



Sanlam Corporate

**Sanlam Umbrella Fund**

**Investment Report to the Joint Forum**

December 2023



Insurance

Financial Planning

Retirement

Investments

Wealth

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## Background and Overview of the Fund

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### Investment Strategy

The trustees take responsibility to ensure that the fund offers an appropriate range of investment choice options. Under the Sanlam Umbrella Fund, employers can choose to participate in a pension fund or provident fund and can choose from a number of investment structures.

- **The Standard Option:** all members' are invested in the employer selected default investment strategy, i.e. no member investment choice is available. A choice of four default strategies are available.
- **The Optimal Option:** members are invested in the Sanlam Blue Lifestage Strategy. Conservative members have the option to opt out and invest in the Sanlam Monthly Bonus Fund. Qualifying members have access to more than 1 000 retail collective investment schemes available on Sanlam's Glacier Retirement Fund Solution. Members can also choose to invest the equity component in their own share portfolio.
- **The Comprehensive Option:** members are invested in the employer selected default (a choice of four default strategies are available). Members can choose a tailored investment strategy that suits their personal needs, selecting from the 4 trustee approved default investment strategies, a range of institutionally priced investment portfolios, including passive, smoothed bonus, multi-managed, absolute return and single manager balanced funds. Qualifying members have access to more than 1 000 retail collective investment schemes available on Sanlam's Glacier Retirement Fund Solution. Members can also choose to invest the equity component in their own share portfolio.

The Fund has provided two different categories of default strategies:

#### 1. Lifestage Strategies:

- **Sanlam Accumulation Lifestage Strategy** - The Sanlam Accumulation Portfolio aims to provide market-related growth to members who are more than six years from retirement and who need to grow their retirement savings. The core is a low cost index-tracking strategy, around which satellite managers aim for active returns through the outperformance of their respective benchmarks. The portfolio has an aggressive risk profile.
- **Sanlam Passive Lifestage Strategy** - The portfolio's objective is to provide high long-term investment growth. Tactical asset allocation is also employed to enhance the performance of the fund relative to the performance of its benchmark. The portfolio has an aggressive risk profile.
- **Sanlam Blue Lifestage Strategy** - The Sanlam Blue Lifestage Accumulation Portfolio aims to invest 50% in SIM Balanced Fund and 50% in SPW Balanced Fund. The portfolio is suitable for investors requiring capital growth via a moderate-aggressive risk balanced portfolio.
- **Sanlam Wealth Creation Lifestage Strategy** - To deliver superior real returns over the long term. This balanced portfolio is managed in a multi-manager basis and includes international exposure. Each manager has been selected on the basis of rigorous qualitative and quantitative analysis. The underlying managers of the portfolio have been selected, mandated, monitored and reviewed by a Joint Investment Committee.

#### 2. Protection Strategies:

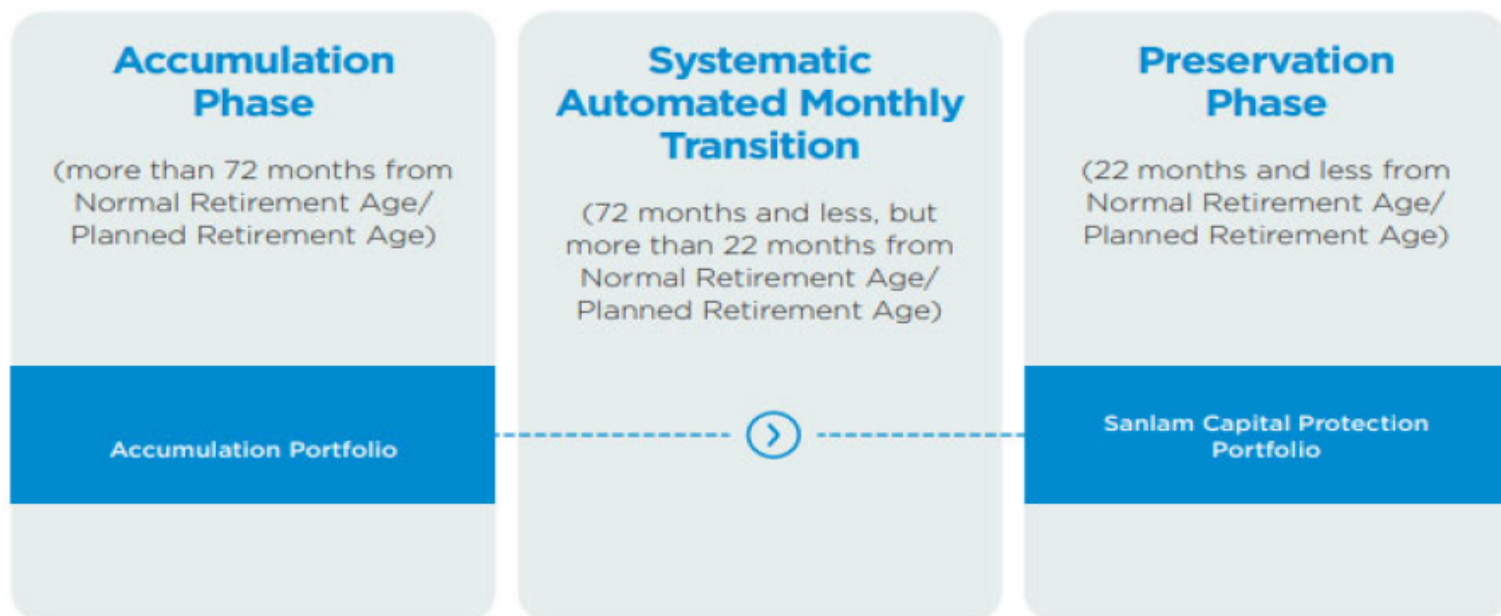
- **Sanlam Secure Strategy** - The Trustees have approved an alternative default investment strategy, suitable for members who wish to achieve inflation-beating real returns over the medium to long term, but who are particularly concerned against significant short-term investment losses. The strategy currently invests all contributions in the Sanlam Monthly Bonus Fund.
- **Sanlam Stable Strategy** - The Trustees have approved an alternative default investment strategy, suitable for members who wish to have exposure to the financial markets, while protecting themselves against adverse movements in the markets. The strategy currently invests all contributions in the Sanlam Stable Bonus Portfolio.
- **Volatility Protection Strategy** - The default investment strategy is suitable for members who wish to achieve inflation-beating real returns over the medium to long term, but who are particularly concerned about protecting against significant short-term investment losses. The Volatility Protection Strategy aims to invest 75% in the Sanlam Monthly Bonus Fund and 25% in the Satrix Enhanced Balanced Tracker Fund.

The performance of the portfolios selected will directly affect a member's eventual retirement benefit. The trustees regularly monitor the investment strategy and the investment choices on offer to ensure their appropriateness. A key part of this process is monitoring the performance of the portfolios selected and comparing it to the agreed investment benchmarks. The trustees appointed Simeka Consultants & Actuaries as investment consultants to assist them to monitor and manage the Funds' investments.

