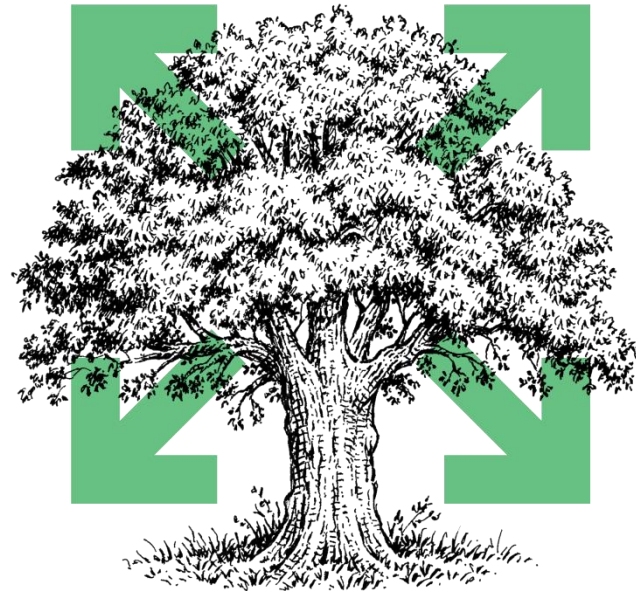


For professional investors only

# Sanlam Global High Quality Fund (Shariah opportunity)

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July 2019  
Shiraaz Abdullah



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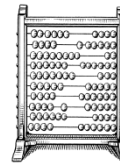
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# Sanlam group

Sanlam is the largest non-banking financial services group in Africa



Founded in **1918** in South Africa as a traditional insurer. Now a diversified financial services provider



The group's global asset management business has some **£45.7bn** in AUM



Listed on Johannesburg Stock Exchange with **\$12.4bn\*** market cap



Over **21,000** staff worldwide



Global footprint across **45** countries

# Global high quality team

Total assets under discretionary management \$1.4 billion

Institutional  
funds:  
USD 700 million

Discretionary  
equity mandates:  
USD 700 million

## Industry recognition



High growth  
portfolio category  
2018 Winner



High growth  
portfolio category  
2019 Winner



FE Alpha  
Manager Rated  
2019



# Global high quality team



**Pieter Fourie, CFA CA(SA)**

Head of Global Equities, Lead Fund Manager

Pieter joined Sanlam in September 2012 and is the lead fund manager for the Sanlam Global High Quality Fund and global equity segregated mandates. Current assets under management is \$1.3bn within a larger client base of \$13bn in the UK. His responsibilities include fund management and research responsibilities overseeing a team of eight investment specialists.

He was previously at the Stonehage group from 1999 and managed a global equity fund and global equity mandates whilst serving on various operating boards within the group. Pieter holds an honours degree in Accounting from the University of Stellenbosch, is a chartered accountant and a CFA charterholder.



**Nicholas Bell**

Portfolio Manager, Global Clients

Before joining Sanlam UK in 2016, Nicholas was with Sanlam in South Africa for six years managing portfolios for high net worth individuals. Prior to this, he was a portfolio manager at RMB Private Bank in South Africa for four years. Nicholas holds a Bachelor of Commerce degree from the University of Stellenbosch and a Bachelor of Commerce (Honours) degree from the University of Cape Town. He also has the IMC and has passed Level II of the CFA Program.



**Shiraaz Abdullah**

Global Equity Analyst

Before joining the London team in January 2018, Shiraaz spent four years in South Africa with Sanlam Private Wealth and co-managed the Shariah model during the latter years. Shiraaz holds an Economics degree from the University of South Africa and is a CFA level 3 candidate.



**William Ball**

Senior Equity Analyst, Deputy Fund Manager

William is the deputy fund manager of the Sanlam Global High Quality Fund and co-fund manager of the Clime International Equity Fund. Prior to joining in 2009, he was at Brown Shipley managing private client portfolios before moving to Merrill Lynch. William holds a degree in Business Administration from Northumbria University, the IMC and has passed Level I of the CFA Program.



