

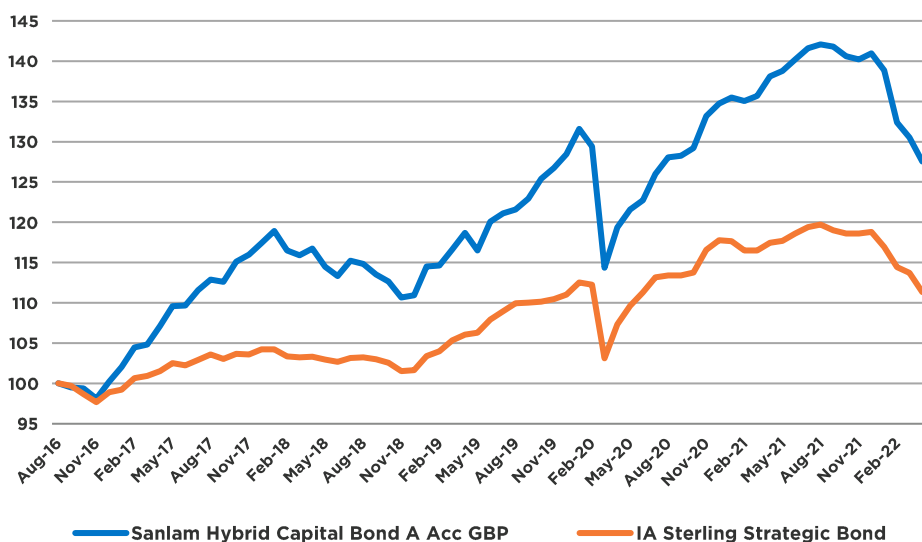
Sanlam Hybrid Capital Bond Fund

April 2022 | Factsheet

Overview

The fund aims to generate 5% per annum income, net of all expenses, from a hybrid capital portfolio with medium volatility. The fund is designed for investors with medium to long term liquidity requirements (5 years +). The Fund will invest in debt securities which are listed or traded on Recognised Exchanges worldwide. The investments of the Fund represent a hybrid capital portfolio. Hybrid capital is defined as a debt instrument ranking below ordinary senior debt but above common equity. There will be no restriction on the duration of the Fund. The Fund's investment in debt and debt-related securities shall include both primary market and secondary market securities. The Fund may invest in Contingent Convertible Securities (CoCos) provided however that the Fund's overall exposure will not exceed 30% in respect of these instruments. It is not currently proposed that the Fund will use derivatives for investment purposes.

Performance – past performance is not a guide to future performance



Please see the table overleaf for all available share classes and fees, or contact us for details.

Source: Sanlam, Link, Bloomberg

Performance (%)

	Inception	1mth	3mth	6mth	YTD	1Yr	Since Inception
Fund (A GBP Acc)	30/08/2016	-2.3%	-8.2%	-9.3%	-9.5%	-7.7%	4.4%
Sector (IA £ Strategic Bond)		-2.1%	-4.8%	-6.1%	-6.3%	-5.2%	1.9%

Since Inception figures are annualized

	Inception	-	12 months to Apr 18	12 months to Apr 19	12 months to Apr 20	12 months to Apr 21	12 months to Apr 22
Fund (A GBP Acc)	30/08/2016	-	9.0%	1.7%	0.6%	15.7%	-7.7%
Sector (IA £ Strategic Bond)		-	1.8%	2.6%	1.2%	9.4%	-5.2%

12 Month Performance Periods to Last Month End

Key facts

Fund AuM	£169.1m
Number of Holdings	39
Fund Managers	Peter Doherty Guillaume Desqueyroux
Fund Launch Date	Aug-16
Domicile	Ireland
Base Currency	Sterling
Fund Type	OEIC, UCITS V
IA Sector	Sterling Strategic Bond
Morningstar Category	Other Bond
Dealing Deadline	12:00 (GMT)
Settlement Time	T+3
Valuation Point	23:00 (GMT)

Investment team

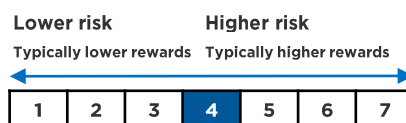
Peter Doherty
Head of Fixed Income

Guillaume Desqueyroux
Fund Manager



Risk analysis

Volatility (last 12m)	5.4%
Volatility (inception)	7.4%
Best Mthly Return	4.4%
Worst Mthly Return	-11.6%
Max Draw down (12m)	-10.3%
Effective Duration	6.6
Yield to Worst	5.3%



The fund will invest in bonds and other debt instruments, this will be impacted by factors such as changes in interest rates and risk of default by the issuer. The Fund may engage in transactions in financial derivative instruments for hedging purposes. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions. The Fund may invest in Contingent Convertible Securities (CoCos). The value of CoCos is unpredictable and will be influenced by many factors, without limitation (i) the creditworthiness of the issuers; (ii) economic, financial and political events that affect the issuer; (iii) general market conditions and available liquidity. The investor may not receive a return of principal if expected on a call date or indeed at any date. 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 [sanlam.co.uk](https://www.sanlam.co.uk). A full summary of investor rights can be obtained from <https://www.jinkgroup.eu/policy-statements/irish-management-company/>. Document is provided in English.

Monthly commentary

April saw a continuation of the sharp correction across the wider fixed income markets as the global geo-political outlook remained very uncertain and inflation numbers continued to surprise to the upside in major economies. Our thoughts and prayers remain with the people of Ukraine.

US 10-year yields moved up another 60bps and 10-year UK yields rose by 30 bps. In addition, equity markets continued the sell off, with S&P 500 down over 8% in the month.