### The role of the Joint Forum

Each participating employer is required to establish and maintain a Joint Forum. This is a representative forum with equal representation by member and employer representatives where retirement fund benefits are considered and agreed upon. This forum therefore ensures member participation in the decision making and monitoring processes. One of the most important roles of the Joint Forum is to consider the appropriateness and performance of the default strategy as selected. Note that the employer technically remains the contracting party who acts on the decisions taken at the Joint Forum.

## Lifestage Strategy



## Summary of Returns

	MRQ	1 Year	3 Years	5 Years	7 Years	10 Years
Sanlam Accumulation Portfolio	8.1%	15.8%	12.5%	11.0%	9.1%	8.6%
Sanlam Blue Accumulation Portfolio	5.7%	11.6%	11.3%	9.9%	8.1%	8.1%
Sanlam Passive Accumulation Portfolio	7.8%	15.6%	12.7%	10.7%	9.1%	9.2%
Sanlam Wealth Creation Accumulation Portfolio	6.6%	16.0%	13.9%	12.4%	10.0%	—
Sanlam Capital Protection Portfolio	2.3%	10.3%	8.2%	7.5%	7.6%	9.2%

## Protection Strategy

## Summary of Returns

	MRQ	1 Year	3 Years	5 Years	7 Years	10 Years
Sanlam Secure Strategy	2.0%	9.5%	7.7%	7.0%	7.1%	8.6%
Sanlam Stable Strategy	2.3%	10.3%	8.2%	7.5%	7.6%	9.2%
Volatility Protection Strategy	3.5%	11.3%	9.2%	8.3%	7.7%	9.1%

**Summary of Returns****Multi-Manager Range**

	<b>MRQ</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>7 Years</b>	<b>10 Years</b>
SMM 70 Portfolio	8.0%	14.8%	12.7%	11.1%	9.1%	8.5%
SMM 50 Portfolio	7.9%	13.3%	11.5%	10.5%	9.0%	8.5%
SMM 30 Portfolio	7.5%	12.0%	10.6%	9.7%	8.9%	8.7%
SMM Moderate Absolute Fund	5.2%	13.2%	13.2%	12.7%	10.7%	10.1%
SMM NUR Balanced Fund	5.0%	10.2%	11.3%	10.1%	8.6%	7.8%
Sanlam The Most Aggressive Portfolio	8.0%	16.3%	13.3%	11.0%	—	—
Sanlam Accumulation Portfolio	8.1%	15.8%	12.5%	11.0%	9.1%	8.6%
SMM Select Balanced Fund	5.8%	13.2%	12.9%	12.1%	—	—
Sanlam Wealth Creation	6.6%	16.0%	13.9%	12.4%	10.0%	—

**SIM Single Manager Range**

	<b>MRQ</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>7 Years</b>	<b>10 Years</b>
SIM Balanced Fund	7.3%	12.2%	10.5%	9.2%	7.5%	7.7%
SIM Moderate Absolute Fund	5.1%	11.6%	9.3%	8.9%	8.3%	8.6%
SIM Cash Fund	2.3%	8.9%	6.4%	6.7%	7.2%	7.2%
SIM Temperance Balanced Fund	7.9%	15.6%	13.2%	11.1%	9.9%	9.2%
SPW Balanced Fund**	4.1%	10.9%	12.3%	11.0%	9.5%	9.0%

**External Single Manager Range**

	<b>MRQ</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>7 Years</b>	<b>10 Years</b>
Allan Gray Global Balanced	5.4%	14.5%	14.8%	11.2%	9.3%	9.6%
Camissa Balanced Fund	8.8%	14.2%	12.1%	11.8%	10.4%	9.2%
Coronation Houseview Portfolio	8.3%	16.7%	12.8%	12.9%	10.4%	9.7%
Foord Balanced Fund	5.4%	13.9%	10.4%	10.5%	7.9%	7.5%
M&G Balanced Fund	7.2%	12.4%	14.0%	11.1%	9.5%	9.3%
Ninety One Balanced Fund	7.2%	8.5%	10.0%	9.8%	8.8%	9.1%
PSG Balanced Fund	7.2%	16.8%	21.4%	12.9%	10.5%	10.8%
Truffle Balanced Fund	3.9%	6.2%	10.9%	12.6%	10.1%	10.5%

**Index Tracking Range**

	<b>MRQ</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>7 Years</b>	<b>10 Years</b>
Satrix Enhanced Balanced Tracker	7.8%	15.6%	12.7%	10.7%	9.1%	9.2%

**Smoothed Bonus Range**

	<b>MRQ</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>7 Years</b>	<b>10 Years</b>
Sanlam Monthly Bonus Fund	2.0%	9.5%	7.7%	7.0%	7.1%	8.6%
Sanlam Stable Bonus Portfolio	2.3%	10.3%	8.2%	7.5%	7.6%	9.2%
Sanlam Prog Smooth Bonus Fund	2.1%	9.9%	9.2%	7.6%	—	—

\* Returns prior to 1 August 2022 are reflective of the Sanlam Wealth Creation portfolio structured on AlexForbes life license.

\*\*SPW Balanced Fund is actual returns from 1 Sep 2019. Returns prior are from a Model Portfolio similar to the SPW Balanced Fund.

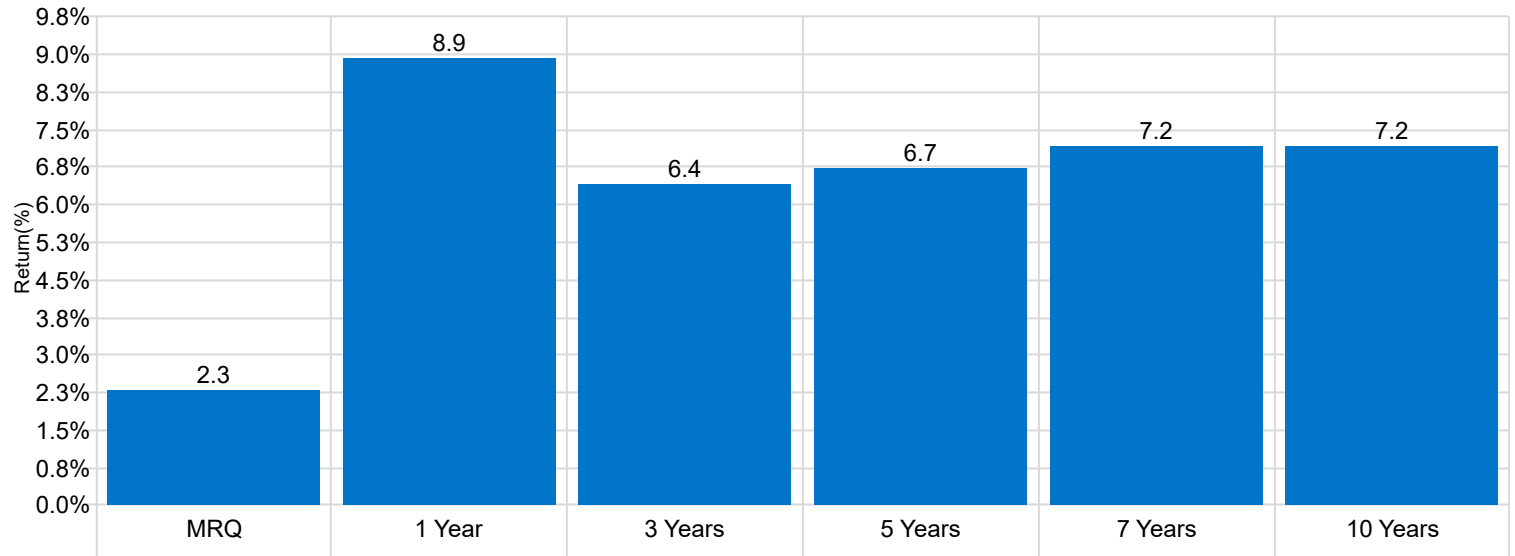
**Fund Analysis (Domestic Money Market)**