**Louis Jamieson, CFA**

Global Equity Analyst

Louis joined Sanlam in November 2014 having graduated with an MSc in Mathematical Finance at Imperial College London. He holds a first class degree in Mathematics from Trinity College Dublin and is a CFA charterholder.



**Hannah Gooch-Peters**

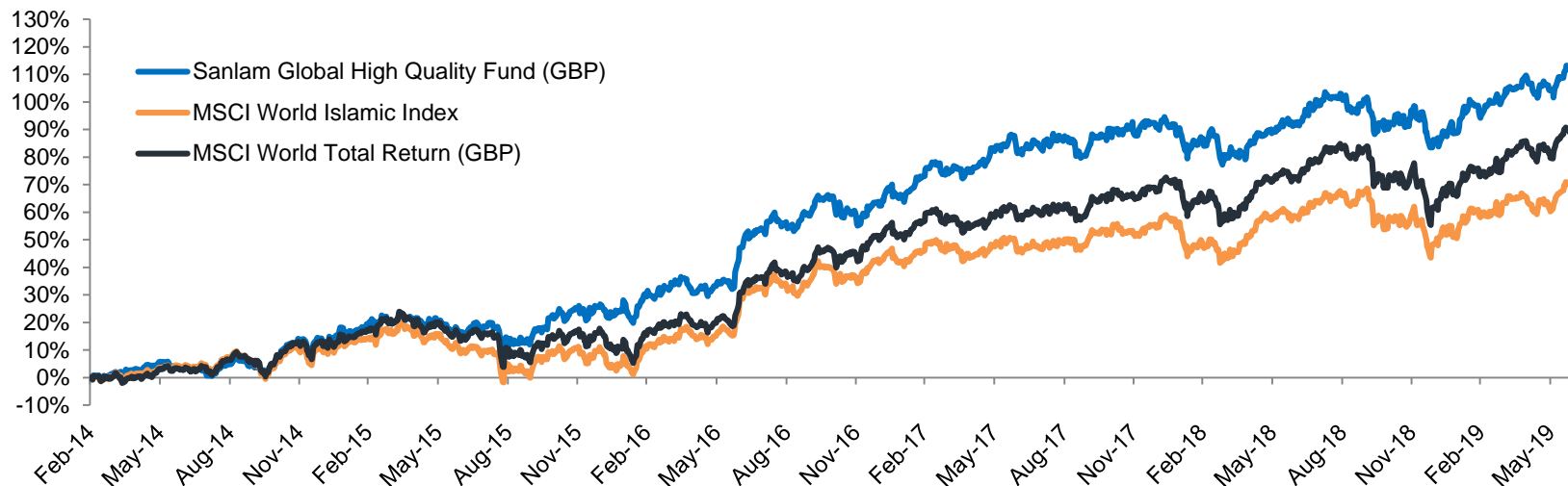
Global Equity Investment Analyst

As a core member of the Global High Quality Equity Team, Hannah acts as a dedicated product specialist, and leads all aspects of areas surrounding the execution of the investment strategy on the Global Equity Team, including client servicing, order execution, operational oversight, and distribution functions. Hannah's work also includes RFPs and operational management of client segregated portfolios.

Hannah was awarded Investment Week's 'Young Investment Woman of the Year' 2018. Hannah joined Sanlam in September 2015, having attained both an honours degree and masters degree at Trinity College of Music

# Sanlam global high quality fund performance

Since inception in GBP (28 February 2014)



Cumulative performance	2014	2015	2016	2017	2018	2019	Since Inception
<b>Sanlam Global High Quality Fund*</b>	<b>12.5%</b>	<b>12.1%</b>	<b>28.7%</b>	<b>17.5%</b>	<b>-2.9%</b>	<b>15.6%</b>	<b>114.1%</b>
MSCI World Net Total Return £	11.4%	4.8%	28.3%	11.7%	-3.1%	17.4%	90.5%
MSCI World Islamic Index £	9.2%	0.8%	28.5%	9.1%	-3.5%	15.1%	71.4%

Where this fund is acquired through a portfolio management service, additional charges may be applied by the portfolio manager.  
The comparison index is the MSCI World Index with net dividends reinvested. Sector Average is the IA global.

