

SANLAM US DIVIDEND INCOME | USD Strategy

INTRODUCTION

PEOPLE

Sanlam is a 102 year old diversified financial services group with 147,541 employees worldwide, \$70 billion AUM, listed with \$9 billion market capitalisation and zaA+ rated by Standard & Poors (S&P) (As at 31 Dec 2020).

PROPOSITION

An active US Equity Income strategy:

- Managed with a quality bias on a high conviction, bottom-up basis
- Consisting of a strongly positioned portfolio for a rotation out of growth and momentum stocks to Value
- Offering a portfolio with a lower market risk and correlation to the broader market plus a targeted yield of 1% above the market at all times

PURPOSE

Aims to provide a return in excess of US equities over a market cycle with lower risk, while providing at least a 1% higher yield than the market at all times.

SYNTHETIC RISK & REWARD INDICATOR (SRRI)

Lower risk Typically lower rewards **Higher risk** Typically higher rewards

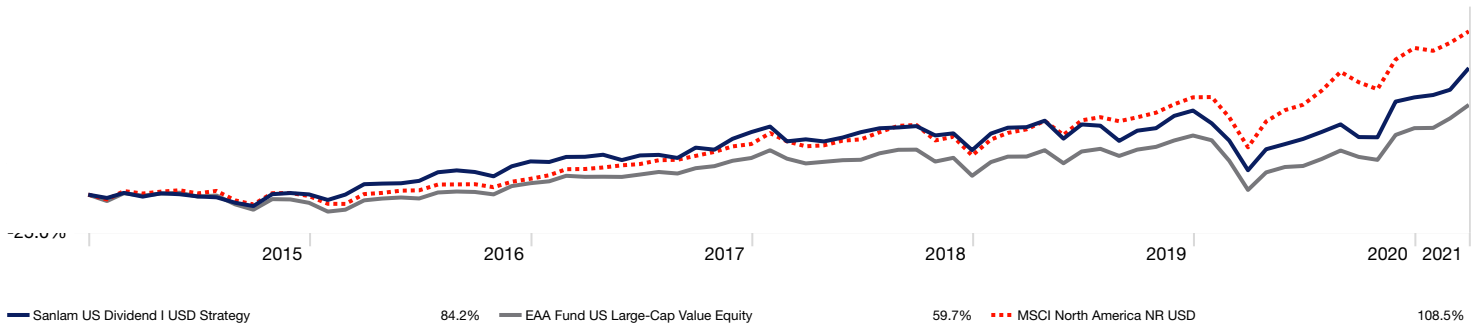
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STRATEGY & FUND FACTS

UCITS Umbrella Name:	Sanlam Universal Funds PLC
UCITS Umbrella Manager:	Sanlam Asset Management (Ireland) Limited
Fund Name:	Sanlam US Dividend
Investment Manager:	Sanlam Investments (UK) Limited
Fund Inception Date:	2015/01/01
Fund Size:	41,989,466
Reference Benchmark:	MSCI North America
Morningstar Category:	EAA Fund US Large-Cap Value Equity
Fund Type:	UCITS
Domicile:	Ireland
Base Currency (Other):	USD (EUR, GBP)
Dealing Frequency:	Daily
Dealing Deadline:	14:00 (GMT)
Settlement:	T+3
Valuation Point:	23:59 (GMT)

TOTAL PERFORMANCE

Time Period: 2015/01/01 to 2021/03/31



Past performance data is that of the Strategy which may be a composite of one or more fully discretionary, fee paying funds, portfolios, carve-outs, or fund share classes managed according to a similar investment mandate, objective and strategy. The actual fund performance may differ due to these factors. Please refer to the below Strategy description for more detail. Past performance must not be taken as an indicator of future performance.

MONTHLY AND ANNUAL RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2021	0.96	2.09	8.50										11.83
2020	-5.45	-7.77	-14.50	12.01	2.62	2.56	3.42	3.53	-5.75	-0.11	17.18	1.73	5.62
2019	8.53	2.77	0.25	2.96	-7.98	6.86	-0.57	-6.91	4.99	1.17	5.67	2.32	20.34
2018	2.59	-6.77	0.99	-1.03	1.93	2.57	1.84	0.39	0.61	-4.27	1.01	-7.96	-8.50
2017	-0.31	2.75	0.09	1.08	-2.81	2.51	0.30	-1.62	5.50	-1.02	5.56	3.26	15.96
2016	-3.68	3.71	6.90	0.38	0.20	1.49	5.23	1.09	-0.93	-2.49	5.93	2.74	21.91
2015	-2.18	3.43	-2.43	2.20	-0.59	-1.45	-0.60	-3.69	-2.30	8.52	0.77	-0.92	0.16