As of 31/12/2023

● SIM Cash Fund

**Historical Performance**

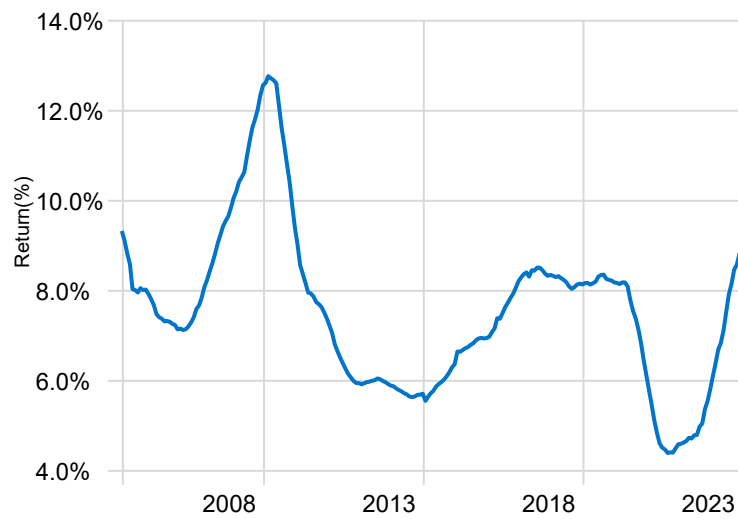
As of Date: 31/12/2023



**1-Year Rolling Returns**

Time Period: Since Common Inception (01/08/2003) to 31/12/2023

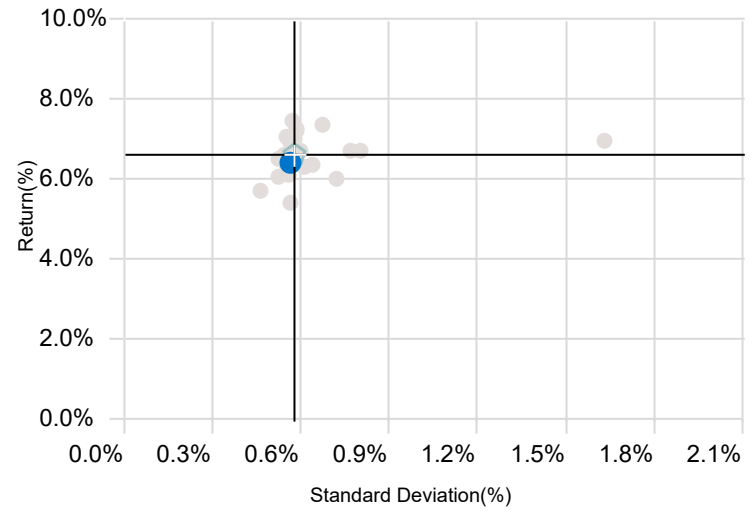
Rolling Window: 1 Year 1 Month shift



**3-Year Risk-Return Analysis**

Time Period: 01/01/2021 to 31/12/2023

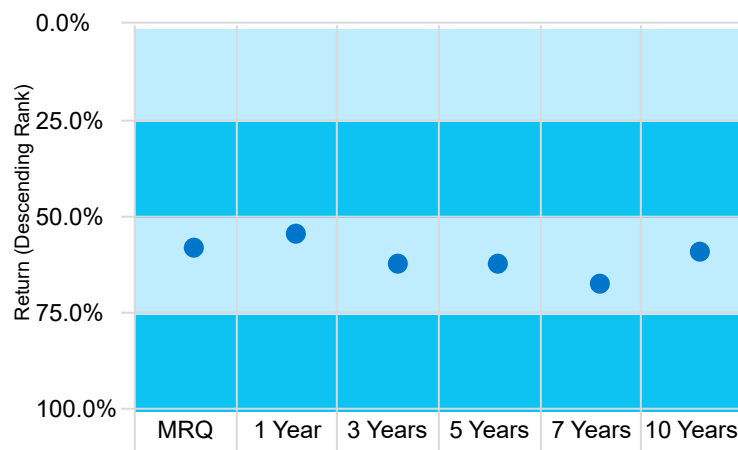
Peer Group (1-100%): SCA Specialist Cash Funds Incl Enhanced



**Performance Relative to Peer Group (descending rank)**

Peer Group: SCA Specialist Cash Funds Incl Enhanced

1st to 25th Percentile 26th to Median 51st to 75th Percentile 76th to 100th Percentile



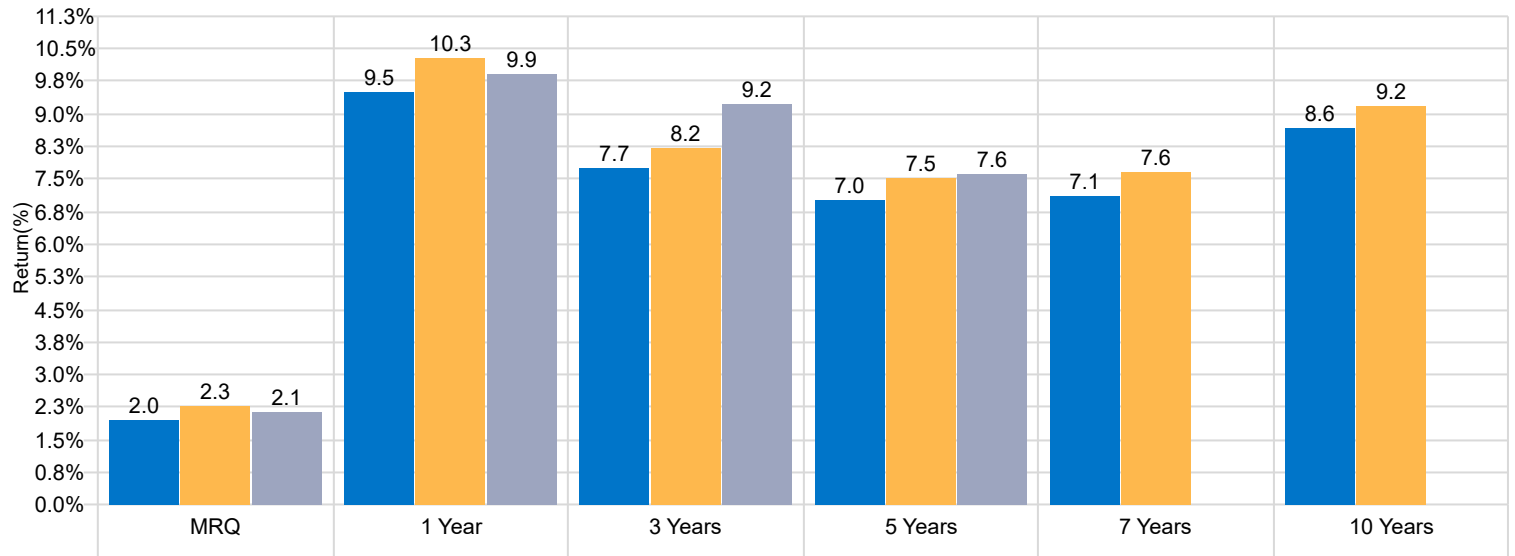
**Fund Analysis (Guaranteed/Smooth Bonus)**

