

THE GLACIER
TOP BRANDS
RETURN
ENHANCER



INTRODUCING GLACIER

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

Our collection of financial 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.



WHAT DO MY INTERMEDIARY AND I CONSIDER BEFORE INVESTING?

Your investment objectives

Your time horizon

Protection from inflation

Investments that best suit your needs



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Investing in the markets has become daunting, with the continued political and economic uncertainties, volatile markets and unstable currencies. With the Glacier Top Brands Return Enhancer, you can invest with more certainty, without giving up the opportunity to earn high returns.

The Glacier Top Brands Return Enhancer is a five-year investment option in a sinking fund policy underwritten by Sanlam Life, that is linked to the performance of a global portfolio of companies with strong brand value.

WHAT IT OFFERS

A MINIMUM RETURN IS PROVIDED

You will earn a minimum return of 30% (before tax) on your full initial investment amount if you hold the investment to maturity. This equates to 3.9% per annum after tax.

ADDITIONAL PERFORMANCE LEADS TO AN ENHANCED RETURN

You will earn an enhanced return if you hold the investment to maturity and the global portfolio delivers a return of more than 30% over the investment term. Based on current market conditions, the indicative enhanced return will be 80% (before tax), or 9.3% per annum after tax.

PORTFOLIO RETURN OVER FIVE YEARS

Up to and including 30%

Greater than 30%

RETURN AT MATURITY (BEFORE TAX) BASED ON INDICATIVE ENHANCED LEVEL

Minimum return of 30% on initial investment amount

Enhanced return of 80% on initial investment amount

The returns are before tax and are subject to local and international markets, and may therefore change. Final levels will not differ materially and will be confirmed at inception date.



Five-year investment linked to a global portfolio without currency risk



Opportunity for a defined enhanced return



A defined minimum return offering some protection against inflation



Structure with no tax administration burden



SECURE ACCESS TO GLOBAL MARKETS

THE GLACIER TOP BRANDS RETURN ENHANCER OFFERS YOU:

- **Offshore exposure with rand guarantees:** Although the portfolio is exposed to global markets, your investment is not affected by fluctuations in the value of the rand.
- **A defined return:** A specified return removes some of the uncertainty associated with active fund management – an important consideration when building a diversified portfolio.
- **Diversification:** It can be used as part of a wider investment portfolio as it mitigates capital loss and uncertain returns – two key areas of concern for investors.
- **No manager risk:** Unlike an actively managed fund, there is no exposure to a particular manager's style or ability as the investment's performance is linked to a basket of indices.
- **Tax efficiency:** Returns will be taxed within the policy. The returns will be taxed as income at the prevailing life policy tax rates.
- **Estate-planning benefit:** Nominating someone for ownership not only ensures that the investment can continue after your death – it can also bring about savings on executor's fees.

MAKING THE INVESTMENT

Only natural persons and trusts with natural persons as beneficiaries can invest in the Glacier Top Brands Return Enhancer.

A minimum lump sum investment of R100 000 is required and no additional investments can be made during the term of the investment.

Opening date:

Investments will be accepted from **28 August 2023** and invested in the Glacier Money Market Fund until inception date of the Glacier Top Brands Return Enhancer.

Closing date:

This offer will expire by **6 October 2023**.



ABOUT THE UNDERLYING INDEX

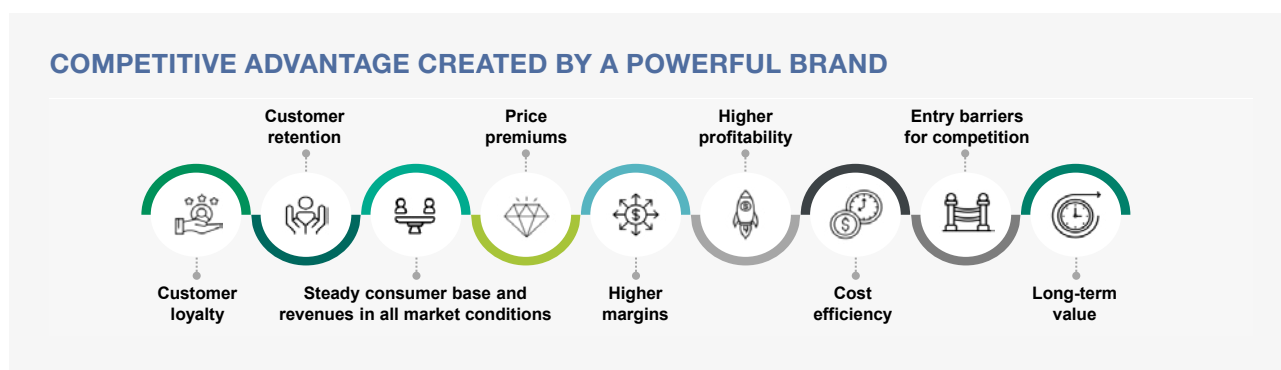
BLOOMBERG TRANSATLANTIC TOP BRANDS FIXED SELECTION DECREMENT 5% INDEX

The Bloomberg Transatlantic Top Brands Fixed Selection Decrement 5% Index provides exposure to a fixed selection of 12 companies among the largest, most well-known and well-perceived brands in their respective industries in Europe and the US.

