

Glacier Invest

Global Solutions

Diversified offshore portfolios that maximise long-term risk-adjusted returns through the meticulous blending of high quality managers

glacier
invest



skill.scale.
simplicity

glacier
by Sanlam

What differentiates **glacier invest?**

SKILL

Glacier Invest has experienced investment professionals who provide comprehensive investment support, while taking your practice requirements into account. Our team is renowned for their management, research and portfolio construction skills, and has an exceptional portfolio management track record.

SCALE

Our scale affords our investors cost-effective access to the best managers, portfolio construction techniques and tactical expertise. Our large amount of assets under management (AUM) allows us to invest in both operational capabilities that create practice efficiencies and investment technology that empowers

you as a financial adviser to make better investment decisions. It also creates pricing power that allows us to negotiate better pricing with asset managers that will immediately benefit client portfolios.

Operationally, we pride ourselves on having dedicated implementation analysts, a team dedicated to our performance systems, specialist financial services legal consultants and compliance officers, and tailored co-branded reporting functionality.

SIMPLICITY

Client preferences, legislation and advice-led solutions drive our strategy. Our solutions are simple, thereby creating greater transparency.



Glacier Invest blends world-class investment capability, superior operational scale and pricing power, and revolutionary technology to be leaders in discretionary fund management.

The Glacier Invest Global Solutions

Glacier Invest offers intermediaries a choice of two ranges of global managed portfolios: The **Global Optimised Portfolio range**, which is based on a multi-asset approach, and the **Global Specialist Portfolio range**, which is based on a specialist building-block approach.

The portfolios are managed by a team consisting of seasoned investment professionals from Glacier Invest.

Benefits of our Global Solutions

- Access to tailored wrap fund solutions using a selection of well-researched funds
- Access to a dedicated portfolio manager
- Monthly fact sheets
- Reduced advice risk
- Efficiencies in your practice
- Access to a dedicated business development manager
- Uniformity across clients' risk-profiled portfolios
- Quarterly reporting
- Designated asset manager access
- Access to funds not readily accessible to South African investors

The Global Optimised Portfolios

The portfolios have been constructed to not only appeal to investors who are new to offshore investing and require guidance, but also to seasoned investors who merely require a simple offshore investment solution. The portfolios are also aimed at investors or intermediaries who do not want to take on the risk of portfolio management.

Available portfolios

- The Glacier Invest Global Optimised Cautious Portfolio
- The Glacier Invest Global Optimised Moderate Portfolio
- The Glacier Invest Global Optimised Aggressive Portfolio



Glacier Invest Global Optimised Cautious	Glacier Invest Global Optimised Moderate	Glacier Invest Global Optimised Aggressive
<p>This portfolio aims to produce positive returns over the longer term with relatively low volatility. Preserving capital is a key objective of funds in this category. When markets fall, the funds in this portfolio should not fall as much as those with higher equity weightings.</p>	<p>This portfolio provides diversified exposure to global assets with the aim to maximise risk-adjusted returns over the longer term. The portfolio will typically invest in actively-managed funds where the fund managers have a large degree of flexibility to allocate investments across asset classes and underlying investments as they consider appropriate.</p>	<p>This portfolio aims to provide high exposure to global equities, and will aim to produce a relatively high level of capital growth over the long term. Investors in this portfolio should be prepared to tolerate high fluctuations in the value of their investment over the short term. The portfolio will typically hold global equity funds that are actively managed, with the managers having a large degree of flexibility in terms of which stocks to hold.</p>

Features of the Optimised Portfolio Range

Investors will enjoy the guidance and simplicity which these optimised portfolios provide.

