



glacier
by Sanlam



GLACIER INTERNATIONAL RESEARCH PROPOSITION

DEAN DE NYSSCHEN

SENIOR RESEARCH & INVESTMENT ANALYST

May 2022

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AGENDA

- **Proposition** recap
- **Research output** overview
- Navigate **Optimised Models**
- **ETF model** launch
- **ESG Approach**



GLACIER INTERNATIONAL VALUE PROPOSITION



World-class
investment
capability



Robust and
market-leading fund
research



Operational
accessibility and
ease of use



Independent &
objective insights



Holistic client and
distribution support

GLACIER RESEARCH AND CONSULTING



**FRANCIS
MARAIS, CFA**
B.Com (Hons)
Financial Analysis



**DEAN
DE NYSSCHEN, CFA**
B.Com Investment &
Financial Management



**PATRICK
MATHABENI**
B.Com (Hons) Financial
Management, CFA level
2 candidate



TENEILLE TROSKIE
B.Com (Hons)
Investments and
Finance



LIESL-MARI DE JAGER
B.A. Hons (Ind Psych)
Cum Laude, MBA
(Cum Laude)



AISHA KRIEL
BCom (Hons) Finance



MANSOOR NARKER
BCom (Hons) Finance
and Investments, CFA
Level III Candidtae



SALEH JAMODIEN
B.Com (Business
Science), CFA Level II
Candidate, Passed FRM
Level I



NOMFUNDO NTOYANTO
BCom (Hons) Finance
and Investments, Passed
CFA Level I



SANUSHA GOPAUL
B.Com Risk Management
Certificate in Compliance
Management



**CINDY
MATHEWS-DE VRIES**
M.Sc Computational
Finance, AIMMP



GLACIER
RESEARCH
PROCESS
FRAMEWORK

OUR RESEARCH PHILOSOPHY

1 We emphasise value enhancing and complementary **qualitative investment research insights**

2 We apply a **conservative** approach to portfolio construction, always mindful of client outcomes, volatility and drawdowns

3 Our solutions are designed to deliver **consistent performance** through various investment cycles

4 We **blend** different investment approaches across the risk return spectrum allowing for greater certainty in outcomes

GLACIER RESEARCH PROCESS



To identify funds that deliver consistent first and second quartile outperformance while protecting capital in adverse market condition



NAVIGATE GLOBAL OPTIMISED MODELS

A client centric range of **multi-asset solutions**, guided by a selection of superior global managers.

NAVIGATE PORTFOLIOS

Limits and constraints

OPTIMISED CAUTIOUS GROWTH

Primary Benchmark

EAA Fund Cautious Allocation

Investment horizon

5 years

Max Total Equity

20% - 45%

Max 10 Funds

OPTIMISED MODERATE GROWTH

Primary Benchmark

EAA Fund Moderate Allocation

Investment horizon

7 years

Max Total Equity

45% - 65%

Max 10 Funds

OPTIMISED AGGRESSIVE GROWTH

Primary Benchmark

EAA Fund Aggressive Allocation

Investment horizon

10 years

Max Total Equity

65% - 100%

Max 10 Funds

OPTIMISATION

1

Input – involves the compilation of the list of funds selected

2

Optimiser – quantitative process

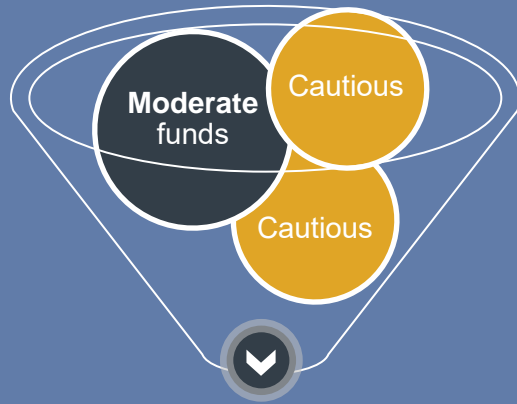
3

Qualitative overlay – performed by investment committee

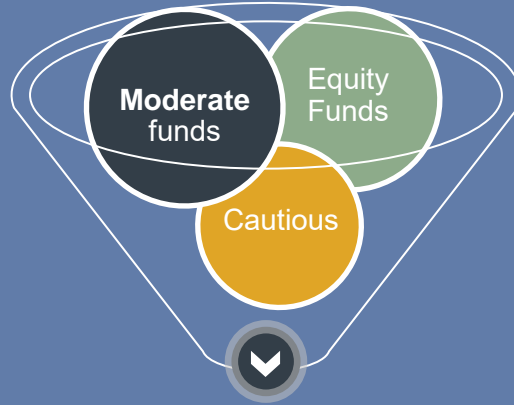
Defined by three different stages

PORTFOLIO CONSTRUCTION

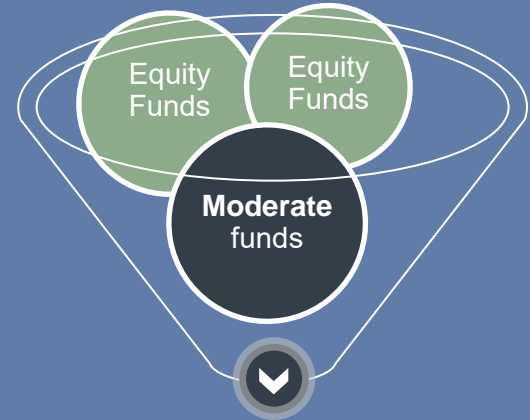
The aim of the optimisation is to maximise risk-adjusted returns



Optimised **cautious** portfolio



Optimised **moderate** portfolio



Optimised **aggressive growth** portfolio



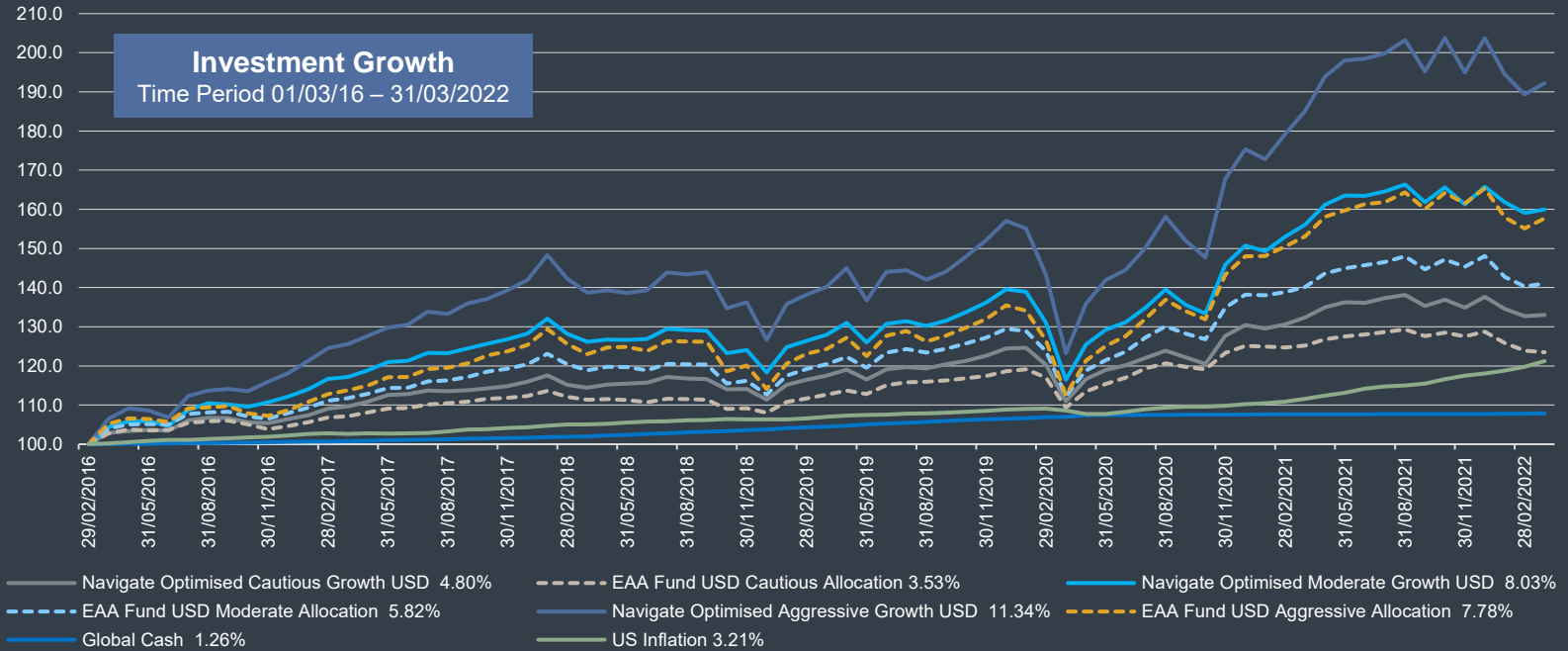
Best-in-class based on superior qualitative characteristics