\*C Share Class (as at 30<sup>th</sup> June 2019). Fund launch was 28 February 2014. Fund performance is calculated on a NAV to NAV basis, net of charges and assumes net income is reinvested. Since investors may be liable to external fees, charges and taxes, the illustrated returns are not meant to provide a measure of actual return to investors. Class C shares are only available to those investors who have a separate investment management mandate with the Investment Manager.

Sources: Sanlam, MSCI returns since fund inception on 28 February 2014 to 30<sup>th</sup> June 2019.

# Sanlam global high quality strategy performance

Since strategy inception in GBP (30 April 2008)

	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception
<b>Sanlam Global High Quality Strategy*</b>	<b>11.2%</b>	<b>45.7%</b>	<b>108.2%</b>	<b>152.1%</b>	<b>268.5%</b>	<b>285.2%</b>
MSCI World Net Total Return (£)	10.5%	45.9%	85.5%	150.2%	258.9%	184.8%
Sector Average	7.3%	44.9%	68.2%	123.1%	197.6%	133.3%

Where this strategy is acquired through a portfolio management service, additional charges may be applied by the portfolio manager.  
The comparison index is the MSCI World Index with net dividends reinvested. Sector is the IA Global peer group.

Sources: SPW UK, Bloomberg, Morningstar GBP returns since strategy inception on 30 April 2008 to 30 June 2019

Basis: GBP C share class (Base currency and class). NAV based, total return (net of fees). The Fund was launched on 28.02.2014 and therefore no earlier UCITS Fund performance numbers are available

Period: 30.04.2008 to 30.06.19 and represents a composite of the manager's global equity track record.

Past performance disclaimer. Performance from 30.04.2008 to 31.08.2012 is that of the ACPI segregated global equity mandate after all fees including transactions fees. From 31.08.2012 to 30.09.2012 is that of the MSCI World Index while the manager transitioned to the Sanlam group and from 30.09.2012 to 28.02.2014 is that of the Sanlam Private Wealth Global Equity Diversified Portfolio (net of all costs including transaction fees).

ACPI Investment Managers is an independently owned investment management partnership

Past performance should not be taken as an indicator of future performance.

Since investors may be liable to external fees, charges and taxes, the illustrated returns are not meant to provide a measure of actual return to investors. Class C shares are only available to those investors who have a separate investment management mandate with the Investment Manager.

# Shariah Opportunity

- Proven track record of outperformance
- Core ethos of active management
- Investing in high quality companies from a global universe
- Award winning team with Shariah experience
- Model portfolio outperforms over 12 months

