


GLACIER'S SOLUTIONS FOR RETIREMENT SAVINGS

Applying your retirement fund savings wisely



THINK WORLD CLASS

glacier
by Sanlam



Preserving your hard-earned retirement savings in an approved fund until retirement will go a long way towards securing a carefree retirement. And while unexpected, retrenchment presents a valuable opportunity to make a calculated decision on how to optimally apply your retirement savings to achieve your goals.

Because your decision will have a significant impact on your future, it is advisable that you get professional guidance. Your retirement fund's rules dictate the options available to you upon exiting the fund, and an accredited and licenced financial intermediary will consider these, along with your unique needs and objectives to help you decide on an appropriate solution.

Glacier by Sanlam offers a comprehensive range of approved retirement funds, which are discussed in more detail below. In addition, we offer a wide range of retirement income solutions for when you reach retirement, to help you make the most of what you have to live your best life possible.

INTRODUCING GLACIER

Glacier by Sanlam brings together leading experts and respected financial services companies to meet clients' investment needs. We deliver focused investment services through specialist teams, and take pride in being a chosen partner of acclaimed financial intermediaries through our superior solutions and our quality service.

Glacier is a wholly owned subsidiary of Sanlam Ltd, and a leading player in the South African investment industry. Our collection of investment solutions has been designed to span a lifetime, and to fulfil the needs each life stage may bring –

whether you are focusing on the creation or the preservation of your wealth.

Our offering encompasses local investments, including fixed-term investments and investments with guarantees, international investments, retirement saving solutions and retirement income solutions.

While each solution has its own distinct purpose, they all share the world-class quality and commitment that have come to distinguish Glacier.

Glacier helps you build a secure future for you and your family

One of our core beliefs is that we exist because of, and for the benefit of the client. We benchmark ourselves against international standards and continually seek ways to improve our offering.

Our continuous performance and growth, even amid global financial crises, are testimony to the success of our client-centric approach.

We are flexible, consistent and committed to being the best. And we never forget that we're dealing with people's hard-earned savings. We regard service as one of our key differentiators, and individuals who directly serve our financial intermediaries and clients constitute the biggest part of our staff complement.

Values you can believe in

The things that are important to you, are important to us. We invest in our communities and constantly evaluate our activities to ensure that we remain socially responsible and environmentally conscious.

Glacier's community support is broadened annually with a variety of initiatives supporting organisations that care for and protect children in need, assist in poverty alleviation, and relieve the suffering of animals.

Our head office in Tyger Valley is an energy- and resource-efficient building incorporating design, construction and operational practices that reduce and eliminate negative impacts on the environment.

The progressive building has been awarded four stars by the Green Building Council of South Africa.

ABOUT **SANLAM**, OUR PARENT COMPANY

Founded in 1918, Sanlam has a rich heritage. The Group has over the years evolved from a traditional insurer to a diversified financial services provider with both local and international footprints.

Industry advocacy and representation through industry bodies

To ensure that we play a constructive role in the development of national policy and regulation, Sanlam engages actively with government, primarily as a collective through various industry associations. We have been particularly active in the work of ASISA, with representation on all the ASISA standing committees and working groups.

Ethical, responsible, reliable

Sanlam is committed to the highest standards of business integrity, ethical values and governance. It recognises its responsibility to conduct its affairs with prudence, transparency, accountability, fairness and social responsibility, thereby ensuring its sustainability and safeguarding the interests of all its stakeholders.



PERSONAL PORTFOLIOS PRESERVATION FUNDS AND RETIREMENT ANNUITY

Saving enough for retirement is one of your greatest priorities, and probably also one of your biggest concerns. Let us help you retire with confidence.



THE PERSONAL PORTFOLIOS PRESERVATION FUNDS

PRESERVE AND GROW YOUR RETIREMENT SAVINGS WHEN YOU LEAVE YOUR EMPLOYER.

Building wealth often requires a move from one employer to another. Preserve your existing retirement savings in a flexible investment and continue working towards your goal of a comfortable retirement.

