

Sanlam Artificial Intelligence (AI) Fund

Fund Profile

Overview



Chris Ford
Senior Fund Manager



Tim Day
Senior Fund Manager

Launched in June 2017, the fund:

- Aims to achieve capital appreciation by investing primarily in companies that are engaged in the main activities associated with artificial intelligence
- Is a long-only portfolio that is diversified by sector, region and company size to provide exposure to growth opportunities around the world
- Captures a broad universe of industry sectors in which AI is involved, from industrial robot manufacturers to financial services, healthcare and retail



The theme

- AI adoption is a fast growing and long duration theme
- AI has the potential to help solve some of the world's largest economic and social problems
- Companies able to capture the opportunity will enjoy considerable competitive advantages

The fund

- Offers access to transformational growth opportunities driven by the development and application of AI
- Is highly innovative with proprietary AI embedded in the investment process
- Is a liquid, high conviction portfolio that is unconstrained by a benchmark
- An investment in AI is also an investment in exceptionally strong businesses that are likely to remain relevant in the future

Performance under different market conditions

AI is a long duration investment theme and many of the companies engaged in AI exhibit very high rates of revenue and earnings growth. As such, one of the biggest threats to performance would be a large or unexpected rise in interest rates or risk-free rates – i.e. a de-rating of growth stocks and related areas.

However, one of the strengths of AI is the broadness of the theme which means we can have exposure to a much wider and deeper opportunity set than many similar 'thematic' funds. Our wider objective is to provide a similar growth profile to tech or thematic funds, but with greater resilience in periods when markets are volatile. As a long-only equity product, we expect it to exhibit positive correlation with wider global equity markets over the short and long term.

About Sanlam

Having support from an enduring and patient parent allows us to be long term thinkers and focus on factors that can drive future growth

Sanlam group



Founded in **1918**, Sanlam is the largest non-banking financial services group in Africa



Global footprint across **45** countries



Listed on Johannesburg Stock Exchange with a market cap of **£10bn**

Sanlam Investments



Founded in **2006** by four partners and originally called Four Capital Partners



Sanlam acquired a 30% stake in 2009 and now **wholly owns** Sanlam Investments



Some **£7bn** in AUM

Source: Sanlam as at 31/12/2019 and Sanlam Investments as at 31/12/2020

Contact us

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Sanlam Investments

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Important information

The Fund may invest in shares of companies listed on stock exchanges in the United Kingdom, and outside the United Kingdom, exchange rate fluctuations may cause the value of investments to go down as well as up. Investing in companies based in emerging markets may involve additional risks due to greater political, economic, regulatory risks, among other factors. The Fund may invest in derivatives for the purposes of efficient portfolio management and hedging.

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 Authorised Corporate Director, the Investment Manager or at www.sanlam.co.uk. 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 24 Monument Street, London, EC3R 8AJ.

Smith and Williamson Investment 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 regulated by the Central Bank of Ireland. The Fund is managed by Smith & Williamson Investment Management (Ireland) Limited, Trinity Point, 10/11 Leinster Street South, Dublin 2, Ireland. Tel + 353 1 612 6476. Fax + 353 1 512 5362, which is authorised by the Central Bank of Ireland, as a UCITS Management Company. Smith & Williamson Investment Management (Ireland) has appointed Sanlam Investments UK Ltd and Sanlam Private 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 Smith & Williamson Sanlam prospectus 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.co.uk. 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. AB0221(251)0521UKInst