

## OBJECTIVE AND SUITABILITY

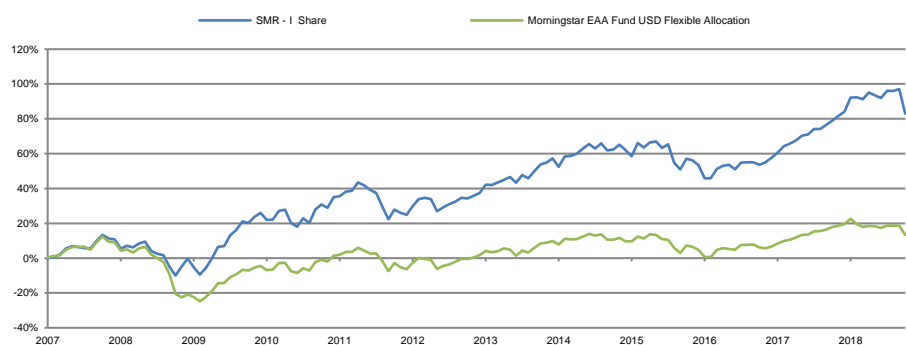
The investment objective of the Fund is to provide long term capital growth through exposure to world equity markets. The Fund is suitable for investors who are looking to achieve long-term capital growth with lower volatility and better risk adjusted returns.

## STRATEGY

**Equity Exposure – intended for growth.** Achieved by investing in Sanlam's passive Satrix World Equity Tracker Fund which aims to replicate the performance of the global equity markets by tracking the MSCI World Equity Index (Developed Markets) in U.S Dollars (unhedged) with income reinvested.

**Risk Management – designed to minimize the risk of capital loss and time in loss.** The investment manager dynamically alters the net equity exposure of the fund using short futures contracts. The manager utilises Artificial Intelligence (AI) to determine the number of short futures contracts and therefore the degree of net equity exposure of the fund. Short futures contracts change in value inversely to equity market movements, therefore when equity markets fall, the futures increase in value offsetting various degrees of the losses. In rising equity markets, full participation in the growth of the markets may be forsaken to some extent for the benefit of minimising losses in negative markets.

## PERFORMANCE



	ROLLING 12 MTH PERFORMANCE (%)*		PERFORMANCE (%)*	
	Fund	Benchmark	Fund	Benchmark
12 M to Oct-18	1.24	-3.87	YTD	-1.43 -5.24
12 M to Oct-17	15.32	11.14	1 Year	1.24 -3.87
12 M to Oct-16	-3.12	-1.10	Annualised Ret. Since Incep.	4.23 1.07
12 M to Oct-15	-4.18	-2.95	Total Ret. Since Inception	63.34 13.40
12 M to Oct-14	6.20	2.03		

## ANNUAL PERFORMANCE (%)\*

2017	16.76	2015	-5.33
2016	2.84	2014	2.99

The Fund is a medium to long-term investment and needs to be viewed in such a way. In order to illustrate how the strategy works over the longer term, the performance shown above is a composite of live Fund data as well as an institutional account with the same risk management overlay.

\* Source for data is Sanlam Global Investment Solutions and Financial Express. Basis for performance data: NAV based, total return (net of fees), in US\$. Periods of performance stated that pre-date 28.06.2013 is for illustrative purposes only and includes an institutional account as well as the UCITS Fund performance.

Morningstar Europe/Asia/Africa: USD Flexible Allocation Category

**Past performance disclaimer.** The Fund was launched on 28.06.13 and therefore no earlier UCITS Fund performance numbers are available. The preceding systematic Institutional Managed Account had a similar composition to the Sanlam Managed Risk Fund and used the same Managed Risk Strategy as the Sanlam Managed Risk Fund at that time and therefore we believe the performance numbers quoted are a fair indication of what the performance of this Fund would have been. The preceding Institutional Managed Account consisted of 60% US, 30% International (non-US) Developed and 10% Emerging Markets exposure utilising the MSCI World, S&P500 and EEM indices. On 12.06.17 the risk management strategy that the investment manager utilises was moved to one that is driven by an Artificial Intelligence (AI) Machine Learning investment engine. Past performance should not be taken as an indicator of future performance.