As of 31/12/2023

● Sanlam Monthly Bonus Fund      ■ Sanlam Stable Bonus Portfolio      ▲ Sanlam Progressive Smooth Bonus Fund

**Historical Performance**

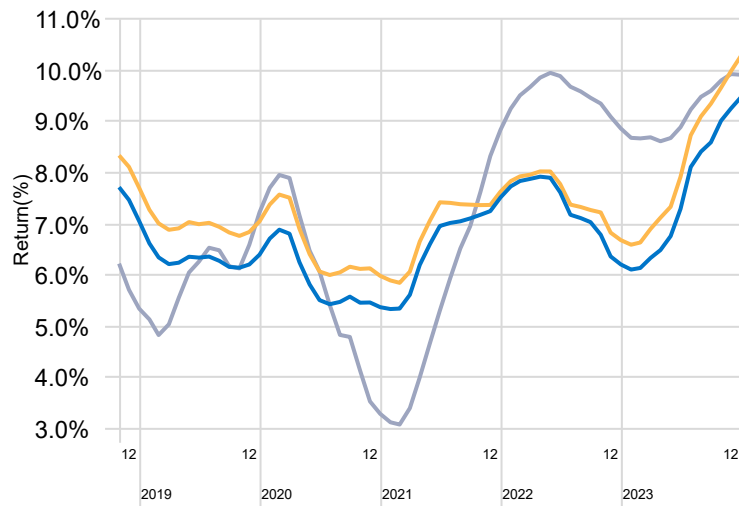
As of Date: 31/12/2023



**1-Year Rolling Returns**

Time Period: Since Common Inception (01/11/2017) to 31/12/2023

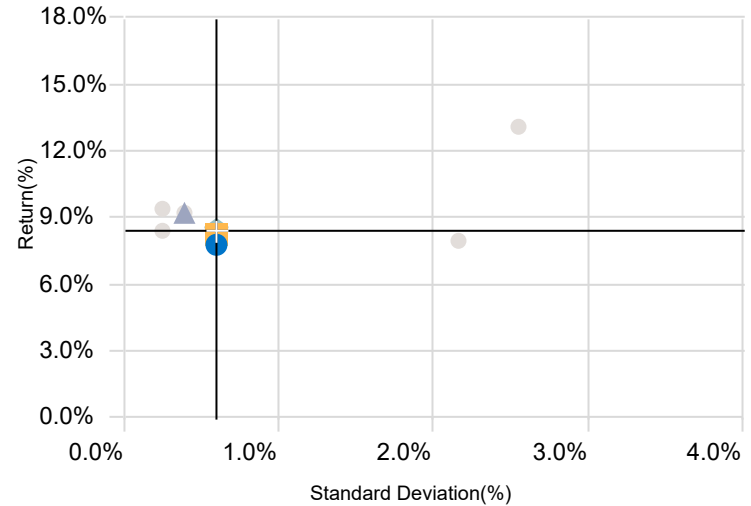
Rolling Window: 1 Year 1 Month shift



**3-Year Risk-Return Analysis**

Time Period: 01/01/2021 to 31/12/2023

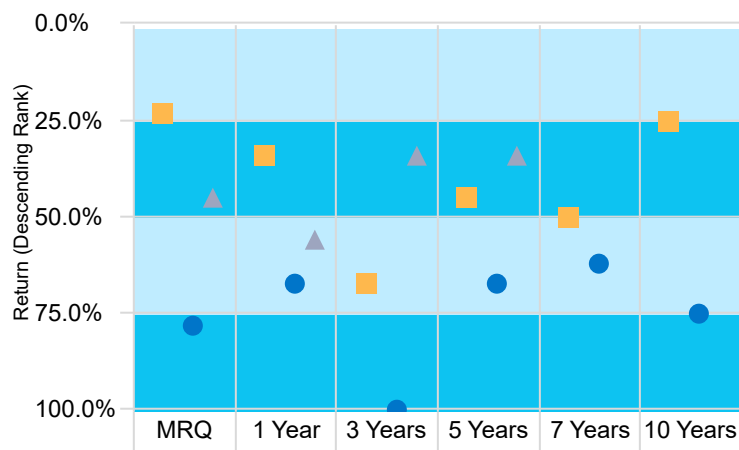
Peer Group (1-100%): SCA Guaranteed and Smooth Bonus Funds



**Performance Relative to Peer Group (descending rank)**

Peer Group: SCA Guaranteed and Smooth Bonus Funds

■ 1st to 25th Percentile    ■ 26th to Median    ■ 51st to 75th Percentile    ■ 76th to 100th Percentile



