

Sanlam Global High Quality Fund C Share (Acc)

August 2018

OBJECTIVE

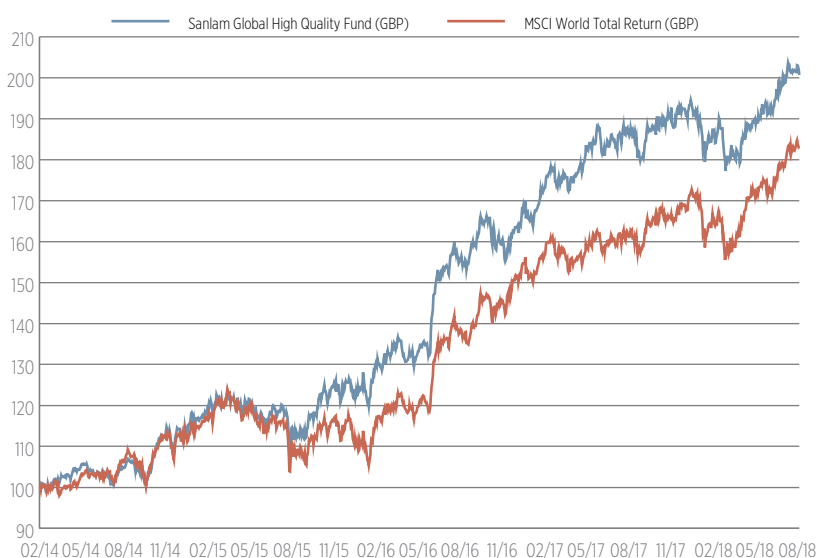
The Fund aims to produce compound total returns in excess of the MSCI World Index over the medium to long-term.

STRATEGY

The Fund is an actively managed portfolio of global equities with a high quality bias. The Fund is high conviction and benchmark agnostic, with sector and regional positioning driven by bottom-up stock selection. The Fund allocation to emerging market listed companies is limited to no more than 30% of the assets. The investment process is unconstrained, seeking to invest in companies with predictable revenue growth that produces sustainable economic value over the long-term. The Fund typically invests in companies with high returns on capital, low leverage, enduring businesses with a sustainable competitive advantage that produce significant free cash flow after capital expenditure. The Fund can hold up to 22% of its total net assets in cash or cash equivalents should the investment manager feel it appropriate.

PERFORMANCE

Sanlam Global High Quality Fund performance vs MSCI World (since inception)



Source: Bloomberg

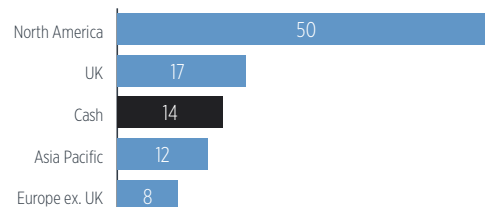
Past performance is not necessarily a guide to future performance. Actual investment performance will differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. The investment performance is for illustrative performance and calculated by taking into account all ongoing fees (the fund does not charge initial fees).

CUMULATIVE PERFORMANCE - TO 31.08.2018 (%)							
	1m	3m	6m	YTD	1yr	3yr	Since Inception
Fund*	1.0%	5.9%	7.7%	5.2%	6.9%	76.0%	100.7%
MSCI World Net Total Return (GBP)	2.5%	7.0%	10.5%	9.4%	12.5%	66.0%	83.2%

SINGLE YEAR PERFORMANCE TO QUARTER END (GBP)				
	(30.06.2017 - 30.06.2018)	(30.06.2016 - 30.06.2017)	(30.06.2015 - 30.06.2016)	(30.06.2014 - 30.06.2015)
Fund*	6.2%	23.5%	28.0%	11.6%

Where this fund is acquired through a portfolio management service, additional charges may be applied by the portfolio manager

* C Share Class (as at 31.08.2018). Fund launch was 28 February 2014. Fund performance is calculated on a NAV to NAV basis, net of charges and assumes net income is reinvested. Since investors may be liable to external fees, charges and taxes, the illustrated returns are not meant to provide a measure of actual return to investors.

COUNTRY ALLOCATION (% NAV)

SECTOR ALLOCATION

(excl cash)	Weight %	Index %
Consumer Discretionary	9.9	12.7
Consumer Staples	23.3	8.3
Energy	0.0	6.8
Financials	1.4	16.8
Health Care	19.0	12.2
Industrials	0.0	11.2
Information Technology	32.4	18.5
Materials	0.0	4.9
Real Estate	0.0	3.0
Telecommunication Services	0.0	2.6
Utilities	0.0	3.0

Sources: SPW/Bloomberg/MSCI

TOP 10 HOLDINGS

		Weight %
Medtronic	Health Care	5.1
Oracle	Information Technology	4.3
Alphabet	Information Technology	4.2
Reckitt Benckiser	Consumer Staples	3.9
Booking Holdings	Consumer Discretionary	3.8
PepsiCo	Consumer Staples	3.8
Yum China	Consumer Discretionary	3.6
Facebook	Information Technology	3.4
Allergan	Health Care	3.2
Roche	Health Care	3.1

MONTHLY COMMENTARY

The Sanlam Global High Quality Fund underperformed the MSCI World Index during the month by 1.5%, with the fund gaining 1.0%. Yum! Brands (+11.5%) was the best performer of the month posting strong Q2 results. The company continues to execute well on its transition to a fully franchised model with cash returns remaining an important part of the investment thesis. MasterCard (+10.3%), and Visa (+9.0%) also outperformed the market. NetEase (-22.1%) was the worst performing stock in the portfolio. A lack of a new blockbuster games, along with general weakness in the Chinese market, has weighed heavily on the share price. Pandora (-13.0%) also struggled after weak results.