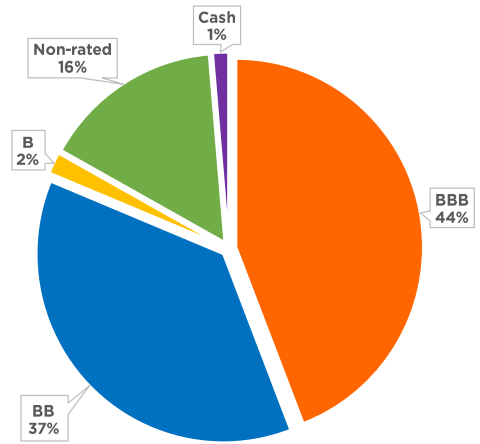
This combination is obviously very negative for credit markets with an increasing feeling of there being “nowhere to hide” as correlations go up and pretty much all assets continue to be under pressure.

As ever the silver lining is higher future returns from cheaper and cheaper assets. We see no evidence of any balance sheet stress in the mainstream large cap Banks and Insurers.

Higher rates and steeper curves mean higher earnings for the financial sector, with the risk to the downside coming from a recession leading to credit losses, a scenario which is at least 18 months away.

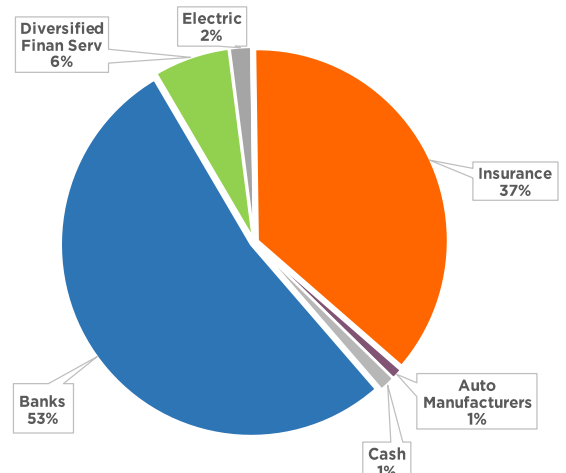
In summary, the credit markets remain under real pressure, but available yields are back to mid / high single digits which offers some medium term support.

Sanlam credit rating*



* The “Sanlam Credit Rating” is an internal assessment of the creditworthiness of the security using proprietary internal credit analysis. Full details can be provided upon request.

Sector exposure (as % of NAV)



Source: Sanlam, LINK, Bloomberg

Top 5 holdings

Stock Name	Weight %
RABOBK 6 1/2 PERP	8.2%
AVLNL 8 7/8 PERP	7.6%
INVPLN 6 3/4 PERP	5.8%
CMZB 8.151 06/30/31	5.8%
AXASA 6.379 PERP	5.0%

Fund information and charges

	Inception Date	ISIN	Bloomberg	SEDOL	Initial Charge	AMC	OCF	Price	Minimum investment	Type of Share
A GBP Accumulation	30/08/2016	IE00BZ6VKP67	TDWHFCA	BZ6VKP6	None	0.50%	0.77%	127.53	£1,000	Accumulation
B GBP Income	30/08/2016	IE00BZ6VKQ74	TDWHFCB	BZ6VKQ7	None	0.50%	0.77%	99.46	£1,000	Income
E USD Income	21/05/2019	IE00BHR3YZ37	TDWHCEI	BHR3YZ3	None	0.50%	0.77%	98.62	\$1000	Income

Contact us

Liz Adnitt
Head of UK Wholesale Distribution
T +44 (0) 20 3116 4071
Liz.Adnitt@sanlam.co.uk

Tom Whitfield
Account Director
T +44 (0) 20 3116 4016
Tom.Whitfield@sanlam.co.uk

Andy Groves
Account Director
T +44 (0)7917 580592
Andrew.Groves@sanlam.co.uk

Bruce Simpson
UK & SA Institutional Sales
T +44 (0) 20 3316 4064
Bruce.Simpson@sanlam.co.uk

Sanlam Investments, Monument Place, 24 Monument Street, London, EC3R 8AJ
T +44 (0) 20 3116 4000

This document is marketing material. Issued and approved by Sanlam Investments which is authorised and regulated by the Financial Conduct Authority. Sanlam Investments is the trading name for our two Financial Conduct Authority (FCA) regulated entities: Sanlam Investments UK Limited (FRN 459237) and Sanlam Private Investments (UK) Ltd (FRN 122588), both having its registered office at 1st Floor, 2 Grand Canal Square, Grand Canal Harbour Dublin 2, Ireland. The ICAV is an umbrella type Irish collective asset-management vehicle with segregated liability between funds incorporated under the Irish Collective Asset-management Vehicles Act 2015 of Ireland and authorised by the Central Bank of Ireland. The Fund Manager is Link Fund Solutions (Ireland) Limited a company incorporated under the laws of Ireland having its registered office at 1st Floor, 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland which is authorised by the Central Bank of Ireland. Link Fund Solutions (Ireland) Limited has appointed Sanlam Investments UK Ltd as Investment Manager to this fund. This document is provided to give an indication of the investment and does not constitute an offer/invitation to sell or buy any securities in any fund managed by us nor a solicitation to purchase securities in any company or investment product. It does not form part of any contract for the sale or purchase of any investment. The information contained in this document is for guidance only and does not constitute financial advice. 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 Fund prospectus, the Fund supplement, 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. 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. Effective from 20 April 2020, the Investment Manager for this fund changed to Sanlam Investments UK Ltd. Performance displayed from before this date has been carried through from the previous Investment Manager (Tideway Investment Partners LLP). The UCITS Management Company has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive.