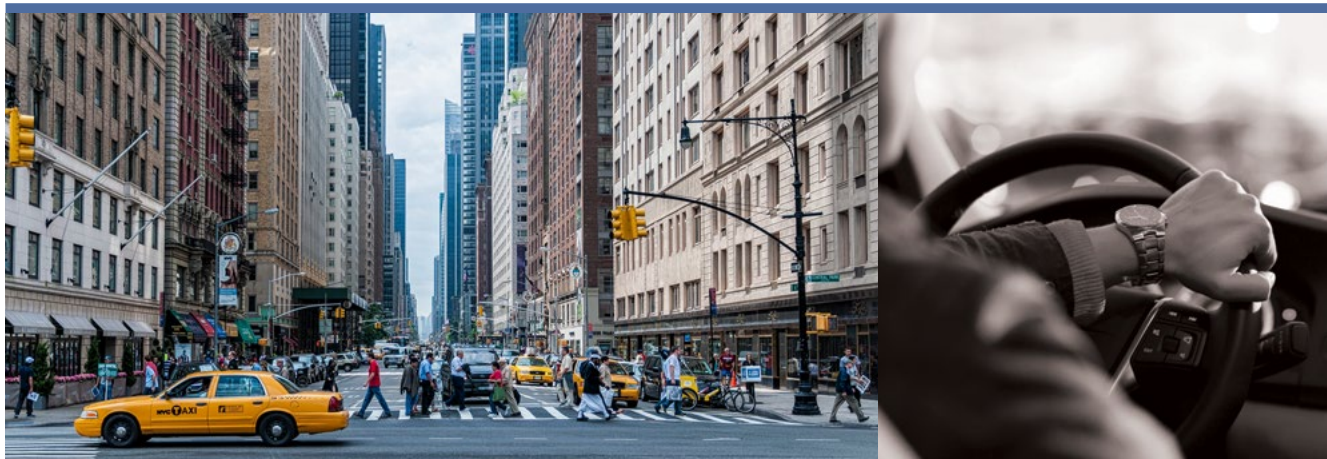


THE GLACIER GLOBAL STOCK FEEDER FUND

glacier
by Sanlam



Glacier Management Company

The Glacier Management Company seeks to provide investors with niche opportunities and solutions not addressed by the broader market in South Africa.

We recognised one such opportunity in the longstanding relationships we have with many large and well-known global asset managers through our Glacier International offering.

While the rand-denominated global fund universe is dominated by local asset managers applying their trade in offshore markets, we believe there is a need to provide South African investors with access to the skill of true global asset managers. We have therefore joined forces with Dodge & Cox to bring our investors the opportunity to invest in a world-class global equity fund via our local platform.

The Glacier Global Stock Feeder Fund

The popularity of global equity funds has grown significantly over recent years. In partnership with global asset manager Dodge & Cox, we bring investors the opportunity to invest in an actively managed global equity portfolio through the Glacier Global Stock Feeder Fund.

The fund is rand-denominated and invests directly into the **Dodge & Cox Global Stock Fund** (USD class), using Glacier's asset swap capacity, which means investors will not have to externalise capital. The fund also provides a hedge against a weakening rand. The Dodge & Cox Global Stock Fund has been approved by the Financial Services Board for investment by local investors. As a feeder fund, a minimum of 80% of the value of the Glacier Global Stock Feeder Fund will at all times be invested in the **Dodge & Cox Global Stock Fund** (the underlying fund).

The annual management fee of the fund is 0.5% (excluding VAT). The Total Expense Ratio (TER) will also include a 0.6% - 0.7% charge of the underlying fund.

The Dodge & Cox Global Stock Fund

The Dodge & Cox Global Stock Fund's objective is to provide investors with long-term growth of capital and income.

Investment strategy

The fund invests primarily in a diversified portfolio of equities issued by companies from at least three different countries located anywhere in the world, including emerging markets. It invests mainly in medium to large well-established companies.

Dodge & Cox does not manage the fund to match any particular index, and will typically invest at least 40% of the fund's assets in non-US companies.

Investment philosophy

Dodge & Cox's equity investment philosophy is to build a portfolio of solid business franchises of which the current market valuations do not adequately reflect the long-term profit opportunities. They use a bottom-up approach - a portfolio is put together one company at a time.