KEY FUND INFORMATION

Launch date:	28 February 2014
Investment manager:	Sanlam Private Wealth (SPW)
Tel:	+44 (0) 20 7280 8700
Email:	enq@sanlam.co.uk
Web:	www.sanlam.co.uk
Portfolio manager:	Pieter Fourie
Deputy portfolio manager:	William Ball
Fund regulator:	Central Bank of Ireland
Fund domicile:	Ireland (UCITS IV)
Fund administrator:	Sanlam Asset Management (Ireland) Limited
Other available share classes:	Class C income (GBP) Shares Class A accumulation (GBP) Shares Class I accumulation (GBP) Shares Class I income (GBP) Shares Class G income (USD) Shares Class G accumulation (USD) Shares
Initial charge:	None
Currency:	Sterling
Dealing times:	9am - 5pm daily (UK time)
Valuation point:	12 noon (South African time)
Benchmark:	MSCI Daily World Total Return Net Index GBP
Ongoing charges figure (OCF):	Class C accumulation (GBP) 0.60%* Class C income (GBP) Shares 0.60%* Class A accumulation (GBP) Shares 1.65% Class I accumulation (GBP) Shares 0.81% Class I income (GBP) Shares 0.81% Class G accumulation (USD) Shares 0.81% Class G income (USD) Shares 0.81%
All costs:	Deducted from capital
Income allocation dates:	Bi-annually (income shares only) Apr 2017 GBP 0.4592 Oct 2016 GBP 0.5107
Minimum investment:	£300 GBP Share Classes (A & C Classes) £500,000 GBP Share Classes (I Classes) \$750,000 USD Share Classes (G Classes) I, G & C Shares - contact SPW for further information
Exit penalties:	None
ISIN: IE00BJWHZ516	Class C accumulation (GBP) Shares
ISIN: IE00B97F9X63	Class C income (GBP) Shares
ISIN: IE00B97B4V77	Class A accumulation (GBP) Shares
ISIN: IE00BYV7PR98	Class I accumulation (GBP) Shares
ISIN: IE00BYV7PQ81	Class I income (GBP) Shares
ISIN: IE00BYV7PT13	Class G accumulation (USD) Shares
ISIN: IE00BYV7PS06	Class G income (USD) Shares
Share Price at 31.08.2018:	Bloomberg identifier: Share class: NAV per unit: SGHQBUA A accumulation £1.7178 SGHQCGI C income £1.9314 SGHQCGA C accumulation £2.0069 SANGHFI I income £1.5784 SANGHFA I accumulation £1.5057 SANGHGA G accumulation £1.3192 SANGHGI G income £1.2452
Settlement time:	Settlement is four business days after dealing day
Custodian:	Brown Brothers Harriman
Auditor:	Ernst & Young

* C Class Shares are available to clients of Sanlam and additional non fund-related charges may apply

ABOUT THE INVESTMENT MANAGER



PIETER FOURIE, CFA CA (SA) Head of Global Equities

As Head of Global Equities, Pieter is the lead fund manager for the Sanlam Global High Quality Equity fund and the Clime International Equity fund having joined the firm in mid 2012. His responsibilities include the design, management and implementation of our global equity client offering including segregated mandates for high net worth individuals. Pieter oversees a team of five analysts focusing on global and UK equities across multiple industries. Current assets under management managed by the investment team in direct global and UK equity mandates is more than \$1.1bn.

FUND CHARACTERISTICS 31.08.2018

	Portfolio	Index
Fund Size (£ millions)	308	
Number of Holdings	33	1643
Average Market Cap (£ billions)	138	19
Return On Equity	28%	13%
Price/Earnings**	18	16
Free Cash Flow Yield	5.2%	5.0%
Dividend Yield **	1.8%	2.4%

** 12 months forward Sources: SPW/Bloomberg/MSCI

IMPORTANT INFORMATION

- **The value of investments and the income from them may fall as well as rise and are not guaranteed. Investors may not get back the original amount invested. Past performance of a fund is no guarantee as to its performance in the future.**
- **Changes in exchange rates may have an adverse effect on the value, price or income of the product.**
- As the fees and expenses of the fund will be charged to the capital of the fund, there is a greater risk that capital may be eroded and 'income' will be achieved by foregoing the potential for future capital growth of your investment and the value of future returns may also be diminished.
- This article is for information purposes and should not be treated as advice to buy or sell any particular 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 Prospectus, Fund Supplement and the Key Investment Information Document. These are available free of charge from the manager, the investment manager (by phone or at www.sanlam.co.uk) or at www.sanlam.ie.
- 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.
- 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.
- The Sanlam Private Wealth Global High Quality Fund is a sub-fund of the Sanlam Universal funds plc, an open-ended umbrella type investment company, with segregated liability between its sub-funds, authorised by the Central Bank of Ireland, as an undertaking for collective investment in transferable securities. It 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 IV Management Company.
- Sanlam Private Wealth is the investment manager, responsible for managing the fund's investments.



WILLIAM BALL Senior Equity Analyst

William is a senior equity analyst, who is the deputy fund manager of the Sanlam Global High Quality Fund and co-manager of the Clime International Equity Fund. Additionally, in conjunction with the Head of Global Equities, William is responsible for global equity research and managing the high net worth global equity mandates and the global equity offering. He has over 13 years of investment experience and a track record of investing in equities. Prior to joining Sanlam in 2009, William worked at Brown Shipley before moving to Merrill Lynch.

PRIVATE WEALTH

Sanlam Private Wealth is a trading name of **Sanlam Private Investments (UK) Ltd** which is authorised and regulated by the Financial Conduct Authority. Registered in England and Wales 2041819. Registered office: 16 South Park, Sevenoaks, Kent TN13 1AN.

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