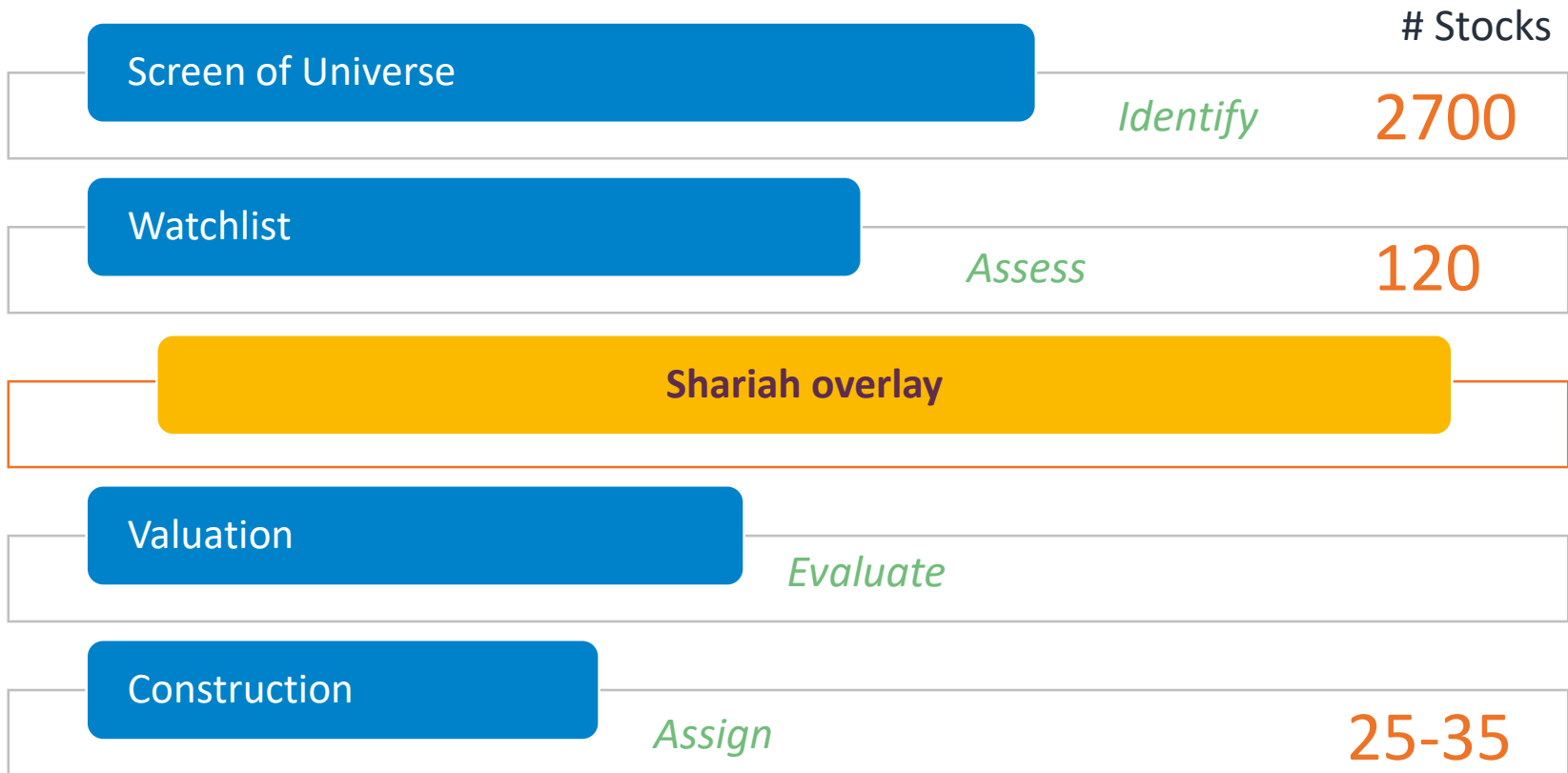


# Investment process

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# Investment process



Source: Sanlam UK.  
#Stocks is an approximation

## High quality universe, Shariah overlay

	Q4 2014	Q4 2015	Q4 2016	Q4 2017	Q4 2018	Q1 2019	Average
<b>GHQF % of Shariah compliant stocks</b>	<b>68%</b>	<b>65%</b>	<b>58%</b>	<b>60%</b>	<b>65%</b>	<b>67%</b>	<b>64%</b>
<b>% Model overlap with GHQF Watch list</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

