

Sanlam Real Assets Fund

Monthly Commentary

April 2022

Activity

Over the month, we participated in one equity capital raise conducted by one of our Specialist Property businesses. The proceeds raised will be used to acquire UK omnichannel supermarket assets.

Transparency

Over the month, positive contributions came from our Infrastructure segment whilst Specialist Property, Renewables and Other Alternatives detracted from performance. Against seemingly persistent levels of uncertainty over war and monetary policy, real assets continued to demonstrate a degree of capital preservation. The Infrastructure segment performed well supported by management communication reiterating the defensive cash flows and inflation-linked nature of revenues. More broadly across the portfolio, quarterly corporate updates are posting robust fundamentals and management forward guidance has been reiterated.

Performance

	Inception	1mth	YTD	1yr	3yrs	5yrs	Since Inception
SI USD Acc	21/08/18	-0.6	-1.5	7.9	10.3	n/a	10.4
A GBP Inc	01/11/18	-0.7	-1.6	7.5	8.8	n/a	9.8

	12 Months to	Apr-22	Apr-21	Apr-20	Apr-19	Apr-18
SI USD Acc		7.9	19.7	3.9	n/a	n/a
A GBP Inc		7.5	18.6	1.2	n/a	n/a

- Performance beyond one year is annualised.
- Past performance is not an indicator of future performance.**
- Source: Source: Sanlam, Morningstar and Lipper as at 30/04/2022. Class SI net returns are used to illustrate the fund's longest track record. This is a restricted share class, therefore our open share class A net returns are also shown. Figures for periods longer than 12 months are annualized. NAV to NAV figures are used.

Positive Contributors

Greencoat UK Wind	+0.21%
Acciona	+0.21%
Digital Realty	+0.16%

Negative Contributors

Brookfield Renewable	-0.30%
Vonovia	-0.29%
NextEra Energy	-0.19%

Corporate Highlights

Over the month, our companies announced nine new acquisitions and one equity placing. We held two 1-1 meetings with management teams, attended seven group investor meetings and one pre-IPO meeting. Of particular note was one of our UK renewables businesses which, on the back of elevated power prices, reported strong performance for the first quarter from its UK-based wind assets. Cash generation has exceeded expectations and provided a stronger balance sheet to pursue further opportunities. Above average recent performance has been a common theme amongst many renewable generators across the UK and Europe and the current backdrop serves as a good reminder of one of the fundamental advantages of our operational renewable investments – the cost of their input fuels, wind and sunshine, remain free. A prominent attraction during a time where energy markets remain highly volatile and unpredictable.

Outlook

The ongoing war in Europe and elevated inflation pressures were joined by disappointing corporate newsflow from a number of leading technology companies. The backdrop continues to be challenging and in the near term there is a clear lack of positive catalysts. It remains our opinion that time is the most likely cure and we are focussing on investments that allow us to look beyond the current noise. Against this backdrop, real assets continue to offer investors an opportunity to take a long-term view and get paid along the way. The fund continues to hold a balanced portfolio of investments that fit our theme of “pillars of a functioning economy” with long-term, stable and predictable cash-generative assets.

Important Information

The Fund has holdings which are denominated in currencies other than sterling and may be affected by movements in exchange rates. The Fund may invest in derivatives to reduce risk or cost and/or generate extra income or growth. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions. Part of the fund may invest in bonds. Investment in bonds and other debt instruments will be impacted by factors such as changes in interest rates and risk of default by the issuer.

The value of this portfolio is subject to fluctuation and past performance is not necessarily a guide to future performance. The performance is calculated for the portfolio and the actual individual investor performance will differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. All terms exclude costs. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. Do remember that the value of participatory interests or the investment and the income generated from them may go down as well as up and is not guaranteed, therefore, you may not get back the amount originally invested and potentially risk total loss of capital. Therefore, the Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The Manager has the right to close any Portfolios to new investors to manage them more efficiently in accordance with their mandates. Collective Investment Schemes are traded at ruling prices and can engage in borrowing and scrip lending. Collective Investment Schemes (CIS) are generally medium to long term investments. A schedule of fees and charges and maximum commissions is available on request free of charge from the Manager, the Investment Manager or at www.sanlam.co.uk. A full summary of investor rights can also be found online at www.sanlam.com/ireland/Documents/SAMI%20Shareholder%20Engagement%20Policy.pdf. Documents are provided in English.

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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 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. Sanlam Asset Management is a registered business name of Sanlam Asset Management (Ireland) Limited. Sanlam Asset Management (Ireland) has appointed Sanlam Investments UK Ltd as Investment Manager to this fund.

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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 and are shown net of fees. Performance figures for periods longer than 12 months are annualized. NAV to NAV figures are used. Calculations are based on a lump sum investment.

Please note that all Sanlam Funds carry some degree of risks which may have an adverse effect on the future value of your investment. 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 MLC Global Multi Strategy UCITS Funds plc prospectus, the Fund supplement, the MDD and the KIID. All these documents explain different types of specific risks associated with the investment portfolio of each of our products and are available free of charge from the Manager or at www.sanlam.ie. 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. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision as not all investments are suitable for all investors.

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