PRESERVATION FUNDS SUMMARY

Minimum contribution: R100 000 lump sum

Investment period: Until at least age 55

Features:

- Complete flexibility to change your underlying investments
- Freedom to move your money to another retirement fund without any penalty.

PENSION PRESERVATION FUND VS PROVIDENT PRESERVATION FUND

Pension Preservation Fund	Provident Preservation Fund
<ul style="list-style-type: none">• Can pay up to one-third of the benefit as a lump sum on retirement. The remaining two-thirds must be paid into a solution that provides an income, such as a living annuity or a life annuity, or a combination thereof.	<ul style="list-style-type: none">• Can pay up to one-third of the benefit as a lump sum on retirement. The remaining two-thirds must be paid into a solution that provides an income, such as a living annuity or a life annuity, or a combination thereof. Contributions made to a provident fund or provident preservation fund before 1 March 2021* are available as a lump sum on retirement. Where a member was 55 and older on 1 March 2021*, the full retirement benefit is available as a lump sum at retirement.

A SENSIBLE FOUNDATION FOR A COMFORTABLE RETIREMENT

Glacier's Preservation Funds offer:

- **Continuity:** Your accumulated retirement capital is preserved. On retirement, you can seamlessly transfer your retirement savings to a retirement income solution, such as a living annuity or a guaranteed life annuity, or a combination thereof at Glacier.
- **Protection:** Your preservation fund investment will be protected against creditors.
- **Tax-efficiency:** No tax is payable on interest, dividends or capital gains.
- **Access to your money:** You can make one withdrawal before retirement. Although a withdrawal may not be advisable, you may currently withdraw all your money or part thereof.

MAKING THE INVESTMENT

You can contribute to a preservation fund by transferring your benefits from another approved fund where your membership has been terminated. A minimum lump sum investment of R100 000 is required. You can invest in a way that suits your particular tolerance for risk and unique financial circumstances.

YOU HAVE ACCESS TO YOUR FUNDS

Withdrawal

Subject to the fund rules of the original transferring fund, you may be able to make one withdrawal from the fund before retirement. Up to 100% of the underlying fund value can be withdrawn, provided there are no restrictions placed on the investment by the transferring fund.

Any remaining amount will then remain invested until retirement, death or disability.

Retirement (including early retirement due to disability)

You may retire from the fund at any time from the age of 55. You will be able to take up to one-third of the benefit as a lump sum payment. Any remaining amount must be used to buy an annuity to provide you with an income during retirement. Contributions made to a provident or provident preservation fund before 1 March 2021* are also available as a lump sum at retirement, subject to taxation.

Death

If you die before becoming entitled to a retirement benefit, the value of the underlying investments will be available to the dependants. In accordance with law, however, the trustees of the fund make the final decision about how and to whom the benefit is to be allocated, after taking into account your dependants' needs.

Emigration

Preservation fund members who officially emigrate from South Africa, or who leave the country because of an expired visa, may currently withdraw their funds before retirement, even if a withdrawal has already been made. The withdrawal may be subject to tax.

* LEGISLATIVE CHANGES AFFECTING PROVIDENT FUNDS & PROVIDENT PRESERVATION FUNDS FROM 1 MARCH 2021

Before 1 March 2021, at retirement, members of Provident Funds or Provident Preservation Funds could elect to take their entire retirement benefit as a lump sum. Alternatively, members had the option, but not obligation, to take part of their benefit as a lump sum and annuitise the remainder by purchasing a compulsory annuity to provide them with an income during retirement.

As of 1 March 2021, however, the treatment of benefits at retirement will be determined by whether the benefits have vested or non-vested rights attached to them:

For existing members younger than 55 on 1 March 2021, plus new members who joined from 1 March 2021 onwards:

- Contributions made to a Provident Fund or a Provident Preservation Fund before 1 March 2021 plus growth thereon will have vested rights attached to them.
- Contributions made from 1 March 2021 plus growth thereon will not have vested rights attached to them, in this context meaning that the member will be required to annuitise the proceeds at retirement, which means place at least two-thirds in a product that will provide him with an income during retirement.
- Should the value of the non-vested fund benefit be R247 500 or less at retirement, the full benefit can be taken in cash.