The strategy is supported by:



Intensive research

Ongoing analysis is made of each company's valuation, growth opportunities, business strategy and financial returns.



Price discipline

They will mostly hold stocks with a below-average valuation.



A long-term view

Investments are made with a three- to five-year investment horizon, with historically low portfolio turnover (15% - 20%).



Portfolio risk analysis

The portfolios are diversified across sectors, industries and geographies.

Features of the fund that appealed to Glacier

- **The size, experience and stability of the investment team**

The Dodge & Cox team is led by very experienced investment professionals with an average tenure of more than 20 years. The size of the team (more than 70 investment professionals) allows greater coverage and identification of investment ideas.

- **The rigour of the investment process**

The rigour and discipline of the investment process is a highlight of the Dodge & Cox Global Stock Fund. The process is clear and defined – all stocks go through an individual analyst assessment, followed by a team-based review, and then a collective judgement-based review by the policy committee, which is composed of the most experienced investment team members.

- **The independence of the firm and active employee ownership**

The fact that the company is completely investment focused, independent and wholly-owned by active employees are definitely standout attributes. The team is therefore able to focus exclusively on generating the best possible returns.

About Dodge & Cox

Established in 1930 in San Francisco, Dodge & Cox is one of the most experienced and largest money management firms in the world. The company is independent and employee-owned, and only focuses on investments. They offer equity-only funds, balanced funds and fixed income funds which are both US and globally focused.

They have a stable team of experienced investment professionals. The stability of the team means that there is significant intellectual capital about companies and markets, and investment decisions are made with perspective and experience.

Ownership is usually offered to staff after eight years of service. Dodge & Cox typically grooms their own analysts – mostly hired out of graduate business schools. Typically, analysts are hired on a contractual basis after completing their undergraduate degree. After a two- to four-year period of contractual work, analysts will be expected to complete an MBA degree. Based on their academics, they will then get invited to become a team member on a more permanent basis. Prospective analysts could also complete a 12-week summer internship after one year of studying towards an MBA, after which candidates may be invited to apply for a more permanent position. Besides strong academics, a cultural fit is deemed extremely important.

How do you invest in the Glacier Global Stock Feeder Fund

Investors can access the fund via the Glacier investment platform by using the standard fund selection process. This may involve completing an application form for new business or simply completing a switch form – depending on whether it is a new or existing client – or switching funds electronically via the secure services web.

The fund may also be made available on other investment platforms.

Which type of investor should invest in the Glacier Global Stock Feeder Fund?

Investment in the fund may be appropriate for investors with a long-term investment horizon who seek exposure to global stock markets to provide capital growth, and those who wish to invest offshore in rands.

The fund is suitable for investors with an aggressive risk profile, and it is therefore not appropriate for short-term investors who are uncomfortable with stock market and currency movements and the possibility of losing capital.

Risks associated with the Glacier Global Stock Feeder Fund

Market fluctuation:

Financial markets are unpredictable and fluctuate daily. The value of your investment can therefore rise and fall, and there is no guarantee, either with respect to the capital or the return on the investment.

Currency risk:

Also referred to as exchange-rate risk, it arises from the change in price of one currency in relation to another. It is important for South African investors to keep in mind that the rand can be a volatile currency, which could lead to significant fluctuations in the rand value of this fund.

Disclaimer: Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Lump sum investment performances are quoted. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 (CISCA). The fund may from time to time invest in foreign instruments which could be accompanied by additional risks. The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. A feeder fund is a portfolio that invests in a single portfolio of collective investment schemes, which levies its own charges and which could result in a higher fee structure for the feeder fund. Standard Bank of South Africa Ltd is the appointed trustee of the Glacier Collective Investments Scheme.

This document should be read in conjunction with the minimum disclosure document (MDD). It is intended for use by clients, alongside their financial intermediaries. For more information, please speak to your financial intermediary, or contact our Communication Centre: client.services@glacier.co.za | Tel +27 21 917 9002/ 0860 452 364 | Fax +27 21 947 9210 | www.glacier.co.za | Glacier Management Company (RF) (Pty) Ltd | A member of the Sanlam Group | Reg no 2000/012215/06 | Licensed Financial Services Provider | Refer to our website for details of the directors