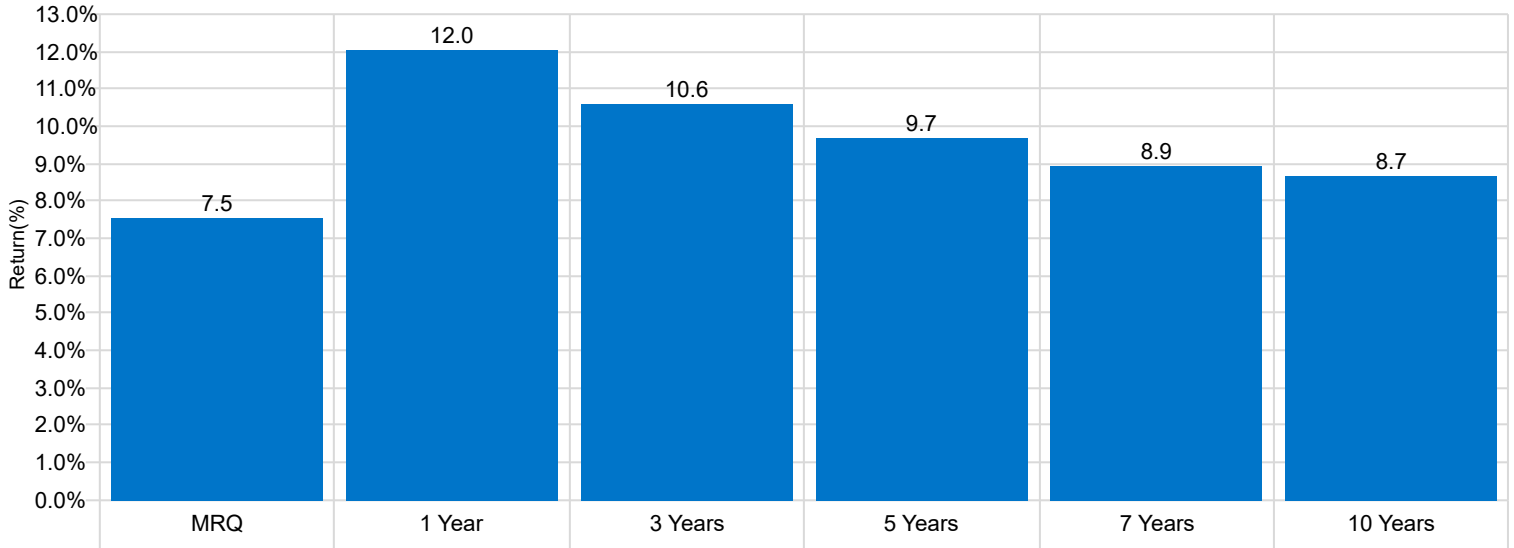
Fund Analysis (Conservative Global Multi-Asset Class)

As of 31/12/2023

SMM 30 Portfolio

Historical Performance

As of Date: 31/12/2023



1-Year Rolling Returns

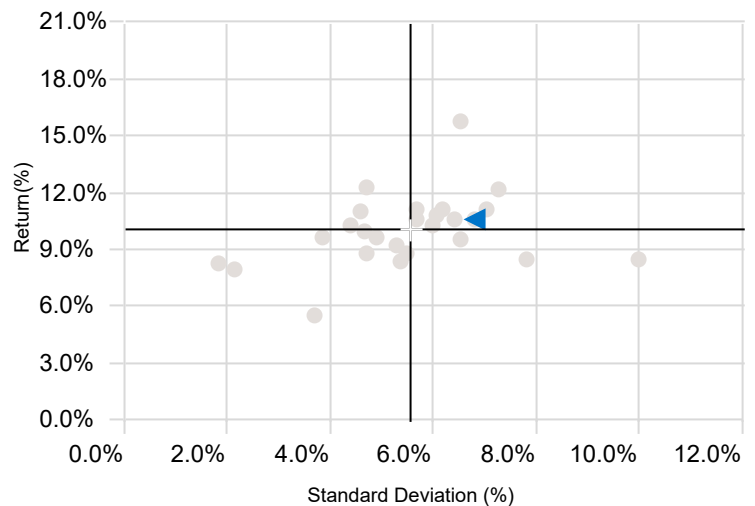
Time Period: Since Common Inception (01/08/2010) to 31/12/2023



3-Year Risk-Return Analysis

Time Period: 01/01/2021 to 31/12/2023

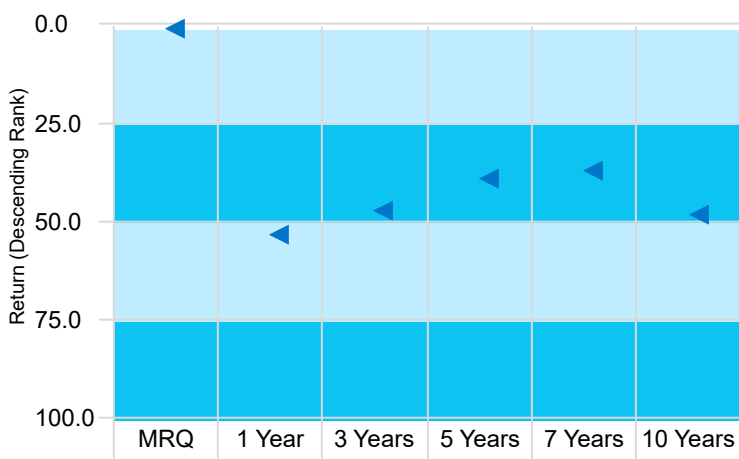
Peer Group: SCA Conservative Global Incl MA



Performance Relative to Peer Group (descending rank)

Peer Group: SCA Conservative Global Incl MA

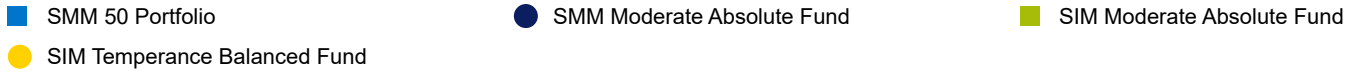
1st to 25th Percentile 26th to Median 51st to 75th Percentile 76th to 100th Percentile





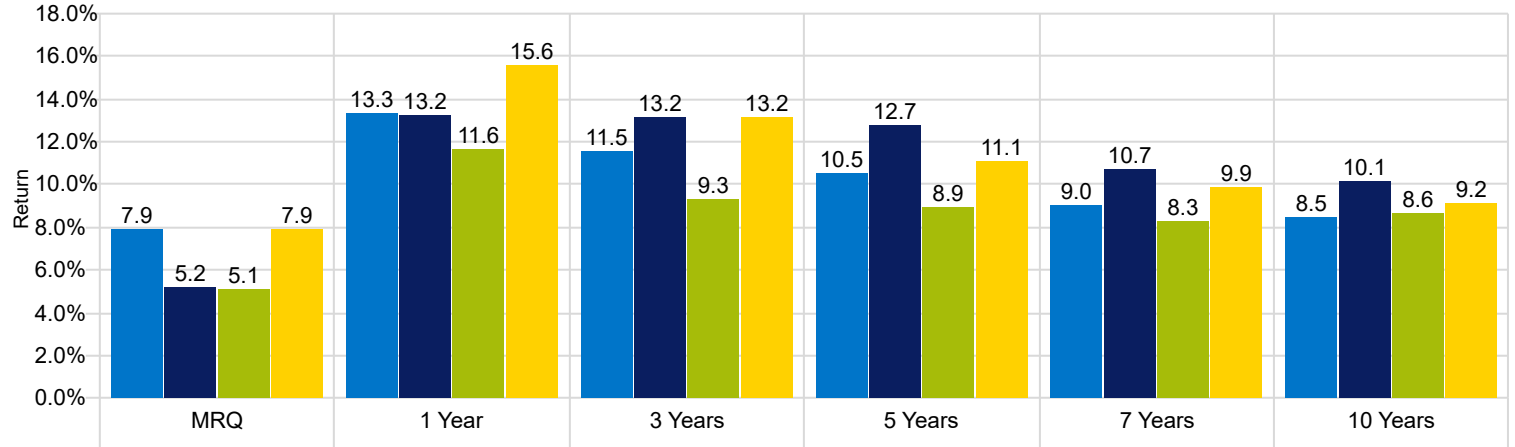
**Fund Analysis (Moderate Global Multi-Asset Class)**