- Once an investor's risk profile and currency choice have been established, an optimised portfolio can simply be chosen for them
- Portfolios are optimised using a multi factor model taking into account clients' risk-return objectives and time horizons
- Glacier International administers and monitors the portfolios
- Rebalances and fund changes are applied
- The investor has 24-hour online access to monitor their investment
- Access to monthly portfolio performance reports, as well as other technical and in-depth analyses
- Investment universe is limited to the Glacier Global Buy List fund selection, but funds across the risk spectrum can be used
- Portfolios are managed by Glacier Invest
- The Strategic Asset Allocation and mandate constraints are managed by the investment team while Tactical Asset Allocation decisions are managed within the multi-asset fund by the asset manager
- The portfolios are optimised quarterly
- The primary aim is to generate excess risk-adjusted returns and additionally to provide some downside protection. This provides improved return asymmetry and capital growth over the longer term

Fund selection

We are meticulous in our research and monitoring process. Due diligences are conducted on the investment capabilities of each asset management company, initially and on an ongoing basis. The selected funds are managed by fund management companies with strong performance track records.

Differences in their philosophies and approaches to investing add diversification to the portfolios. As such, investors receive portfolios which contain a variety of investment views from some of the world's most esteemed fund managers.

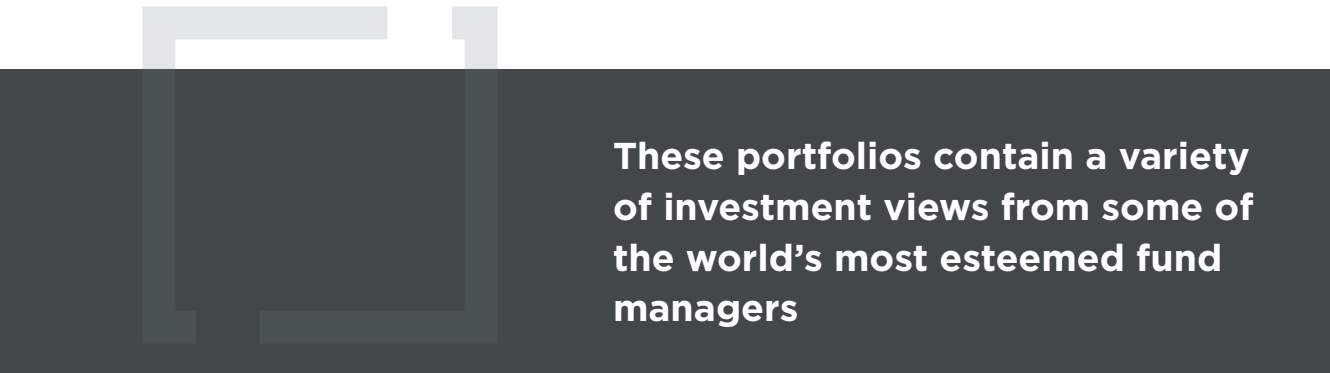
Of key importance are the relationships we establish and maintain with the asset managers we choose. These ensure that we receive timely information regarding the funds and that we work with fund managers who are committed to providing high-quality feedback to our investors. This feedback comes in the form of ongoing reporting, responses

to questions, as well as participation in the annual investment seminars held in South Africa, where intermediaries get the opportunity to meet and interact with the fund managers themselves.

Portfolio construction

Once we have selected our funds we construct the portfolios using a multifactor model taking into account clients' risk-return objectives and time horizons. Here we consider the risk tolerance of each portfolio, incorporating factors such as value at risk, acceptable drawdowns and correlations (to mention a few) to ensure there is an optimal blend of investment philosophies, styles, geographical and regional exposures as well as economic sectors.

We also look at the synergies within the portfolio and how the underlying funds contribute to performance and risk over various time horizons. The optimised portfolios are monitored and rebalanced as market conditions or managers change with the aim to meet clients' financial needs and expectations.



These portfolios contain a variety of investment views from some of the world's most esteemed fund managers

The Glacier Invest Global Solutions: The Global Specialist Portfolios

Glacier Invest has created specialist risk-profiled global portfolios based on a building-block approach to portfolio construction. These portfolios, which are diversified across asset classes using a robustly tested asset allocation framework and various investment styles and factors, are created to deliver superior long-term investment returns above our customised benchmark - the SAA - regardless of market cycles.

Available portfolios

- ❑ The Glacier Invest Global Specialist Cautious Portfolio
- ❑ The Glacier Invest Global Specialist Moderate Portfolio
- ❑ The Glacier Invest Global Specialist Aggressive Portfolio



Our benchmark and Best Investment View

Glacier Invest's **risk-profiled global portfolios** are based on a multi-asset and building-block approach to portfolio construction.