## ASSET ALLOCATION (%)\*

	Fund
Equity	86.19
Cash	13.81

## ACTUAL HIGHEST AND LOWEST ANNUAL FIGURES\*

	Year	Return (%)
Highest Annual Return	2009	26.31
Lowest Annual Return	2008	-9.85

## RISK STATISTICS\*

	Fund
Annualised Vol.	9.70
Return/Vol. ratio	0.43
Sortino ratio	0.72

	Fund
Max. Drawdown	-21.45
% Positive mths	60

## TARGET INVESTORS

**Advisers:** Balanced/Mixed Asset

**Discretionary:** Equity Risk-on-Risk-off

## POINTS OF INTEREST

**Sanlam:** 100 years old. Listed (Market cap USD10bn)

**Manager type:** Single manager (Not a fund of funds)

**Instruments:** 3 – Passive equity tracker, Cash, Short futures (equity protection)

**Net equity exposure range:** 10–90%



As of September 2018. The Morningstar Rating™ is an assessment of a fund's past performance - based on both return and risk – which shows how similar investments compare with their competitors. A high rating alone is insufficient basis for an investment decision.

## FUND FACTS

**Fund structure:** UCITS

**Domicile:** Ireland

**Regulator:** Central Bank of Ireland (CBI)

**Listed exchange:** Irish Stock Exchange

**Reporting fund status:** Yes

**Financial year-end:** 31 December (semi-annual report 30 June)

**Benchmark:** Morningstar Flexible Allocation

**Fund NAV (Month end):** 1.13

**Fund inception:** 28 June 2013

**Fund size:** US\$ 76.92

**Status:** Open-ended

**Base currency:** USD

**Additional currencies:** GBP, EUR, CHF, SEK, AUD

**Available classes:** Retail, Institutional, Managed Accounts

**Subscription/Redemption settlement:** T+4

**Notice period:** None

**Minimum subscription:** 1,000

**Minimum additional investment:** None

**Minimum repurchase:** None

**Repurchase fee:** None

**Dealing frequency:** None

**Dealing deadline:** 16:00 (GMT)

**Valuation point:** 12 noon in Ireland on each Dealing Day

**Daily publication of prices:** Irish Stock Exchange & www.sanlam.ie

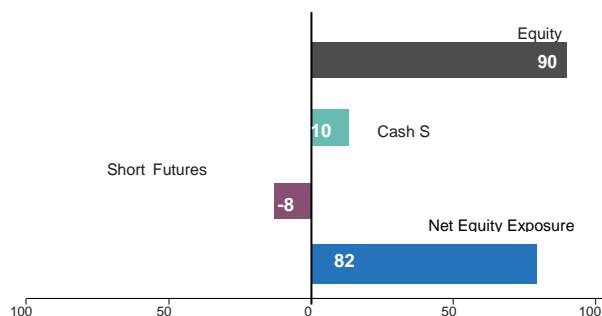
**Distribution:** This fund does not distribute. Dividends and income are automatically added to the NAV of the fund.

**ISIN:** IE00B94Q3B85

**SEDOL:** B94Q3B8

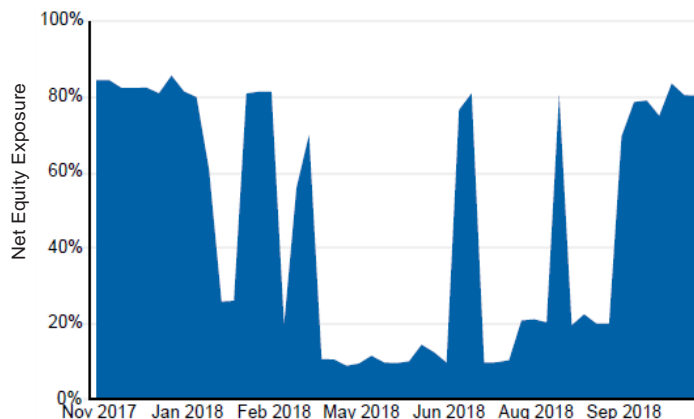
**Bloomberg:** SPSGFAU

**INSTRUMENT ALLOCATION**



Source for all data in the above chart is Sanlam Global Investment Solutions and Milliman.