Consistent out-performance on capital protection in market downturns

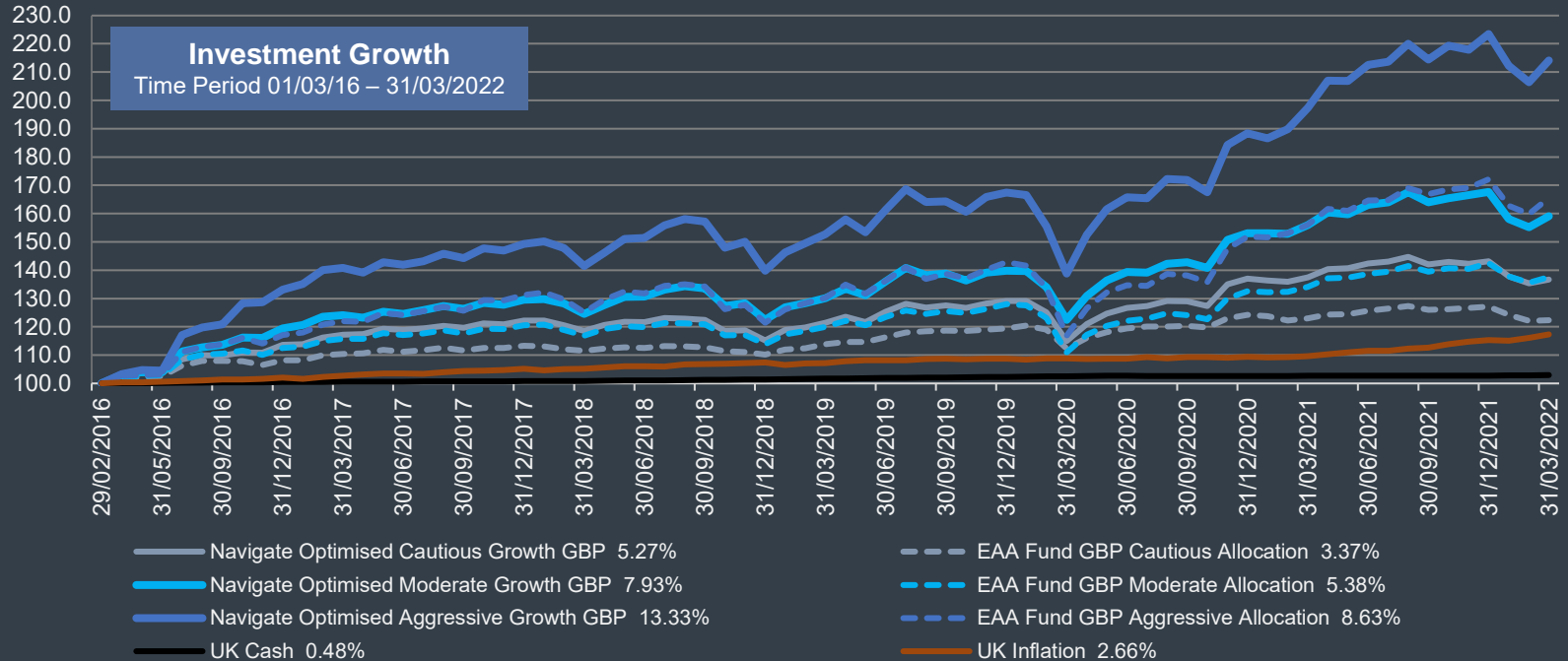
NAVIGATE USD OPTIMISED PORTFOLIOS

Since common inception - annualised



NAVIGATE GBP OPTIMISED PORTFOLIOS

Since common inception - annualised



RESEARCH OUTPUT & FUTURE THINKING



Cautious multi-asset

Global value equity

Sustainable



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INTRODUCING
THE NAVIGATE
GLOBAL ETF
MODELS

EXPANDING YOUR INVESTMENT OPPORTUNITY SET

- Glacier recently made a comprehensive selection of **ETFs available** to investors
- There are clear **benefits** of using low-cost alternatives, which should be appreciated by all
- **Although** these are passive instruments are useful for portfolio construction, investors need to **know the risks**
- The vast number of ETFs listed globally introduces the same challenge, if not larger than selecting active managers



NAVIGATE ETF PORTFOLIOS

Limits and constraints

GLOBAL MODERATE GROWTH

Primary Benchmark
EAA Fund Moderate Allocation
Investment horizon
7 years
Max Total Equity
45% - 65%

GLOBAL AGGRESSIVE GROWTH

Primary Benchmark
EAA Fund Aggressive Allocation
Investment horizon
10 years
Max Total Equity
65% - 100%



ETF PORTFOLIO RESEARCH PROCESS

- Establish and maintain appropriate ETF universe to generate **optimal relative risk-adjusted returns**
- What strategic asset allocation would have generated the **best risk-adjusted returns** over full market cycles?
- Use of optimisation engine, greater ETF toolkit and diverse macro-economic data inputs to **generate relative alpha**

MODERATE MODEL OUTPUT

Fund Selection	SAA	TAA	Change
iShares Core MSCI ACWI ETF USD Acc	60.00%	50.00%	-10.00%
MSCI World Value ETF	0.00%	5.00%	5.00%
Developed Markets Property Yield ETF	5.00%	5.00%	0.00%
iShares Global Aggregate Bond ETF	20.00%	20.00%	0.00%
Vanguard USD Corporate Bond ETF	10.00%	10.00%	0.00%
iShares \$ Treasury Bd 20+y ETF USD Acc	5.00%	5.00%	0.00%
iShares Gold ETF	0.00%	5.00%	5.00%
Total	100.00%	100.00%	0.00%



**SUSTAINABLE
INVESTING
WITH GLACIER
INTERNATIONAL**

ESG RESEARCH

ESG integration is applied to various layers of our global research:

1

Built into our **qualitative** due diligence and reporting engagements

Leveraging third-party **ESG data** service providers during quantitative research

3

Ensure that all **Navigate** managers explicitly incorporate ESG data in their process

Scrutinise the quality thereof alongside **engagement** practices with shareholders