Although each global portfolio is benchmarked to a Morningstar European, Asia & Africa (EAA) fund category, we do not explicitly use the average performance of the funds in the relevant category as a benchmark for the performance of the global portfolio. Instead, **we create more authentic benchmarks against which to measure the performance.** These multi-asset benchmarks are created by using highly liquid passive indices as building blocks.

Our global portfolios are diversified across asset classes, investment styles and factors using a robustly tested global strategic asset allocation framework. **The portfolios represent our global**

Best Investment View (BIV). They are created to deliver superior long-term investment returns above our benchmarks, regardless of market cycles, using our high conviction investment strategies and managers.

Short-term tactical tilts are made to the portfolios in accordance with changing market conditions, in order to exploit investment opportunities.

Our global BIV is reviewed regularly by using attribution analysis to understand and improve results, and measure the extent of the value add. The process is based on a thorough understanding of the investment objectives and blending the right underlying strategies, being deliberate and managing risk well.

Features of the Global Specialist Portfolio Range

- ☐ Minimum requirement for intermediaries to use this range: USD 5 million assets under management
- ☐ Specialist global cash, bond, property and equity managers are selected from our Global Buy List
- ☐ Strategic Asset Allocation and mandate constraints are managed by our investment team
- ☐ Tactical Asset Allocation decisions are managed by our investment team using our distinctive market research capability
- ☐ The portfolios are optimised periodically
- ☐ Access to tailored wrap fund solutions and a selection of well-researched funds
- ☐ Access to a dedicated portfolio manager
- ☐ Monthly fact sheets
- ☐ Reduced advice risk
- ☐ Quarterly Investment Committee meeting
- ☐ Dedicated Business Development Manager
- ☐ Access to Institutional fee classes
- ☐ Efficiencies in your practice
- ☐ Uniformity across clients' risk-profiled portfolios
- ☐ Quarterly reporting
- ☐ Designated asset manager access



World-class research, fund selection and portfolio construction capability

Glacier Invest follows a **structured and disciplined process** with a strong emphasis on rigorous manager and market research, which enables us to discern the truly skilful managers. The process focuses on both quantitative and qualitative assessments.

Fund selection is objective and independent. When selecting funds, we look for skilful fund managers who have displayed the ability to produce consistent

outperformance over meaningful time periods, and the ability to protect capital in adverse market conditions relative to peers.

We continually analyse the way managers construct portfolios to understand their performance drivers in light of their management style, and form clear expectations of their performance in different market scenarios.

Manager research

Skill is rare. Through in-depth research we are able to identify managers that are truly skilful. An understanding of managers' style beta and risk assessment informs portfolio construction.

We specifically look at the following factors when making a decision about which managers to include, and how managers and strategies will be combined:

INVESTMENT SKILL

- The manager should have an investment philosophy that is clear, sound, and consistently applied (including idea generation, research & analysis, portfolio construction and risk management).
- The manager should display **sustainable out-performance**.
- The investment team should have the relevant qualifications and experience.

RISK FACTORS

- Consideration is given to the stability and sustainability of the business (we look at ownership, clients, assets under management, administrative support and compliance functions).

- All the risks clients could be exposed to, are taken into account.

INVESTMENT STYLE

- The manager's unique investment style, taking into account **quality, momentum, value, growth and other characteristics the manager looks to capture**, including asset classes and geographies. Understanding each manager's investment style is integral to the portfolio construction process, as it enables us to blend portfolios optimally.