# Stock analysis: quantitative screening

## Bottom-up stock selection with a focus on high quality businesses

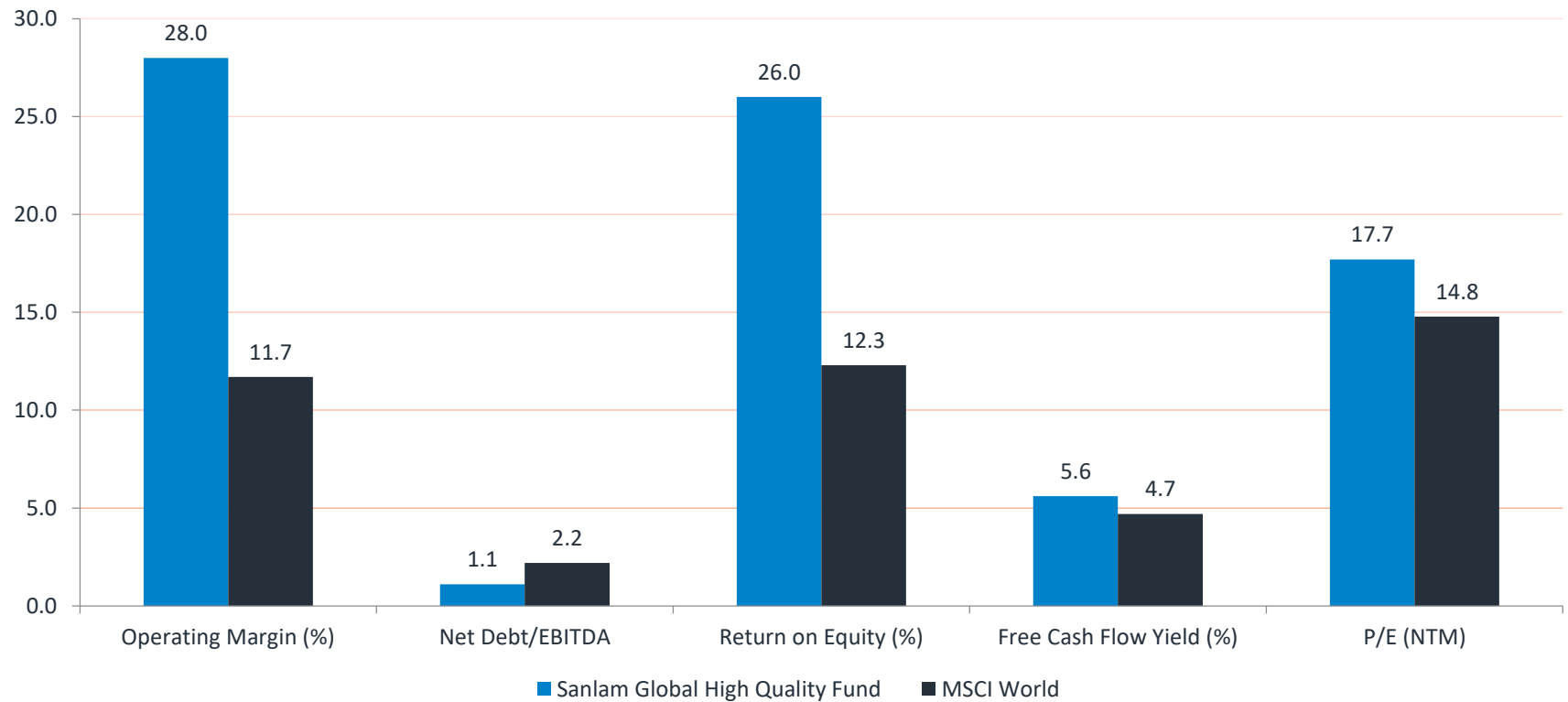
### Income and cash flow:

- High free cash flow conversion
- Attractive gross & operating margins
- Sustainable revenue growth profile
- Secular growth industry

### Balance sheet:

- Low leverage
- Low capital requirements
- High returns on capital
- Dynamic capital allocation