For members aged 55 or older on 1 March 2021:

- Contributions made to a Provident Fund or a Provident Preservation Fund before 1 March 2021 plus growth thereon will have vested rights attached to them.
- If the member remains a member of the same fund until retirement, all contributions from 1 March 2021 onwards will also form part of the amount that has vested rights attached to it.



THE PERSONAL PORTFOLIOS RETIREMENT ANNUITY FUND

**GROW YOUR RETIREMENT CAPITAL DURING
YOUR WORKING YEARS IN A TAX-EFFICIENT
INVESTMENT VEHICLE.**

Provide for your retirement in a tax-efficient manner by investing your capital in a personalised and diversified investment portfolio with flexibility in terms of contributions and underlying investment choice.

RETIREMENT ANNUITY SUMMARY

Minimum contribution: R100 000 lump sum

Investment period: Until at least age 55

Features:

- Complete flexibility to change your underlying investments
- Freedom to stop and start contributions

A SMART, DISCIPLINED APPROACH TO RETIREMENT SAVINGS

Our retirement annuity offers:

- **Easy investment and flexibility:** Collective investments are a convenient way to invest in the market. Should your needs or risk profile change, you and your intermediary can simply adjust your portfolio, at no additional cost. Glacier charges no fee for processing your switch between collective investments.
- **Tax-efficiency:** You may claim a tax deduction in respect of contributions, and interest, dividends and capital gains are not taxed. Glacier will provide you with an annual contribution certificate.
- **Disciplined savings:** Retirement annuities are a great way to increase capital to fund your retirement income, without the temptation to withdraw from the investment and thereby decrease your savings.
- **Protection:** Your retirement annuity investment will be protected against creditors.
- **Continuity:** Your accumulated retirement capital is preserved. On retirement, you can seamlessly transfer your retirement savings to a retirement income solution on our platform.

MAKING THE INVESTMENT

You can use your own money to invest, or transfer money from an approved retirement fund, such as another retirement annuity, an employer's pension or provident fund, or a preservation pension fund or preservation provident fund.

A minimum lump sum investment of R100 000 is required, and you may make monthly contributions via a scheduled debit order. There is no penalty if you change your contribution amount, or stop your regular investments.

You can invest in a way that suits your particular tolerance for risk and unique financial circumstances.

ACCESS TO YOUR FUNDS IS RESTRICTED

As the purpose of a retirement annuity is to save funds for a comfortable retirement, you have limited access to the funds until you retire.

Retirement (including retirement due to disability)

On retirement from the fund at any time after age 55, you may take up to one-third of your savings as a lump sum.

This may be subject to tax. You have to use the rest of your savings to purchase a retirement income solution. In the case of disability, the savings will be treated the same way.

If you choose a Glacier retirement income solution, we transfer the investment at no charge and without exiting the markets.

Death

If you die before becoming entitled to a retirement benefit, the value of the underlying investments will be available to the beneficiaries. In accordance with law, however, the trustees of the fund make the final decision about how and to whom the benefit is to be allocated, after taking into account your dependants' needs.

Emigration

Retirement annuity members who officially emigrate from South Africa, or who leave the country because of an expired visa, may currently withdraw their funds before retirement.

The withdrawal may be subject to tax.

ADMINISTRATION OF YOUR INVESTMENT

YOU ARE IN CONTROL

Glacier, as an administrative financial services provider, administers the investment. We provide the investment platform and execute your instructions. You select the underlying investment options and instruct Glacier when and how to adjust your investment. Your financial intermediary will provide you with advice and help you manage your investment in accordance with your investment objectives and tolerance for risk.

Within our retirement saving solutions, you can:

- change your investment choices as your circumstances and needs change;
- rest assured that your investment is monitored regularly for compliance with Regulation 28 of the Pension Funds Act, limiting over-exposure to higher risk assets, and
- be confident that your investment pays out to your dependants on your death.

AVAILABLE INVESTMENT OPTIONS

- Glacier offers the widest range of collective investment funds, managed by respected collective investment management companies, with exposure to a variety of asset classes.
- You may also invest in wrap funds, managed by discretionary investment managers.
- You can invest a portion of your investment amount in a portfolio of listed shares.