5

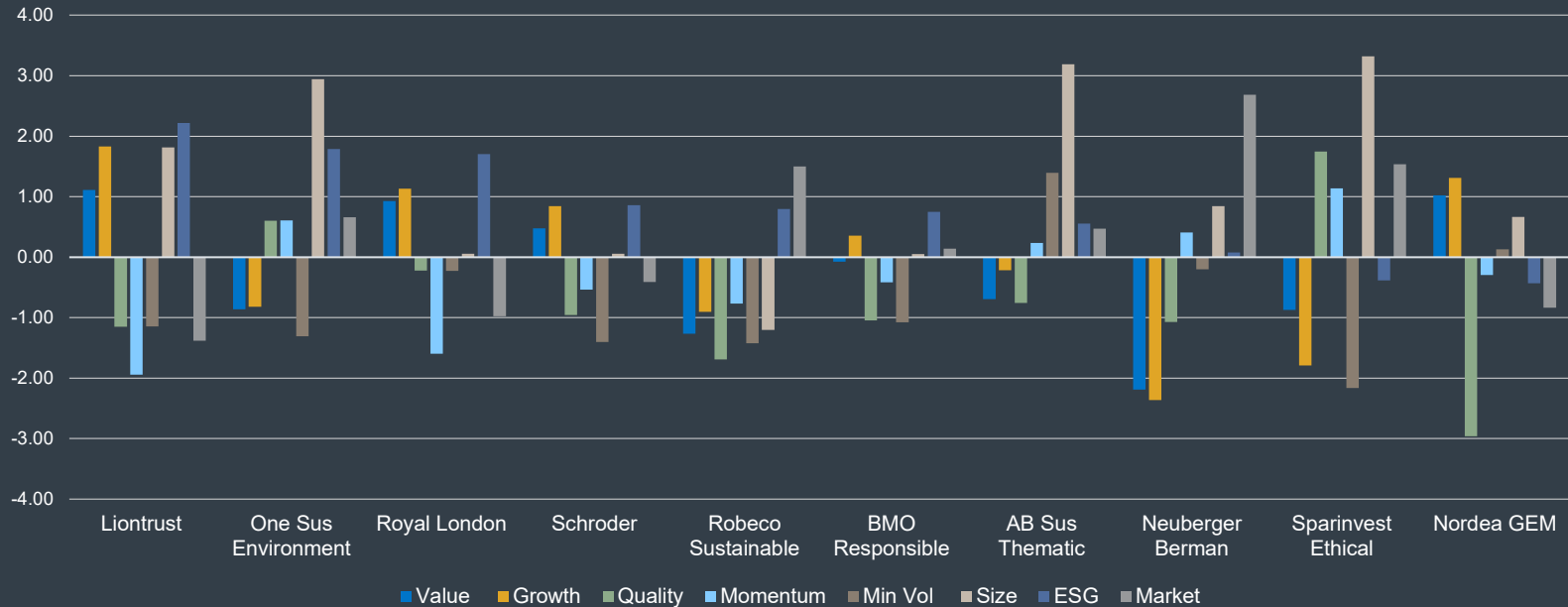
Incorporating sustainable **strategies** where additive to solutions, and providing best in-class ESG access

2

4

UNPACKING ESG EXPOSURES

T-stat exposures



MAPPING ESG STRATEGIES

LIONTRUST SUSTAINABLE FUTURE GLOBAL GROWTH



The Liontrust Sustainable Investment team's process starts with a thematic approach in identifying the key structural growth themes that will shape the global economy of the future. The second approach is engagement, also known as active ownership. The third approach is avoiding certain industries because of the negative effects of their products. The fund invests in three transformative trends and 21 themes within these trends: Better resource efficiency, improved health, greater safety and resilience

Peter Michaelis, Simon Clements and Stuart Steven are lead managers of the 13-strong Liontrust Sustainable Investment team, which has a total of close to 200 years of combined experience. The team moved to Liontrust from Alliance Trust Investments (ATI) in April 2017.

ESG THEMATIC GROWTH

ROBECO SUSTAINABLE GLOBAL STARS EQUITIES



The fund has a concentrated portfolio of stocks with the highest potential growth which are selected on the basis of high free cash flow, an attractive return on invested capital and a constructive sustainability profile. The fund aims at selecting stocks with relatively low environmental footprints compared to stocks with high environmental footprints.

Michiel Plakman is Portfolio Manager of Robeco Global Stars Equities Fund, he is also supported by the remaining team members of the sustainable research team who are sector specialists.

ESG INTEGRATION & QUALITY

BAILLIE GIFFORD POSITIVE CHANGE



The strategy seeks to identify high quality growth companies which can deliver positive change in one of four current themes: Social Inclusion and Education, Environment and Resource Needs, Healthcare and Quality of Life; and Base of the Pyramid (addressing the needs of the world's poorest populations). The output is a high conviction and differentiated portfolio. We expect turnover to be low, around 20% per annum over the long run.