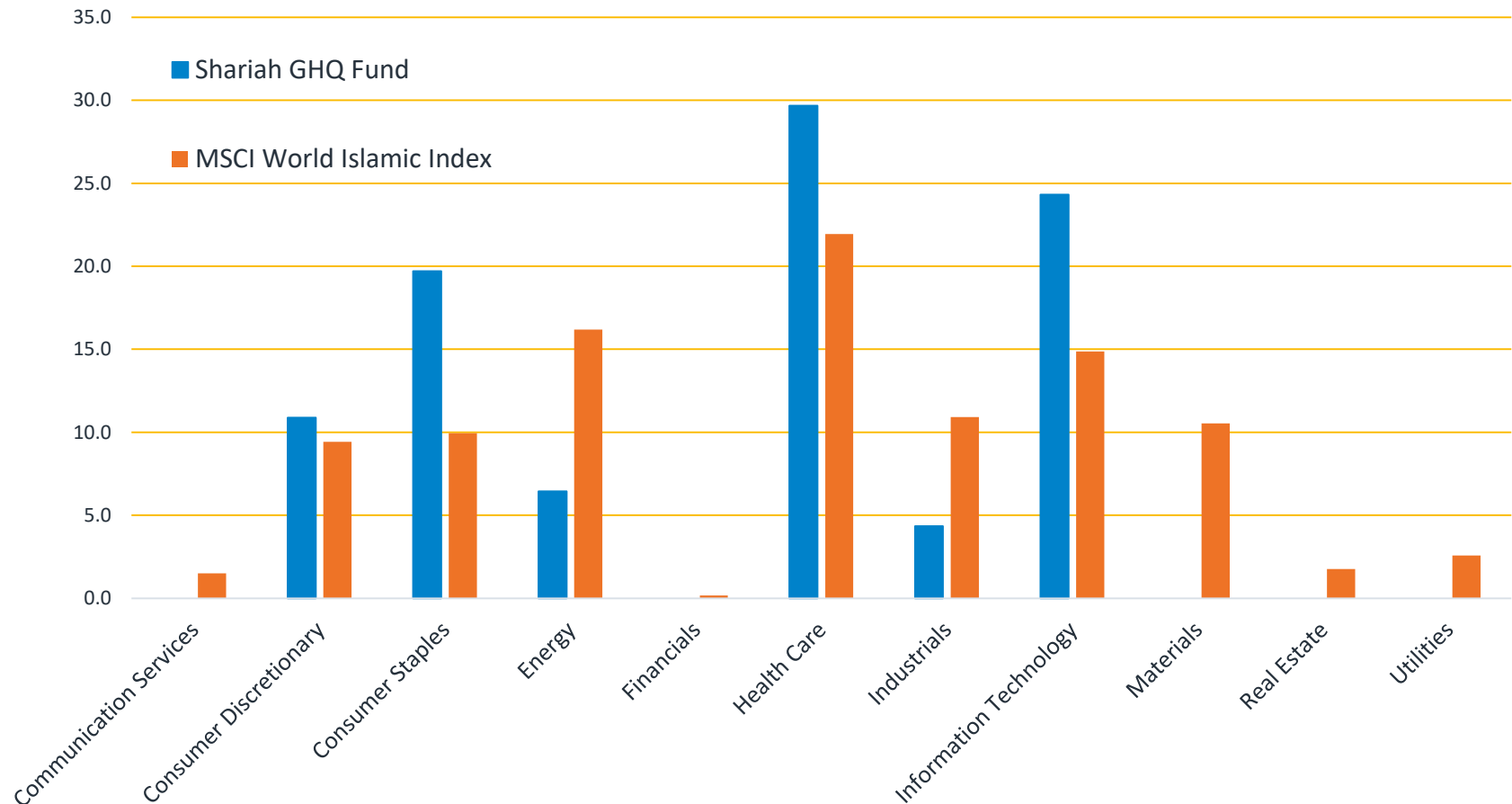
# Equity characteristics



# Shariah Global High Quality model top holdings

Name	Sector	Weight (%)
Medtronic	Health Care	3.7
Johnson & Johnson	Health Care	3.5
Roche	Health Care	3.5
Fresenius Medical Care	Health Care	3.5
Unilever	Consumer Staples	3.4
Booking Holdings	Consumer Discretionary	3.4
Accenture	Information Technology	3.3
Danone	Consumer Staples	3.2
Procter & Gamble	Consumer Staples	3.2
Starbucks	Consumer Discretionary	3.1