We empower your intermediary to help you make appropriate decisions

Glacier's research team conducts ongoing, robust fund research and provides valuable insights to help intermediaries make informed investment choices for their clients.

REGULATION 28 OF THE PENSION FUNDS ACT AIMS TO PROTECT YOUR RETIREMENT PROVISION FROM TOO MUCH INVESTMENT RISK.

CERTAIN ASSETS WITHIN INVESTMENT FUNDS ARE CONSIDERED MORE RISKY THAN OTHERS. REGULATION 28 OF THE PENSION FUNDS ACT SETS THE ASSET SPREAD REQUIREMENTS FOR INVESTMENTS WITHIN A RETIREMENT FUND.

The maximum asset class exposure is:

- 75% equities
- 25% property
- 30% to foreign assets (with an additional 10% to foreign assets in Africa)

FEES AND CHARGES ARE PAYABLE

Fees are charged for the administration and management of your investment. Glacier's annual administration fee and the annual financial intermediary fee are deducted by repurchasing units from the investment.

Glacier's administration fees

Glacier charges an annual administration fee. If you wish to enhance your investment with shares or wrap fund options, additional fees will apply.

Financial intermediary fees

You and your financial intermediary agree on the fees for financial advice and services provided. You may renegotiate these fees at any time.

Investment management fees

The managers of the collective investment funds in which you invest via our platform will charge a fee.

The fees are set out in the application form, investment confirmation, applicable mandates and fund fact sheets.

Value-added tax (VAT) payable on fees

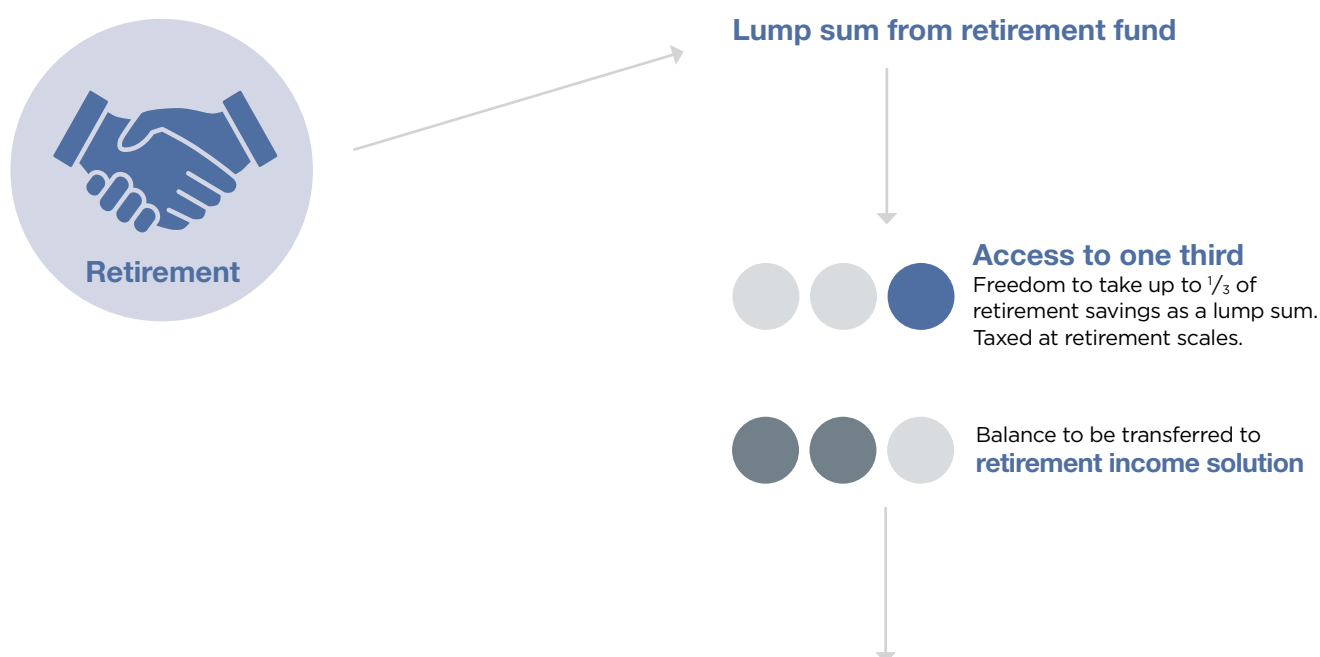
VAT is payable on fees where applicable.