The leads on the strategy are Kate Fox, Lee Qian, Edward Whitten and Michelle O'Keefe. They are the primary decisionmakers, while they are also supported by three impact analysts and the broader research resources of the business.

ESG GROWTH

NB SYSTEMATIC GLOBAL SUSTAINABLE VALUE EQUITY



The strategy seeks to identify companies which score well across a number of different factor themes, including value which has the greatest weighting, as well as quality, momentum, income and volatility. The process is quantitatively driven, where stocks will be ranked according to their respective exposure to these factors. Higher risk companies will be underweighted, while an ESG framework is also applied in stock selection. Sustainable characteristics will not be the driving factor in including stocks. The portfolio will be well diversified, with over 230 holdings and will exhibit a value bias.

The portfolio management team is one of the advantages of the strategy, with all three senior portfolio managers having managed the strategy since inception in 2014. They are further supported by a broader team, with a bench of individuals who would be able to take over. Alex da Silva, Wai Lee and Ping Zhou are senior PMs on the strategy.

ESG SCREENED VALUE

STATE STREET ESG GLOBAL DEFENSIVE EQUITY

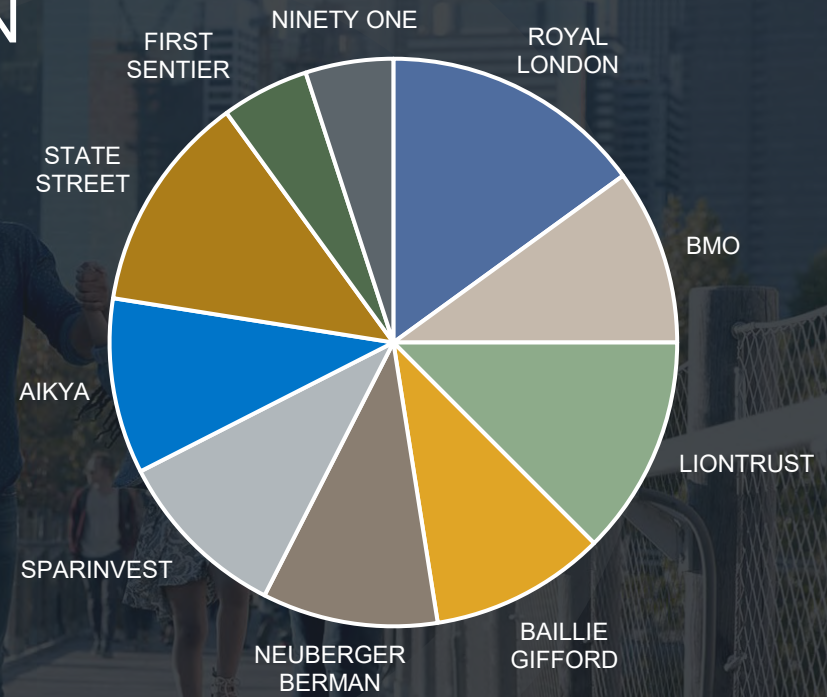


This is a benchmark-agnostic, high-conviction strategy focusing on only the best investment ideas, leveraging off the low volatility premium. Between 100-200 positions which have maximum stock weights of 1.5%. Between 100-200 positions which have maximum stock weights of 1.5%. Targets 2-4% outperformance relative to benchmark, with 25% reduced volatility over a full market cycle. Will make use of systematic screens, as well as more fundamental bottom-up and top-down analysis. Senior committee will vet decision making from a macro perspective.

Name portfolio manager on the fund (Chee Ooi, Senior Portfolio Manager) has been managing the fund since strategy inception in 2009. Adel Daghmouri is backup on the strategy. They have been with the business for approximately 13 and 21 years, respectively. Further supported by the AQE team of 41 analysts.