As of 31/12/2023



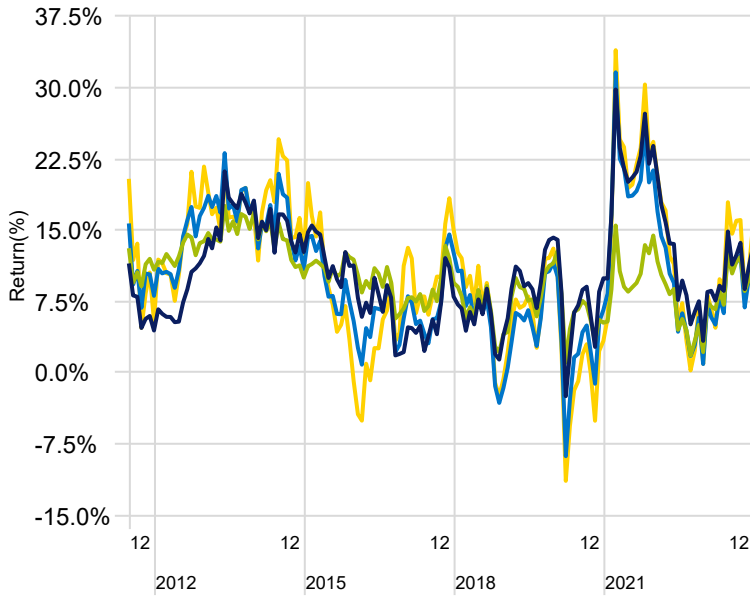
**Historical Performance**

As of Date: 31/12/2023



**1-Year Rolling Returns**

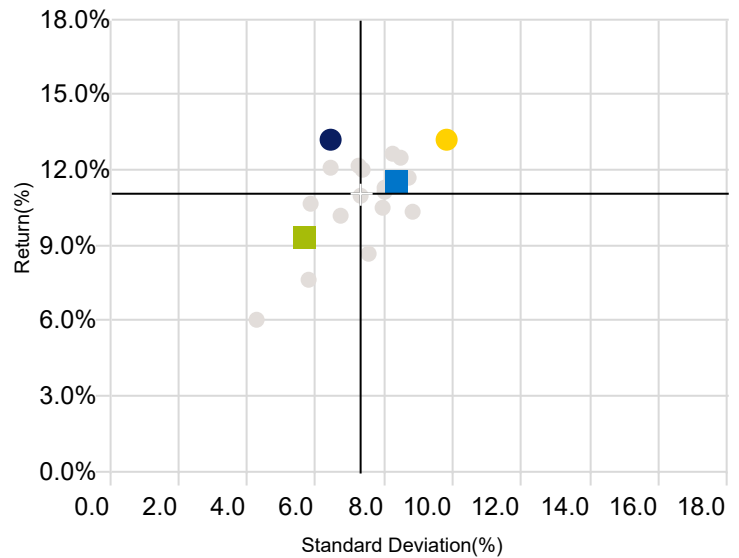
Time Period: Since Common Inception (01/07/2010) to 31/12/2023



**3-Year Risk-Return Analysis**

Time Period: 01/01/2021 to 31/12/2023

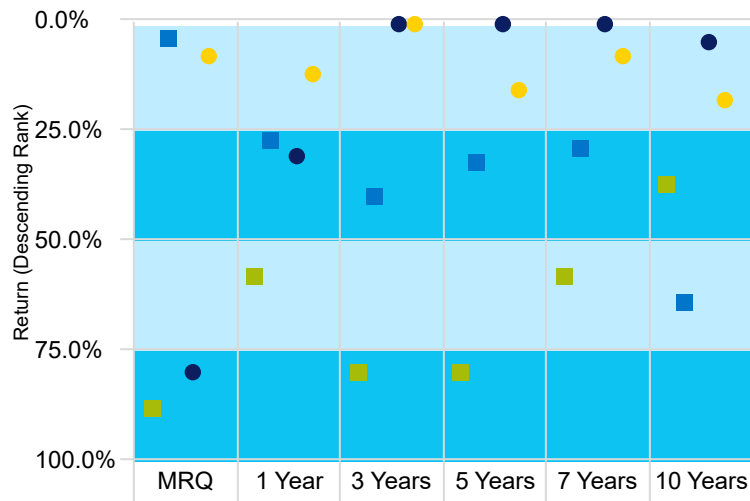
Peer Group: SCA Moderate Global Incl MA



**Performance Relative to Peer Group (descending rank)**

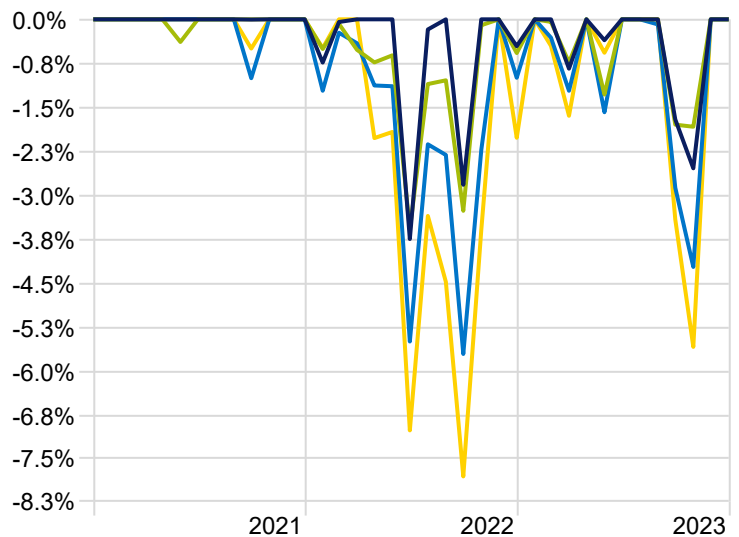
Peer Group: SCA Moderate Global Incl MA

1st to 25th Percentile (lightest blue), 26th to Median (medium blue), 51st to 75th Percentile (lightest blue), 76th to 100th Percentile (darkest blue)