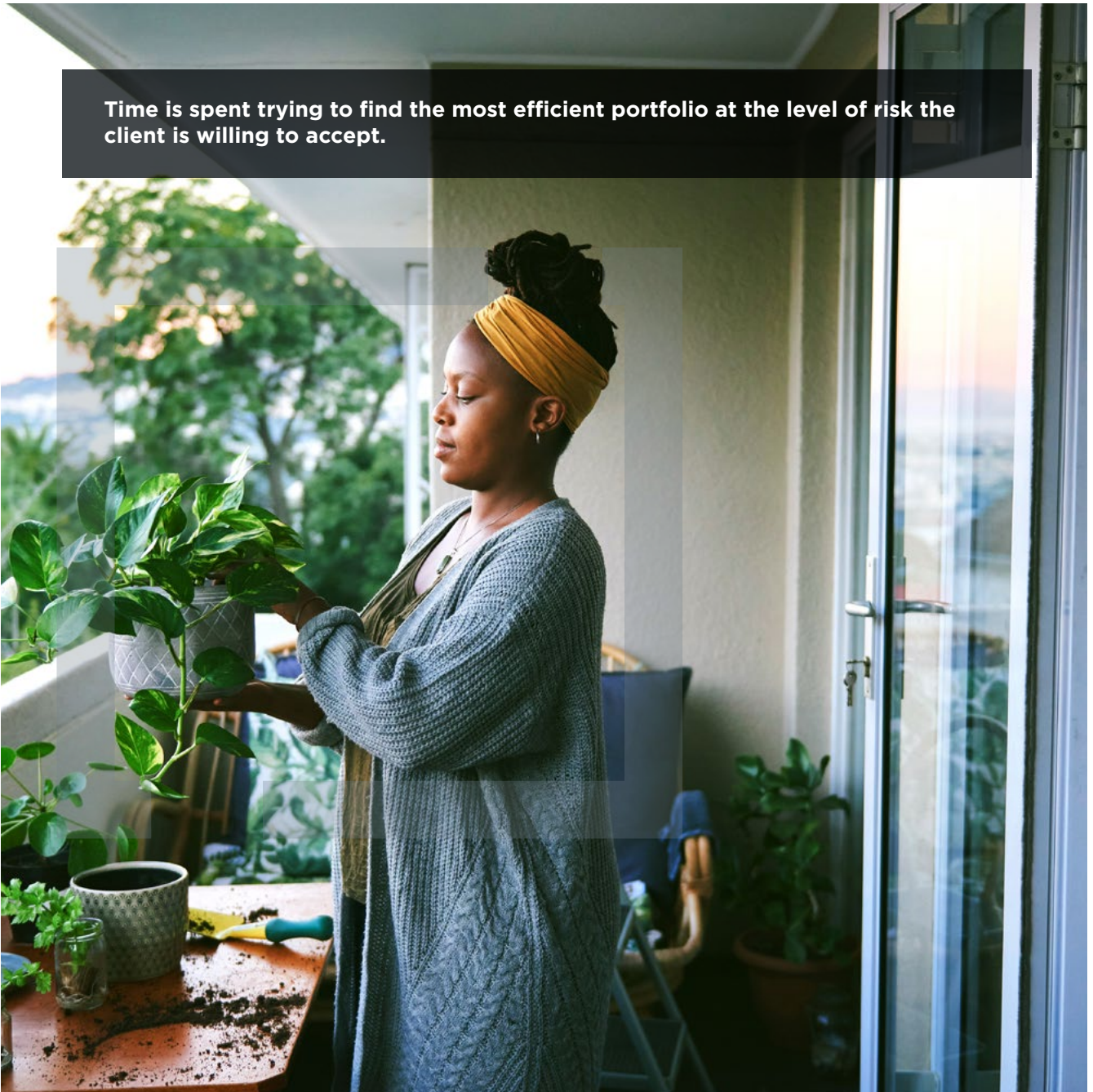
Market research

Fundamental market research is an **integral part** of an investment strategy.

Our market research brings you **our best investment views** and asset class insights. Our framework is based on **perspective** and **in-depth knowledge** that addresses the opportunities and challenges along an investment journey.

We determine the long-term (strategic) and short-term (tactical) expectations of the market. We then assess which asset classes and investment styles are likely to perform well, from a risk and return perspective, in the anticipated market conditions. This enables us to combine funds with complementary styles to address the anticipated market conditions optimally.

Time is spent trying to find the most efficient portfolio at the level of risk the client is willing to accept.



Portfolio construction

The meticulous fund manager and macro-economic research conducted by the Glacier Invest team is used to construct optimal portfolios for every risk profile, blending asset classes, styles and managers to avoid correlated returns.