MAKE THE MOST OF YOUR RETIREMENT

When you retire, one of the most important decisions you have to make is how to best employ your retirement savings to generate an income that will meet your needs for the rest of your life.

RETIREMENT FUND PROCEEDS: APPLYING THEM FOR A CAREFREE RETIREMENT

RETIREMENT BENEFIT



RETIREMENT INCOME SOLUTIONS AT GLACIER

LIVING ANNUITY | LIFE ANNUITY | COMBINATION

GLACIER INVEST- MENT-LINKED LIVING ANNUITY (ILLA)

- Investment-linked
- Not guaranteed for life
- At death, full asset transfer to beneficiaries, who have the option to continue with income payments

SANLAM LIFE ANNUITY

- Not investment-linked
- Guaranteed for life
- At death, option to transfer income to beneficiaries

COMBINATION

- Partly investment-linked for capital growth
- Guaranteed and flexible income
- At death, part asset transfer, part income transfer to loved ones.

GLACIER INVESTMENT-LINKED LIVING ANNUITY (ILLA)

The Glacier ILLA will let you decide how your savings are invested, and what amount of income you take each year.

How it works



We invest the money in the underlying investments that you choose in collaboration with your investment specialist.



You draw a regular income between 2.5% and 17.5% of your investment. You can change the percentage and the frequency of your withdrawal (monthly, quarterly, twice a year or yearly) once a year. So you can adapt your cash flow to your changing needs.



The number of years that your ILLA will last depends on the investment returns of your portfolio and your level of income. To ensure that you sustain your standard of living, you should select an appropriate income level for your age.

Factors that impact your income

- The income level you select, taking into account current and future inflation.
- The performance of the underlying investments.
- How long you expect to live for - if you live longer than the initial estimate, you run the risk of outliving your capital.

SANLAM LIFE ANNUITY

The Sanlam Life Annuity will provide you with regular, guaranteed income payments for the rest of your life. You can choose to increase your income by a certain % each year to protect your money against inflation.

How it works: Choose from different options



Option 1: Single Life Annuity with or without a specific term

The income payments will stop immediately when you die. If you have selected a specific term, the payments will be paid for the selected term (5-10 years). If you die during the term, the income will be paid to your dependants for the remainder of the term.



Option 2: Joint Life Annuity with or without a specific term

The income payments will be paid to your second life insured after your death, and will continue for the remainder of their life. If you have selected a specific term, the income will be paid for at least the chosen term.



Option 3: The Sanlam Income with Capital Preservation Plan

Single or joint life annuity with the options to choose a second life insured and a specific payment term, as above. A life cover policy is added to provide for your loved ones after your death. The life cover amount is chosen by you.

COMBINATION

We are all different with different needs, and one specific product may not address all your concerns adequately. For instance, a life annuity offers a guaranteed income for as long as you and your spouse are alive. On the other hand, a living annuity can give you the flexibility to select your income level, to select the funds in which your retirement capital will be invested, and also offers the potential to leave a legacy.

Combining different retirement income solutions could provide stability and certainty, as well as capital growth and provision for your loved ones after your death.

Speak to your financial intermediary

Your financial intermediary will consider your unique needs and objectives and advise you on the best course of action for you as an individual.

Contact us

This document is intended for use by clients, alongside their financial intermediaries. The information in this document is provided for information purposes only and should not be construed as the rendering of advice to clients. Although we have taken reasonable steps to ensure the accuracy of the information, neither Sanlam nor any of its subsidiaries accept any liability whatsoever for any direct, indirect or consequential loss arising from the use of, or reliance in any manner on the information provided in this document.

For professional advice, please speak to your financial intermediary.

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