**3-Year Drawdown**

Time Period: 01/01/2021 to 31/12/2023



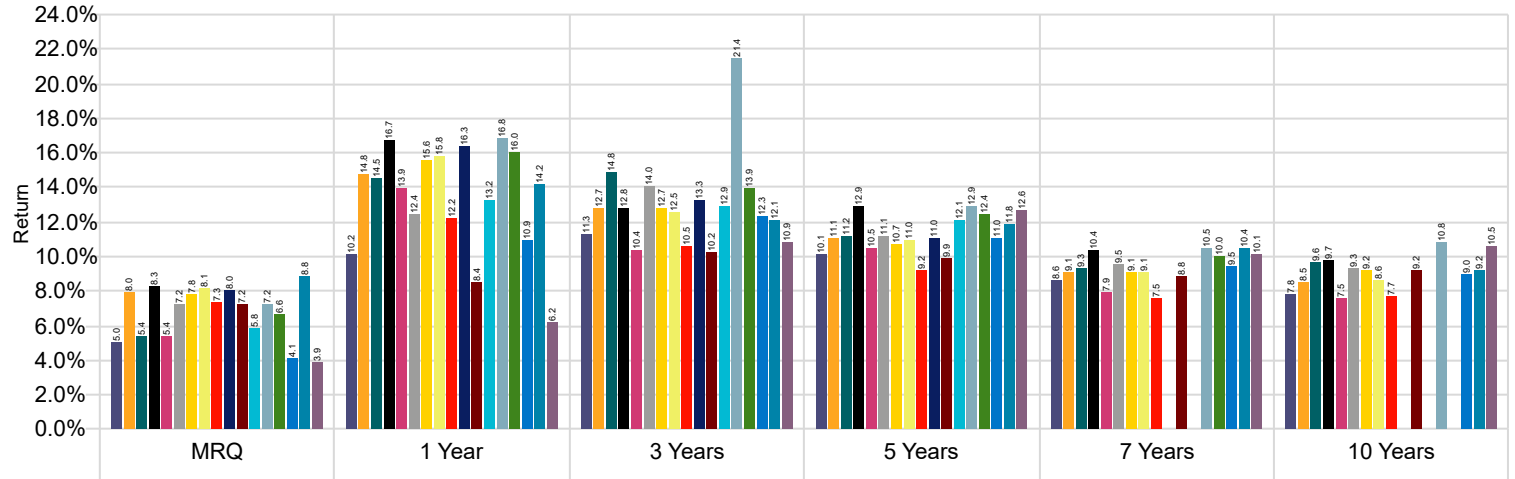
# Fund Analysis (Aggressive Global Multi-Asset Class)

As of 31/12/2023

- △ SMM NUR Balanced Fund
- ▲ Coronation Houseview Portfolio
- Satrix Enhanced Balanced Tracker Fund
- Sanlam The Most Aggressive Portfolio
- PSG Balanced
- Camissa Balanced
- ▲ SMM 70 Portfolio
- Foord Balanced Fund
- Sanlam Accumulation Portfolio
- Ninety One Balanced Fund
- Sanlam Wealth Creation Portfolio
- Truffle Balanced Fund
- ▲ Allan Gray Global Balanced
- M&G Balanced Fund
- ▲ SIM Balanced Fund
- SMM Select Balanced Fund
- SPW Balanced Fund

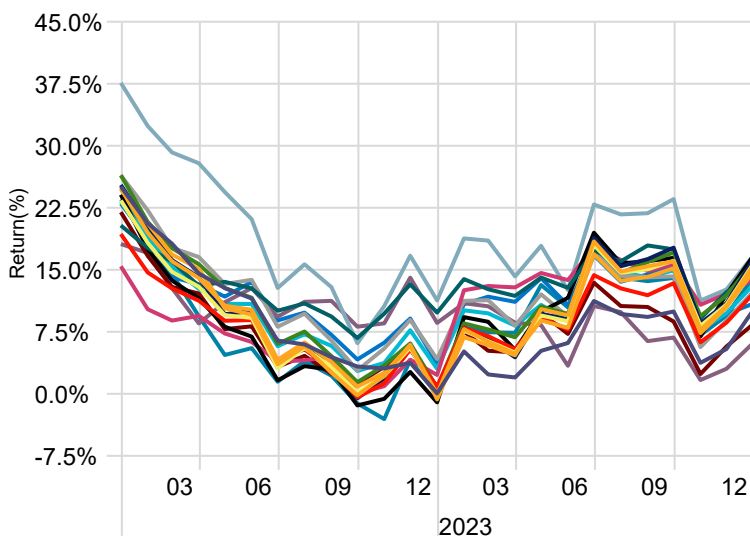
## Historical Performance

As of Date: 31/12/2023



## 1-Year Rolling Returns

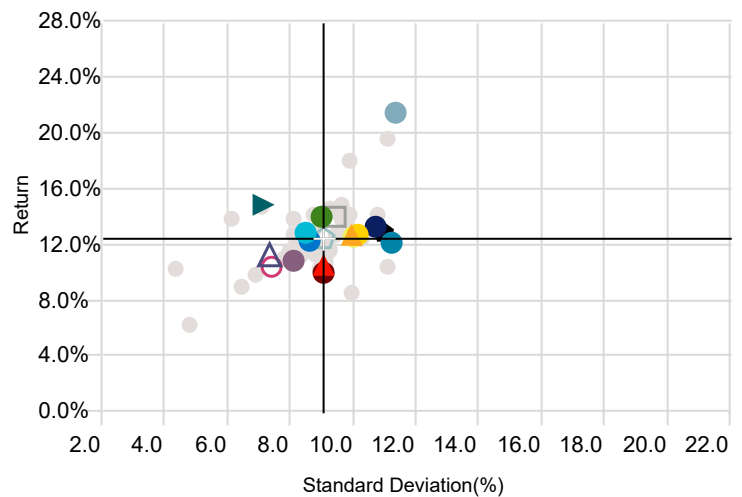
Time Period: 01/01/2021 to 31/12/2023



## 3-Year Risk-Return Analysis

Time Period: 01/01/2021 to 31/12/2023

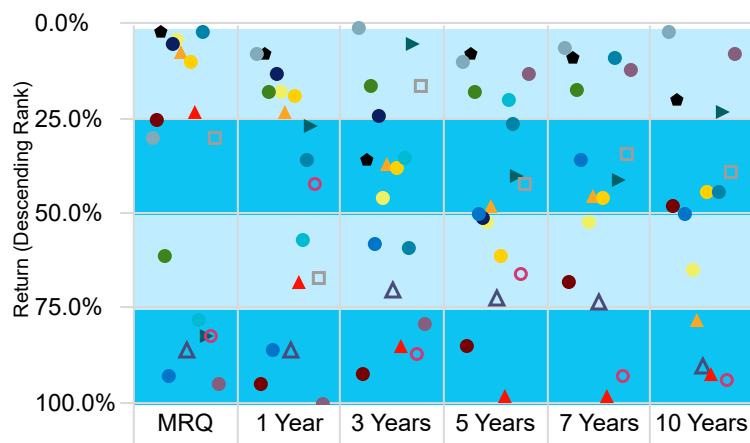
Peer Group (1-100%): SCA Aggressive Global Incl MA



## Performance Relative to Peer Group (descending rank)

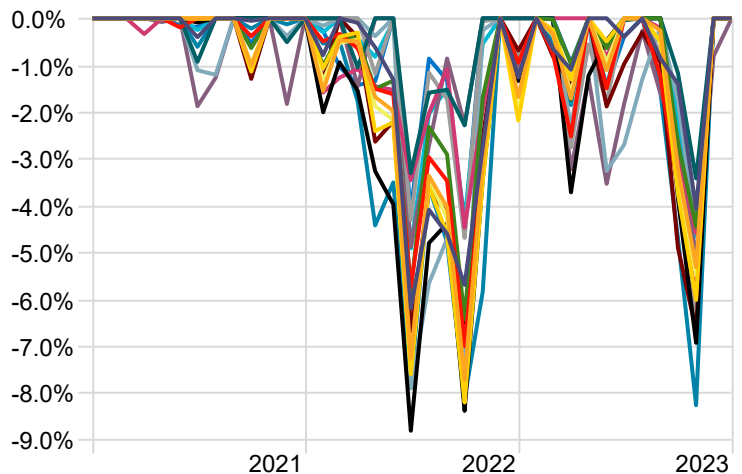
Peer Group: SCA Aggressive Global Incl MA