Through our process, we are able to construct portfolios that are:

- Well-diversified, with asset manager strategies that are different, yet complement each other to achieve a smoother return profile.
- Actively managed: Tactical shifts in asset managers are made in accordance with market conditions, to minimise risk and ensure consistent performance.

- Suited to clients' investment needs and goals.

- Fully transparent with regard to costs.

Portfolios are reviewed on an ongoing basis to determine what works and what doesn't, and how to remedy it.

Portfolio construction is guided by the client's objectives and preferences, including his risk-return preference. The portfolio construction process is therefore fundamentally based on risk profiling and starts with defining the specific universe of asset classes.

The ultimate portfolio will be able to find efficiencies in both a bull and a bear market. It requires a deep understanding of what decisions matter.

The regular review of portfolios is very important. We conduct extensive research into the reasons for each fund's performance, and provide insights into each fund's positioning, key strengths and weaknesses and its role in the portfolio.

**Seasoned investment professionals
with a diverse range of qualifications,
across SA and the UK.**

The portfolio construction process

1. DETERMINE OBJECTIVES

Model portfolio limits and constraints

Global Specialist Cautious Portfolio	Global Specialist Moderate Portfolio	Global Specialist Aggressive Portfolio
Maximum: <ul style="list-style-type: none"> • 50% Equity • 50% Bonds • 20% Property 	Wide asset ranges (0% to 100% for all major asset classes)	Heavily Equity-biased fund Currently 81% Equity exposure

2. STRATEGIC ASSET ALLOCATION

The strategic asset allocation needs to

- Ensure a high probability of achieving targets
- Offer a high probability of success relative to peers
- Be efficient over multiple different time horizons
- Use efficient frontier modelling

3. MANAGER SELECTION

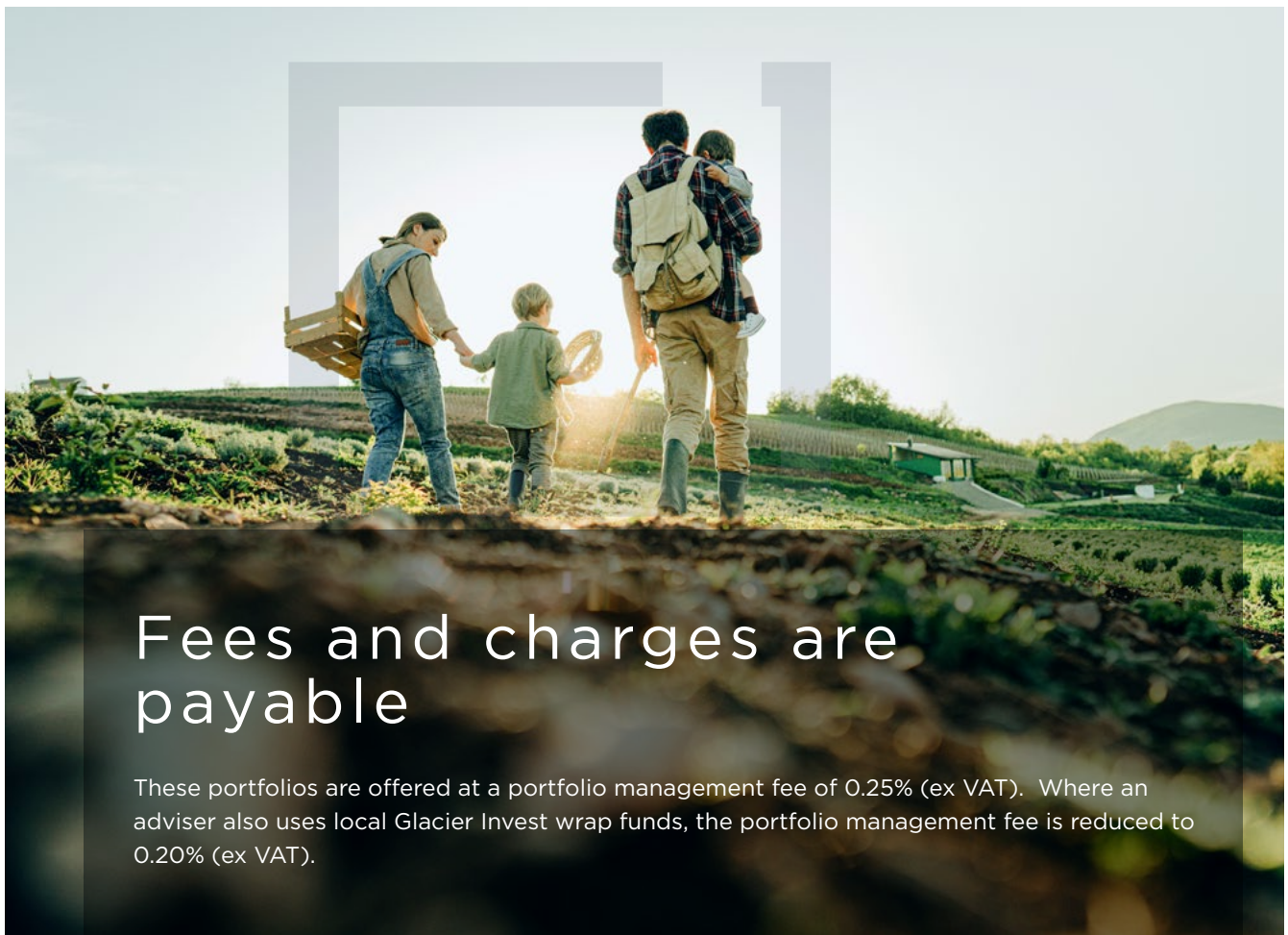
Meticulous research goes into creating a global manager shortlist. We take time to understand manager style beta, and the shortlist is divided into asset class, style and risk buckets, with multiple managers in each bucket to minimise the impact of manager selection error.