**12 MONTH ROLLING NET EQUITY EXPOSURE**



**FEES: SHARE CLASS I USD**

<b>Initial fee / Front end load:</b>	0% (up to 5% with intermediary charges if applicable) (Class A USD)
<b>Manager annual fee:</b>	1.75% (Class A USD)
<b>Management performance fee (incl VAT):</b>	0%
<b>Exit Fee:</b>	0%
<b>Other allowed expenses:</b>	Trustee fees, custody fees, administration fees, director's fees, legal fees, audit fees, bank charges, regulatory fees, brokerage/trading fees.
<b>Total Expense Ratio: (TER):</b>	1.90% of the value of the financial product was incurred as expenses relating to the administration of the product. 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 TER's. Period: 31 Dec 2013 to 31 Dec 2017
<b>Transaction cost (TC):</b>	0.00% of the value of the financial product was incurred as costs relating to the buying and selling of the assets underlying the product. TC's are a necessary cost in administering the product and impacts the product's returns. It should not be considered in isolation as returns may be impacted by many other factors over time incl. market returns, type of financial product, investment decisions of the investment manager and the TER.*
<b>Total Investment Charges (TER + TC):</b>	1.90% of the value of the financial product was incurred as costs relating to the investment of the financial product.

\* Please note that the transaction costs for this fund are paid out of the Manager annual fee.

**SERVICE PROVIDERS**

**Custodian:** Brown Brothers Harriman Trustee Services (Ireland) Limited

**Administrator:** Sanlam Asset Management (Ireland) Limited

**Clearing Broker:** Goldman Sachs International

**Lawyer:** Maples and Calder

**Auditor:** Ernst & Young

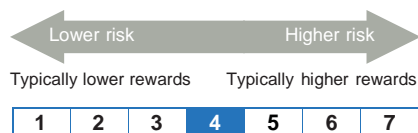
**CONTACT DETAILS**

**Brown Brothers Harriman**

**Tel:** +353 1 241 7130 **Fax:** +353 1 241 7131

**Email:** Sanlam.TA@bbh.com

**RISK AND REWARD PROFILE**



**Why is this Fund in category 4?**

The Fund is rated 4 due to the nature of its investments which include the risks listed below. These factors may impact the value of the Fund's investments or expose the Fund to losses.

The Fund's successful execution of its hedging strategy cannot be assured and it may not be possible to hedge against generally anticipated market fluctuations.

The price of shares and the income from them may fall as well as rise and investors may not get back the amount they have invested.

While seeking to replicate the performance of world equity markets by not solely tracking the Index, the Master Fund may incur a tracking error relative to the Index. Investing in international companies means that currency exchange rate fluctuations will have an impact on the Master Fund. Investing in a CIS or ETF may lead to payment by the Master Fund of additional fees and expenses in relation to those CIS or ETF.

The Fund uses FDI's in an attempt to reduce risk (hedging). It may be that the use of FDI's causes loss to the Fund. The prices of FDI's are volatile. Securities in the Fund may be sold below their valuation due to insufficient liquidity in the market. The eventual price of a security may be influenced by a broad variety of events or risks, many of which may be difficult to predict or assess.

**What do these numbers mean?**

They rate how a fund might behave and how much risk there is to your capital. Generally, the chance to make large gains means a risk of suffering large losses. A Category 1 fund is not a risk-free investment - the risk of losing your money is small, but the chance of making gains is also limited. With a Category 7 fund, the risk of losing your money is high but there is also a chance of making higher gains. The seven-category scale is complex (for example, 2 is not twice as risky as 1).

**More about this rating:**

This rating system is based on the average fluctuations of the prices of funds over the past 5 years - that is, by how much the value of their assets taken together has moved up and down. Historical data, such as is used in calculating the synthetic risk indicator, may not be a reliable indication of the future risk profile of the Fund.

For a more detailed explanation of risks, please refer to the "Risk Factors" section of the prospectus.