1st to 25th Percentile 26th to Median 51st to 75th Percentile 76th to 100th Percentile



## 3-Year Drawdown

Time Period: 01/01/2021 to 31/12/2023



## Fee Breakdown as at 30 June 2023

Sanlam Umbrella Fund: Total Investment Costs					as at June 2023		Performance fees (incl. in TER)
	Guarantee Premium	Total Expense Ratio (incl. Guarantee Premium)	Trading Costs	Total Investment Costs			
<b>LIFESTAGE STRATEGIES</b>							
<b>Sanlam Accumulation Lifestage</b>							
Sanlam Lifestage Accumulation Portfolio	-	1.218%	0.120%	1.338%		0.141%	
Sanlam Capital Protection Portfolio	0.900%	1.368%	0.080%	1.448%		0.000%	
<b>Sanlam Passive Lifestage Strategy</b>							
Passive Lifestage Accumulation Portfolio	-	0.380%	0.040%	0.420%		n/a	
Sanlam Capital Protection Portfolio	0.900%	1.368%	0.080%	1.448%		0.000%	
<b>Sanlam Blue Lifestage Strategy</b>							
SIM Balanced Fund	-	0.750%	0.120%	0.870%		n/a	
SPW Balanced Fund	-	0.880%	0.070%	0.950%		n/a	
Sanlam Blue Lifestage Accumulation Portfolio	-	0.815%	0.095%	0.910%		n/a	
Sanlam Capital Protection Portfolio	0.900%	1.368%	0.080%	1.448%		0.000%	
<b>Sanlam Wealth Creation Lifestage Strategy<sup>10</sup></b>							
Sanlam Wealth Creation	-	1.060%	0.140%	1.200%		0.014%	
Sanlam Capital Protection Portfolio	0.900%	1.368%	0.080%	1.448%		0.000%	
<b>PROTECTION STRATEGIES</b>							
<b>Volatility Protection Strategy</b>							
Sanlam Monthly Bonus Fund	1.600%	2.068%	0.080%	2.148%		0.000%	
Satrix Enhanced Balanced Tracker Fund	-	0.380%	0.040%	0.420%		n/a	
Volatility Protection Strategy Total <sup>7</sup>	1.200%	1.646%	0.070%	1.716%		0.000%	
<b>Sanlam Secure Strategy</b>							
Sanlam Monthly Bonus Fund	1.600%	2.068%	0.080%	2.148%		0.000%	
<b>Sanlam Stable Strategy</b>							
Sanlam Stable Bonus Portfolio	0.900%	1.368%	0.080%	1.448%		0.000%	
<b>MEMBER CHOICE PORTFOLIOS</b>							
<b>Single Manager Range</b>							
SIM Balanced Fund	-	0.750%	0.120%	0.870%		n/a	
SPW Balanced Fund	-	0.880%	0.070%	0.950%		n/a	
SIM Cash Fund	-	0.200%	0.000%	0.200%		n/a	
SIM Moderate Absolute Fund	-	0.740%	0.100%	0.840%		n/a	
SIM Temperance Balanced Fund	-	0.720%	0.090%	0.810%		n/a	
<b>Multi-manager Range</b>							
SMM 30 Portfolio	-	1.050%	0.100%	1.150%		0.095%	
SMM 50 Portfolio	-	0.970%	0.140%	1.110%		0.101%	
SMM 70 Portfolio	-	1.040%	0.180%	1.220%		0.109%	
SMM Moderate Absolute Fund	-	0.980%	0.180%	1.160%		0.074%	
SMM NUR Balanced Fund	-	0.990%	0.140%	1.130%		0.000%	
The Most Aggressive Portfolio	-	1.260%	0.150%	1.410%		0.191%	
Sanlam Accumulation Portfolio	-	1.218%	0.120%	1.338%		0.141%	
SMM Select Balanced Fund	-	1.060%	0.270%	1.330%		0.083%	
Sanlam Wealth Creation	-	1.060%	0.140%	1.200%		0.014%	
<b>Smoothed Bonus Range</b>							
Sanlam Monthly Bonus Fund	1.600%	2.068%	0.080%	2.148%		0.000%	
Sanlam Stable Bonus Portfolio	0.900%	1.368%	0.080%	1.448%		0.000%	
Sanlam Progressive Smooth Bonus Fund	0.700%	1.600%	0.120%	1.720%		0.000%	
<b>Index-tracking Range</b>							
Satrix Enhanced Balanced Tracker Fund	-	0.380%	0.040%	0.420%		n/a	
Sanlam Umbrella Fund: Total Investment Costs					as at June 2023		Performance fees (incl. in TER)
	Investment Administration Fee	Total Expense Ratio (incl. Investment Administration Fee)	Trading Costs	Total Investment Costs			
<b>External Single Manager Range</b>							
Allan Gray Global Balanced Portfolio** <sup>6</sup>	0.173%	1.161%	0.079%	1.240%		- <sup>8</sup>	
Coronation Houseview Portfolio** <sup>6</sup>	0.173%	1.284%	0.196%	1.480%		n/a	
Foord Balanced Fund	-	0.910%	0.040%	0.950%		0.130%	
Ninety One Balanced Fund** <sup>6</sup>	0.173%	0.833%	0.130%	0.963%		n/a	
M&G Balanced Fund	-	0.870%	0.076%	0.946%		n/a	
PSG Balanced Fund <sup>6</sup>	0.173%	1.038%	0.190%	1.228%		n/a	
Camissa Balanced Fund <sup>6,10</sup>	0.173%	1.226%	0.285%	1.510%		n/a	
Truffle Balanced Fund <sup>6,10</sup>	0.173%	0.973%	0.840%	1.813%		n/a	

## NOTES:

- The values above are estimated over a rolling 3 year period and annualized unless otherwise stated.
- Figures as at June 2023
- The highest fee tier (i.e. lowest asset size) is assumed in the TERs.
- Portfolios that are less than 6 months old, may not have underlying data available to calculate a reliable estimate.
- Where applicable asset consulting fees must still be added.
- TER Includes an investment administration charge of 0.173% (including VAT) for portfolios not wrapped in a Sanlam policy.
- Estimated assuming 75% in Monthly Bonus Fund and 25% in Satrix Enhanced Balanced Tracker Fund.
- The Orbis fees are included in the total TER and will no longer be disclosed separately under performance fees.
- Only available to clients with existing exposure
- The performance returns of the Financial Product are reported net of Trading Costs.

\*\*Averaged as Pension and Provident Fund figures differ slightly

Information as at 30 September 2023 is unavailable at time of print.