skill, knowledge and experience.

The management team responsible for strategy and oversight of the business consists of a chief executive officer and chief investment officer.

The front office comprises a team of multi-skilled, innovative and experienced professionals responsible for investment management and research.

The middle office team covers risk oversight and process implementation and is supported by the back office team responsible for continuity in operations and support.

We are recognised by our employees as an organisation where all individuals are challenged to achieve full involvement and success in their activities. Our boutique environment and unique and entrepreneurial culture make Efficient Select an employer with a difference.

Busisa Jiya - Managing Director

Before joining Efficient Select, Busisa was the Managing Director of ABSA Asset Management, and Managing Director of ABSA Portfolio Managers (trading as ABSA Asset Management Private Clients). Whilst at Barclays Africa Group, he was a Non-Executive Director of ABSA Actuaries and Consultants.

Busisa Jiya has 20 years’ experience in the asset management industry, 10 years as Managing Director. He graduated with a B. Bus. Sc [Economics Honours] from the University of Cape Town. Busisa has completed a Senior Leadership Development Programme at the Manchester University Business School (United Kingdom), and an Advanced Management Programme with the Thomson Reuters Academy.
Efficient Select

OUR PEOPLE

Chief Investment Officer, Portfolio Manager
CFA, CAA ATPL, FAA MEI

Brendan Vadas

Brendan’s career commenced at Valugro Capital as junior analyst. After the merger in 2007 he progressed up the ranks to CIO of Efficient Select in 2010. He is a CFA Charter Holder and is responsible for the multi-boutique asset management philosophy, processes and investment team at Efficient Select. He has more than 10 years’ experience in the Asset Management industry.

Head of Private Clients
MCom (cum laude)

Dawie Roodt

Dawie Roodt is an economist who specialises in fiscal and monetary policy. He brings invaluable exposure to the Group through his active presence in both the local and foreign media. He has been a member of the Tax Advisory Committee of the Afrikaanse Handelsinstituut and has represented Business SA at Nedlac. Dawie is an ambassador for Child Welfare (Bloemfontein), Childline (Free State) and the Adopt Moreletaspruit Forum.

Assistant Portfolio Manager - Private Clients
BCom Honours

Ryan McCaughey

Ryan joined Efficient Select in 2011 after completing his BCom Honours degree in Financial Analysis at the University of Stellenbosch. He has been actively involved in the management of the House View process, the asset allocation decisions across Efficient Select’s funds and actively involved in equity research. Ryan recently joined the Private Clients team as an assistant portfolio manager.

Equity Analyst
BBusSc, CFA

Callan Williamson

Callan Williamson joined the Efficient Select team in 2012 after completing a Business Science degree in Finance at the University of Cape Town. He has since progressed to Equity Analyst and is a CFA Charter Holder. He specialises in domestic equity and macroeconomics.

Junior Analyst and Dealer
BCom Honours

Joel Andrews

Joel Andrews commenced employment at Efficient Select in 2013 as a Junior Analyst. He specialises in offshore equity research and trading. He earned his BCom Honours in Finance and Investments from the University of Western Cape. He is currently enrolled in the CFA program.

Junior Quants Analyst
BSc

Lwazi Hlatshwayo

Lwazi Hlatshwayo joined the Efficient Select team as a Junior Quants Analyst after completing a BSc degree in Physics at the University of the Western Cape.
Our employees are our greatest asset! We continually invest in our pool of talent, and consider it our priority to attract and retain only the best investment professionals.
PRODUCT RANGE

- African Flexible Income Fund
- Fixed Income Fund
- Balanced Fund
- Cautious Fund
- Worldwide Flexible Fund
- Property Fund
- Equity Fund
EFFICIENT SELECT

AWARDS

A. Raging Bull Award in 2012
   Worldwide - Asset Allocation - Flexible Funds Sector - 5 year period

B. Raging Bull Award in 2011
   Worldwide - Asset Allocation - Flexible Funds Sector - 5 year period

C. Raging Bull Award in 2006
   Domestic - Asset Allocation - Flexible Funds Sector - 3 year period

Micropal Award in 2008; Best Smaller Group 2008;
Micropal Award in 2008; Worldwide - Asset Allocation - Flexible Funds Sector - 1 year period

Standard & Poor’s Award in 2005
Domestic - Asset Allocation - Flexible Funds Sector
1 year period

EFFICIENT SELECT PROMISE

OUR COMMITMENT TO YOU

+ To deliver value to all stakeholders
+ To be a responsible corporate citizen
+ To create and build superior wealth for our investors over the long term
+ To follow our core investment principles
+ To make use of the most cost effective and efficient investment vehicles
Think Efficient. Realise potential.
Efficient Select (Pty) Ltd is a registered financial services provider, FSP 859 and a subsidiary of the Efficient Group Ltd.

Think Efficient. Realise potential.

The icon in our logo symbolises the company’s ambition for growth and expansion, both for our investors and for our company.

DISCLAIMER: Although every effort has been made to ensure the accuracy of the content of this brochure, Efficient Select (Pty) Ltd accepts no liability in respect of any errors or omissions contained herein. The contents of this brochure cannot be construed as financial advice and does not confer any rights whatsoever, enforceable against any party and does not replace any legal contract or policy which may be subject to terms and conditions. Efficient Select (Pty) Ltd retains the right to amend any information contained in this brochure at any time and without prior notice.