PERFORMANCE

	1 Month	3 Months	YTD	1 Year	3 Years (Ann)	5 Years (Ann)	10 Years (Ann)	Since Inception (Ann)
Sanlam US Dividend I USD Strategy	8.50	11.83	11.83	58.42	10.42	11.48	—	10.27
EAA Fund US Large-Cap Value Equity	5.93	10.72	10.72	54.79	9.75	10.66	9.18	7.78
MSCI North America NR USD	3.78	5.56	5.56	58.59	16.41	15.74	12.58	12.48

RISK STATISTICS

Time Period: 2015/01/01 to 2021/03/31 Calculation Benchmark: MSCI North America NR USD Risk-free Rate: ICE LIBOR 3 Month USD

	Standard Deviation	Sharpe Ratio	Sortino Ratio	Beta	Correlation	Maximum Drawdown	Maximum Drawdown #Months	Maximum Drawdown Recovery #Months
Sanlam US Dividend I USD Strategy	16.44	0.60	0.96	0.97	0.89	-25.44	3	8
EAA Fund US Large-Cap Value Equity	15.76	0.47	0.68	1.02	0.97	-26.22	3	9
MSCI North America NR USD	15.04	0.78	1.22	1.00	1.00	-20.27	2	4

STRATEGY & GENERAL INVESTMENT DISCLAIMER

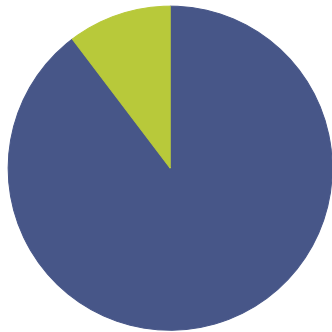
Source: Morningstar and Sanlam. Period: As stated in the above charts and/or tables. Basis: NAV based, total return, net of fees, in currency class as stated in the above charts and/or tables. The Strategy inception date is 01.01.2015. Performance from 01.01.2015 to 30.05.2015 is that of the Sanlam US Dividend B USD Acc share class (IE00BSP5ZZ50). Performance from 01.06.2015 to date is that of the Sanlam US Dividend A USD Acc share class. The I USD Strategy track record is net of a 0.75% Annual Management Charge. All Strategy track records are either in the portfolio's base currency or hedged to the base currency.

Investment Disclaimer: The Strategy may have holdings which are denominated in currencies other than its base currency and may be affected by movements in exchange rates. Consequently, the value of an investment may rise or fall in line with such exchange rates. The Strategy may have exposure to a sector or geographical area that may involve additional risks associated with increased social, economic or political uncertainty. The Strategy may utilise Financial Derivative Instruments ("FDI"). FDIs are typically used for the purpose of hedging or efficient portfolio management but where applicable may be used to protect against fluctuations in currencies, credit risk and interest rates or for investment purposes. There is a risk that losses could be made on FDI positions or that the FDI counterparties could fail to complete on transactions. Where bonds may be utilised in a Strategy, the government or company issuer of a bond might not be able to repay either the interest or the original loan amount and therefore default on the debt. This would affect the credit rating of the bond and, in turn, the value of the Strategy. Investment in bonds and other debt instruments (including related FDIs) is subject to interest rate risk. If long-term interest rates rise, the value of your bond holding is likely to fall. The Strategy's expenses are charged to capital. This has the effect of increasing income where relevant while constraining capital appreciation.

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ASSET ALLOCATION

Portfolio Date: 2021/02/28



	%
● Stock	89.7
● Bond	0.0
● Cash	10.3
● Other	0.0
Total	100.0

TOP 10 HOLDINGS

Portfolio Date: 2021/02/28

	%
Verizon Communications Inc	5.41
Carnival Corp	5.13
Pinnacle West Capital Corp	5.00
Kimberly-Clark Corp	4.67
Fluor Corp	4.52
Molson Coors Beverage Co Shs -B- Non-Voting	3.99
Tyson Foods Inc Class A	3.76
JM Smucker Co	3.73
Packaging Corp of America	3.05
BCE Inc	2.92

INVESTMENT MANAGER COMMENTARY

US markets continued their strong advance in March 2020, adding another 4.5% for a total year-to-date gain of 6.5%. The value style of investment led the advance, adding almost 6% while growth indices ended up a just less than 2%. Treasury yields continued to advance strongly with the 10-year up to 170bps from 150bps the preceding month and less than 1% from the start of the year. Commodities continued their advance, adding 2% with Gold retracting another 1%.