THE INDEX INVESTS IN STRONG BRAND VALUE

When looking for steady future performance regardless of market conditions, it is essential to consider companies' intangible value and capabilities.

Brand value is one of the main drivers of economic moat, which represents a company's durable competitive advantages.



ABOUT THE INDEX:

- Return is measured in EUR, but the return is provided in ZAR and will not be affected by changes in the exchange rate
- It provides exposure to 12 sector leading brands in Europe and the US
- It will always be composed of the same 12 stocks
- Equal weighting (8.33%) is allocated to each stock and it is rebalanced quarterly
- Reinvests actual dividends, but an annual fixed percentage deduction of 5% is withdrawn from the index performance. This is known as a decrement index.

INDEX COMPOSITION

Top exposures July 2023

COMPANY	BLOOMBERG CODE	SUB-SECTOR	REGION
LVMH*	MC FP EQUITY	APPAREL & TEXTILE PRODUCTS	EUROPE
MERCEDES-BENZ	MBG GR EQUITY	AUTOMOTIVE	EUROPE
INDITEX	ITX SM EQUITY	RETAIL - DISCRETIONARY	EUROPE
ALLIANZ SE	ALV GR EQUITY	INSURANCE	EUROPE
SAP	SAP GR EQUITY	SOFTWARE	EUROPE
NESTLE SA	NESN SW EQUITY	FOOD	EUROPE
MCDONALD'S CORP	MCD US EQUITY	LEISURE FACILITIES & SERVICES	UNITED STATES
NIKE INC - CL B	NIKE US EQUITY	APPAREL & TEXTILE PRODUCTS	UNITED STATES
AMAZON.COM	AMZN US EQUITY	E-COMMERCE DISCRETIONARY	UNITED STATES
APPLE INC	AAPL US EQUITY	TECHNOLOGY HARDWARE	UNITED STATES
COCA-COLA CO	KO US EQUITY	BEVERAGES	UNITED STATES
WALT DISNEY CO	DIS US EQUITY	ENTERTAINMENT CONTENT	UNITED STATES

Sources: Bloomberg, BNP Paribas as of 31 July 2023. Companies selected based on December 2022 data, selection may incur Survivor Bias Risk.
*LVMH Moët Hennessy Louis Vuitton SE



HOW IT WORKS

The investor has exposure to the Bloomberg Transatlantic Top Brands Fixed Selection Decrement 5% Index, referred to as the global portfolio.

The capital protection and investment return are provided by a leading global bank. We will only select global banks with a long-term credit rating of at least A (or equivalent) from Fitch, S&P or Moody's.

THERE ARE TAX ADVANTAGES

The Glacier Top Brands Return Enhancer is set up in a sinking fund policy underwritten by Sanlam Life. Tax will therefore be calculated and deducted in accordance with the five-fund tax approach at maturity.

All returns earned will be taxed as income at maturity, using the prevailing tax rates. The current effective income tax rate is 30%.

ACCESS TO THE FUNDS

You may exit this investment prior to maturity. The value will be calculated based on the market value of the asset, which could be less than the original capital amount. The minimum return is only provided if the policy is held to maturity.

After the initial investment term, the maturity amount less tax will be switched into the Glacier Money Market Fund within the Glacier Vantage Plan (sinking fund policy). You then have access to a wide range of collective investment funds, wrap funds and share portfolios, and will be able to enact switches and make any number of withdrawals.

DEFAULT RISK

Default risk is the chance that a party to an agreement will be unable to make the required payments. It is related to the creditworthiness of the party.

While only leading local banks and global banks with high credit ratings will be selected for provision of the minimum or enhanced investment return, the maturity benefit can be reduced in the unlikely event that one of the banks should default.

HOW ARE WE ABLE TO OFFER SUCH AN ATTRACTIVE RETURN PROFILE?

- Investors commit to a five-year investment term (with liquidity, at a premium).
- There is no currency exposure and the benefit of the expected rand depreciation is already locked in.
- The decrement pricing methodology helps limit volatility and improve pricing.
- Investors have credit exposure to leading local and global banks which guarantee the return profile.

FEES AND CHARGES ARE INCLUDED

All fees, including Glacier's annual administration fee and the intermediary's initial fee (negotiable, up to 3% of the investment amount), are priced into the Glacier Top Brands Return Enhancer. No additional fees will be deducted separately, which means that 100% of your investment amount will be invested.

The fees are set out in the quotation and investment confirmation.

VAT is payable on fees where applicable.

WHO SHOULD INVEST?

The Glacier Top Brands Return Enhancer is suitable for investors who:

- are looking for more certainty of investment returns and would therefore prefer a minimum or enhanced return after five years,
- can commit to a five-year investment term,
- want exposure to global markets without exposure to exchange rate movements,
- want exposure to an equity index that invests in companies with strong brand value and
- are comfortable with accepting the default risk (discussed on page 8 that comes with credit exposure to a leading global bank.

LET US EXCEED YOUR EXPECTATIONS

We value our clients and want to provide you with the best service. That is why we welcome your feedback. If you are dissatisfied with any aspect of our service or products, please tell us. Our team will investigate and aim to resolve the matter in a fair and efficient manner.



This document is intended for use by clients, alongside their financial intermediaries.

The information in this document is provided for informative purposes only and should not be construed as the rendering of advice. 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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