ESG DEFENSIVE EQUITY

MODEL CONSTRUCTION



UNIQUELY POSITIONED TO BE YOUR **GLOBAL** INVESTMENT PARTNER:



Providing
robust,
sustainable and
future-fit
solutions for
your clients



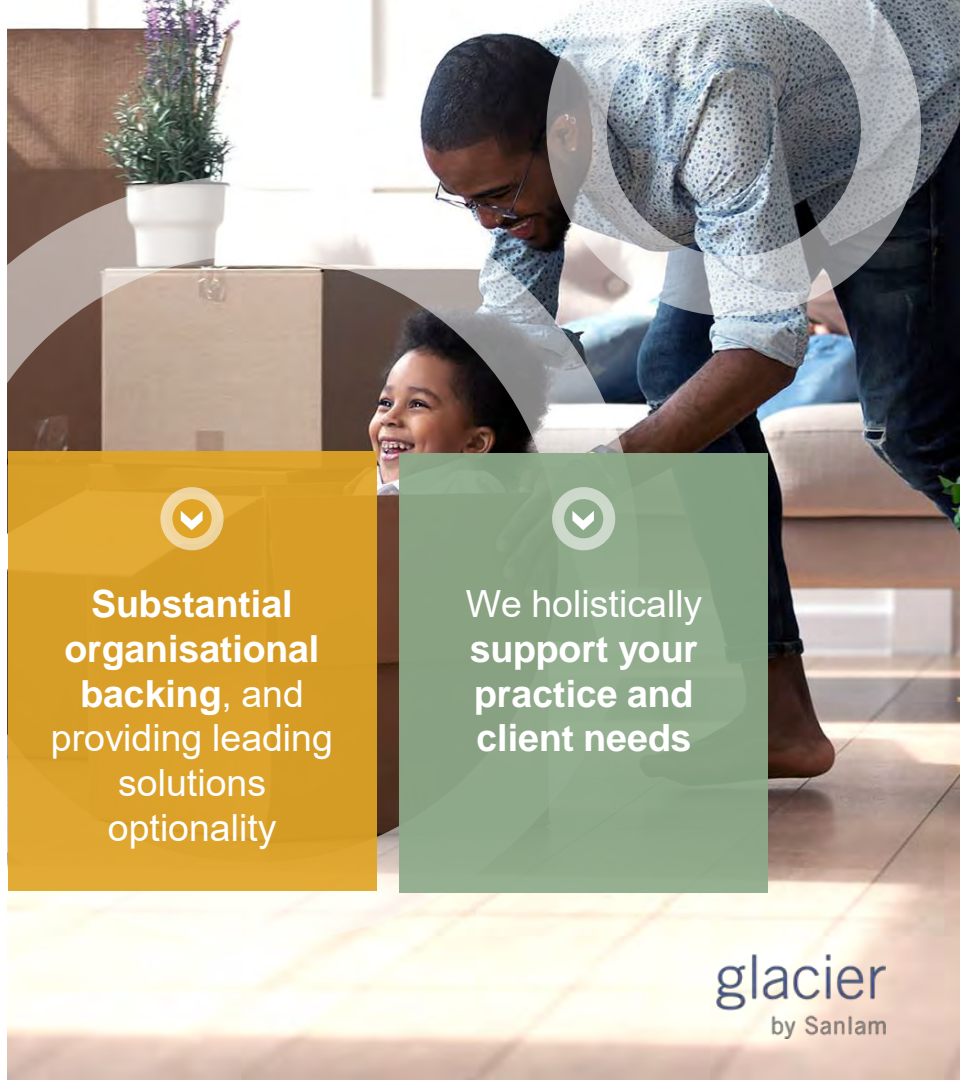
Leveraging from
world-class
managers
and portfolio
construction
expertise



Substantial
organisational
backing, and
providing leading
solutions
optionality



We holistically
support your
practice and
client needs



A man and a woman are performing handstands in a modern living room. The man is on the right, wearing a blue patterned shirt and dark pants, with his legs raised high. The woman is on the left, wearing a grey t-shirt and leggings. The room features a beige sofa, a wooden sideboard with a lamp, and a potted plant. The background wall has white paneling. The text 'THANK YOU' is displayed in the upper right corner.

THANK
YOU

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