Best market sectors were financials and industrials. Energy acted as the worst sector, but all 11 sectors ended in positive territory.

There are a number of strong investment positives continuing for 2021. The fund strongly outperformed the markets as the value style led the way, but it also significantly outperformed its style benchmark. Stock selection drove returns with the positioning within technology, communication services and industrials acting particularly well.

The fund remains very well positioned versus the market, offering a good entry into US equities. The valuation discounts remained anywhere from 45% on earnings basis to 70% on a sales basis. This was coupled with better quality metrics such as leverage and return on equity. The fund also offered lower risk than the markets. Active share continued around 98%.

SHARE CLASSES

	Inception Date	Base Currency	Currency Hedged	ISIN	CUSIP	German WKN	Minimum Investment	Management Fee	Ongoing Charge	NAV (Daily)
Sanlam US Dividend I2 USD Acc	2019/10/30	US Dollar	—	IE00BJ9N3D62	G7827P103	—	1 000 000	0.95	1.32	13.04
Sanlam US Dividend A2 USD Acc	2019/10/30	US Dollar	—	IE00BJ9N3701	G7827M845	—	10 000	1.75	2.12	12.81
Sanlam US Dividend L2 USD Acc	2019/10/30	US Dollar	—	IE00BJ9N3N60	G7827M878	—	100	2.50	3.63	12.41
Sanlam US Dividend A EUR Inc	2015/02/27	Euro	—	IE00BVDQ2948	—	A2P574	1 000	0.75	1.11	11.46
Sanlam US Dividend A GBP Acc	2014/12/30	Pound Sterling	—	IE00BSP5ZY44	—	—	1 000	0.75	1.15	20.70
Sanlam US Dividend A GBP Inc	2014/12/30	Pound Sterling	—	IE00BSP60192	—	—	1 000	0.75	1.16	17.81
Sanlam US Dividend A USD Acc	2015/05/20	US Dollar	—	IE00BVDQ2617	—	—	1 000	0.75	0.97	18.48
Sanlam US Dividend A USD Inc	2015/02/27	US Dollar	—	IE00BVDQ2831	—	—	1 000	0.75	1.17	15.77
Sanlam US Dividend H GBP Acc	2018/04/25	Pound Sterling	Fully Hedged	IE00BF0FCN67	—	—	1 000	0.75	1.13	12.83

GLOSSARY

Standard Deviation: This statistical measurement of dispersion about an average, depicts how widely a mutual fund's returns varied over a certain period of time. When a fund has a high standard deviation, the predicted range of performance is wide, implying greater volatility.

Sharpe Ratio: The Sharpe ratio is a risk-adjusted measure that calculates the mean of a fund's returns over that of the risk-free rate. The higher the Sharpe Ratio, the better a fund's historical risk-adjusted performance.

Sortino Ratio: The Sortino ratio measures the risk-adjusted return of an investment asset, portfolio, or strategy. The Sortino Ratio is similar to the Sharpe Ratio, but unlike the Sharpe Ratio, the Sortino Ratio differentiates harmful volatility from total overall volatility by using downside risk.

Beta: A fund's beta is a measure of its sensitivity to market movements. A beta of more than one means that the fund is more volatile than the overall market, and a beta of less than one means that it is less volatile.

Correlation: This value reflects the correlation between the returns of two instruments, the Fund's return compared to the calculation benchmark's return. A value of 1 indicates a perfect positive dependency and -1 indicates a perfect negative dependency between the two instruments.

Maximum Drawdown: A portfolio's maximum loss in a peak-to-trough decline before a new peak is attained. It is usually quoted as the percentage between the peak and the trough. It is an indicator of downside risk over a specified time period.

Maximum Drawdown Period: The number of periods (months) in a peak to trough (valley) decline that encompass the maximum drawdown for an investment.

Maximum Drawdown Recovery Period: The number of periods (months) of the trough (valley) to peak incline that encompass the maximum drawdown recovery for an investment.

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COUNTRY SPECIFIC STATEMENT

Switzerland
The representative in Switzerland is ARM Swiss Representatives SA, Route de Cité-Ouest 2, 1196 Gland, Switzerland. The paying agent in Switzerland is Neue Helvetische Bank AG, Seefeldstrasse 215, CH-8008, Zurich, Switzerland. The Prospectus, the Articles of Association and [annual and semi-annual report, if any] [annual financial statements] can be obtained free of charge from the representative in Switzerland. The place of performance and jurisdiction is the registered office of the representative in Switzerland with regards to the Shares distributed in and from Switzerland.

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