## GLOSSARY

<b>AI investment engine:</b>	An investment engine built to predict and pro-actively adapt to changing markets.
<b>Average Volatility:</b>	Measures the amount of variability in the value of the investment over the measurement period. Generally, the higher the volatility measure the riskier the investment since there is a potential for large value movements. The Average Volatility is calculated as the annualised standard deviation of daily log returns.
<b>Return/Volatility Ratio:</b>	Indicates the amount of return an investment produces per unit of risk. When comparing this measure between two investments, the one with the higher ratio is generally superior from a return and risk perspective.
<b>Sharpe Ratio:</b>	Indicates whether a portfolio's returns are due to smart investment decisions or a result of excess risk, the greater the number, the better its risk-adjusted performance has been.
<b>Maximum Drawdown:</b>	Gives the percentage change between the highest value and lowest value for an investment over a measurement period. This measure is used to display the downside risk of the investment over the measurement period.
<b>% Positive mths:</b>	Percentage of months where the return was positive.
<b>Annualised total returns:</b>	Annualised return is the weighted average compound growth rate over the period measured.
<b>Asset allocation/ Balanced funds:</b>	Also known as balanced or managed funds. A fund manager invests in a spread of assets such as equities, bonds and cash depending on market conditions.
<b>Multi-asset class funds:</b>	Multi-asset class funds invest in a combination of asset classes (such as cash equities, property or bonds). This increases the diversification of an overall portfolio and reduces risk (volatility) compared to holding one class of assets only.
<b>Capital growth:</b>	Capital growth is the profit made on an investment, measured by the increase in its market value over the invested amount or cost price. It is also called capital appreciation.
<b>Collective investment scheme (CIS):</b>	Collective investment schemes (also called unit trusts) are portfolios of assets such as equities, bonds, cash and listed property, in which investors can buy units. They allow private investors to pool their money together into a single fund, thus spreading their risk across a range of investments, getting the benefit of professional fund management, and reducing their costs.
<b>Derivatives:</b>	Derivatives are instruments generally used as an instrument to protect against risk (capital losses). Examples are futures, options and swaps.
<b>Equities:</b>	An equity or share represents an institution/individual's ownership in a listed company and is the vehicle through which they are able to "share" in the profits made by that company. As the company grows, and the expectation of improved profits increases, the market price of the share will increase and this translates into a capital gain for the shareholder. Similarly, negative sentiment about the company will result in the share price falling. Shares/equities are usually considered to have the potential for the highest return of all the investment classes, but with a higher level of risk i.e. share investments have the most volatile returns over the short term. An investment in this type of asset should be viewed with a 7 to 10 year horizon.
<b>Passive investment vehicle (eg: index tracker):</b>	A style of investing where a fund's portfolio mirrors or replicates a particular market index by investing in all of the underlying funds within that index. Passive investing is the opposite of active investing in which a fund's manager attempts to beat the market with various investing strategies. Also known as "passive investing" or "index investing."
<b>Total Expense Ratio (TER):</b>	This is the total costs associated with managing and operating an investment (excluding administration, financial planning and servicing fees). These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which represents the TER.

## REGULATORY STATEMENT

The Fund is a sub-fund of the Sanlam Universal Funds plc, a company incorporated with limited liability as an open-ended umbrella investment company with variable capital and segregated liability between sub-funds under the laws of Ireland and authorised by the Central Bank. The Fund is managed by Sanlam Asset Management (Ireland) Limited, Beech House, Beech Hill Road, Dublin 4, Ireland, Tel + 353 1 205 3510, Fax + 353 1 205 3521 which is authorised by the Central Bank of Ireland, as a UCITS Management Company, and an Alternative Investment Fund Manager, and is licensed as a Financial Service Provider in terms of Section 8 of the South African FAIS Act of 2002.

The Sanlam Universal Funds Plc full prospectus, the Fund supplement, the MDD and the KIID is available free of charge from the Manager or at [www.sanlam.ie](http://www.sanlam.ie). This is neither an offer to sell, nor a solicitation to buy any securities in any fund managed by us. Any offering is made only pursuant to the relevant offering document, together with the current financial statements of the relevant fund, and the relevant subscription/application forms, all of which must be read in their entirety together with the Sanlam Universal Funds plc prospectus, the Fund supplement the MDD and the KIID. No offer to purchase securities will be made or accepted prior to receipt by the offeree of these documents, and the completion of all appropriate documentation. A schedule of fees and charges and maximum commissions is available on request from the Manager.

This is a Section 65 approved fund under the Collective Investment Schemes Control Act 45, 2002 (CISCA). Sanlam Collective Investments (RF) (Pty) Ltd is the South African Representative Office for this fund.

Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision. Independent Financial advice should be sought, as not all investments are suitable for all investors.

Collective Investment Schemes (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future performance. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down.

The performance calculated for the portfolio, and the investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax.

NAV to NAV figures are used. Calculations are based on a lump sum investment

The Manager has the right to close any Portfolios to new investors to manage them more efficiently in accordance with their mandates. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending.

The fund price is calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income and expense accruals. Trail commission and incentives may be paid and are for the account of the manager. Performance figures quoted are from Sanlam Global Investment Solutions and Financial Express and are shown net of fees.

Performance figures for periods longer than 12 months are annualized. The information include in this MDD does not constitute financial advice as contemplated in terms of the South African Financial Advisory and Intermediary Services Act Sanlam Asset Management is a registered business name of Sanlam Asset Management (Ireland) Limited.

Copyright © 2018 Morningstar, Inc. All Rights Reserved. The Morningstar Star Rating information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.