When manager selection should be used	When passives should be used
<ul style="list-style-type: none"> • There is evidence of skill • There are unique risk premia available • It will improve the probability of beating targets 	<ul style="list-style-type: none"> • One cannot find evidence of skill • Costs are a concern for the client • It provides access to risk premia which serve the portfolio construction process



Partner with **dedicated investment professionals** who undertake meticulous research, **giving you peace of mind**

Let Glacier Invest give you peace of mind about the management of your clients' investments while you focus on the most significant part of your practice: providing your clients with the best possible advice and service, and ensuring that their financial plans are on track.



Fees and charges are payable

These portfolios are offered at a portfolio management fee of 0.25% (ex VAT). Where an adviser also uses local Glacier Invest wrap funds, the portfolio management fee is reduced to 0.20% (ex VAT).

Glacier Invest

Where investment skill, operational scale and technology meet to bring you the future of portfolio construction

Glacier Invest is the discretionary fund management offering of Glacier Financial Solutions (Pty) Ltd ("Glacier"). Glacier has partnered with Sanlam Multi-Manager International (Pty) Ltd, part of the Sanlam Investments Group, to optimise the investment management responsibilities

Glacier Financial Solutions (Pty) Ltd. | A member of the Sanlam Group | Private Bag X5 | Tyger Valley 7536 | Email client.services@glacier.co.za | Tel +27 21 917 9002 / 0860 452 364 | Fax +27 21 947 9210 | Web www.glacier.co.za | Twitter @GlacierBySanlam | Reg No 1999/025360/07 | Licensed Discretionary Financial Services Provider FSP 770, trading as Glacier Invest

Sanlam Multi-Manager International (Pty) Ltd. | A member of the Sanlam Group | Private Bag X8 | Tyger Valley 7536 | Tel +27 21 950 2600 | Fax +27 21 950 2126 | Web www.sanlaminvestments.com | Reg No 2002/030939/07 | Licensed Discretionary Financial Services Provider, FSP 845 acting as Juristic Representative under Glacier Invest

Glacier International is a division of Sanlam Life Insurance Limited, a Licensed Financial Services Provider in South Africa | A member of the Sanlam Group | Private Bag X5 | Tyger Valley 7536 | Email clientservices@glacierinternational.co.za | Tel +27 21 917 9333 | Web www.glacierinternational.com | Reg No 1998/021121/06

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