# Sector positioning



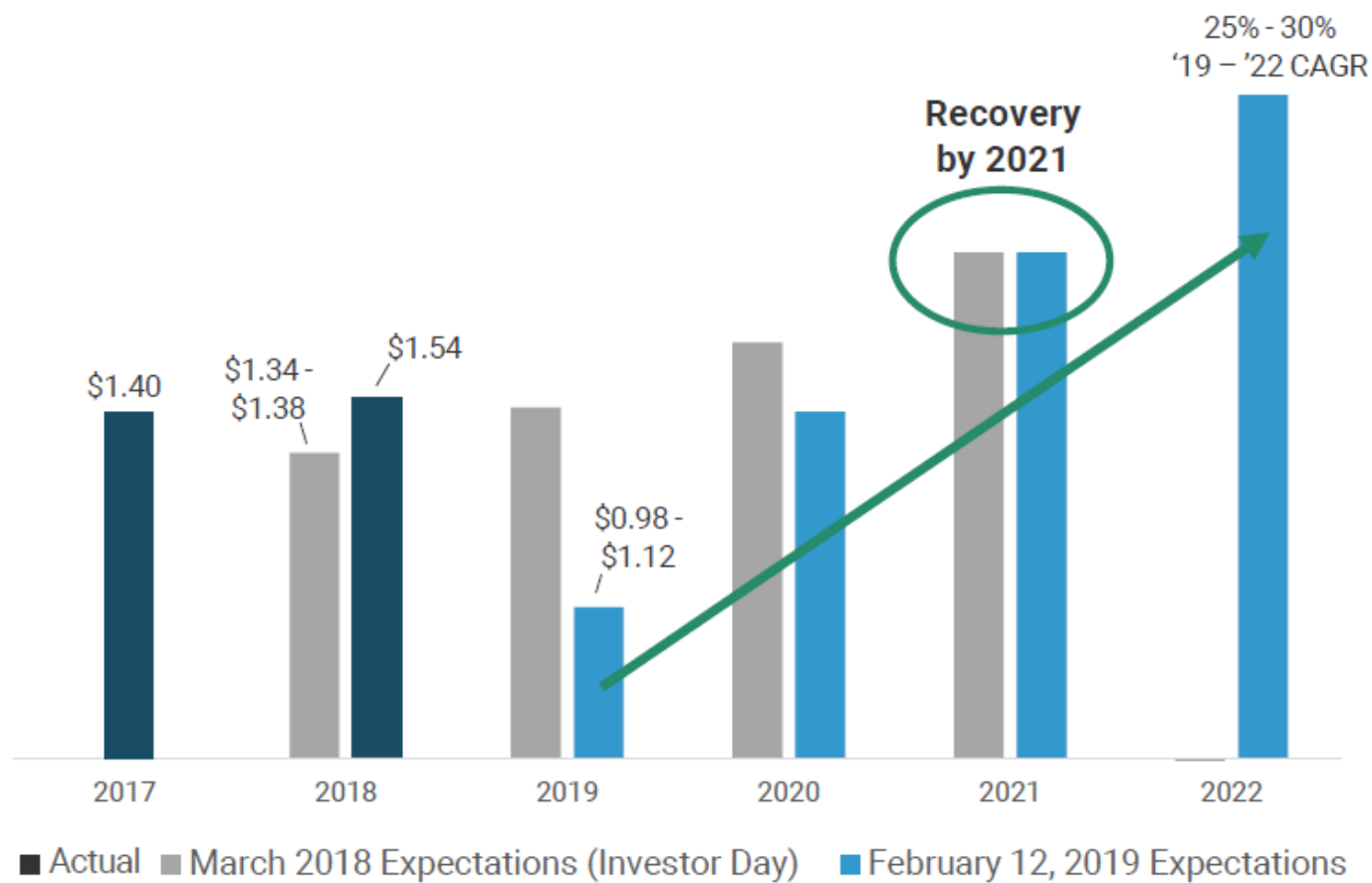
# Case studies

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## Adjusted EPS



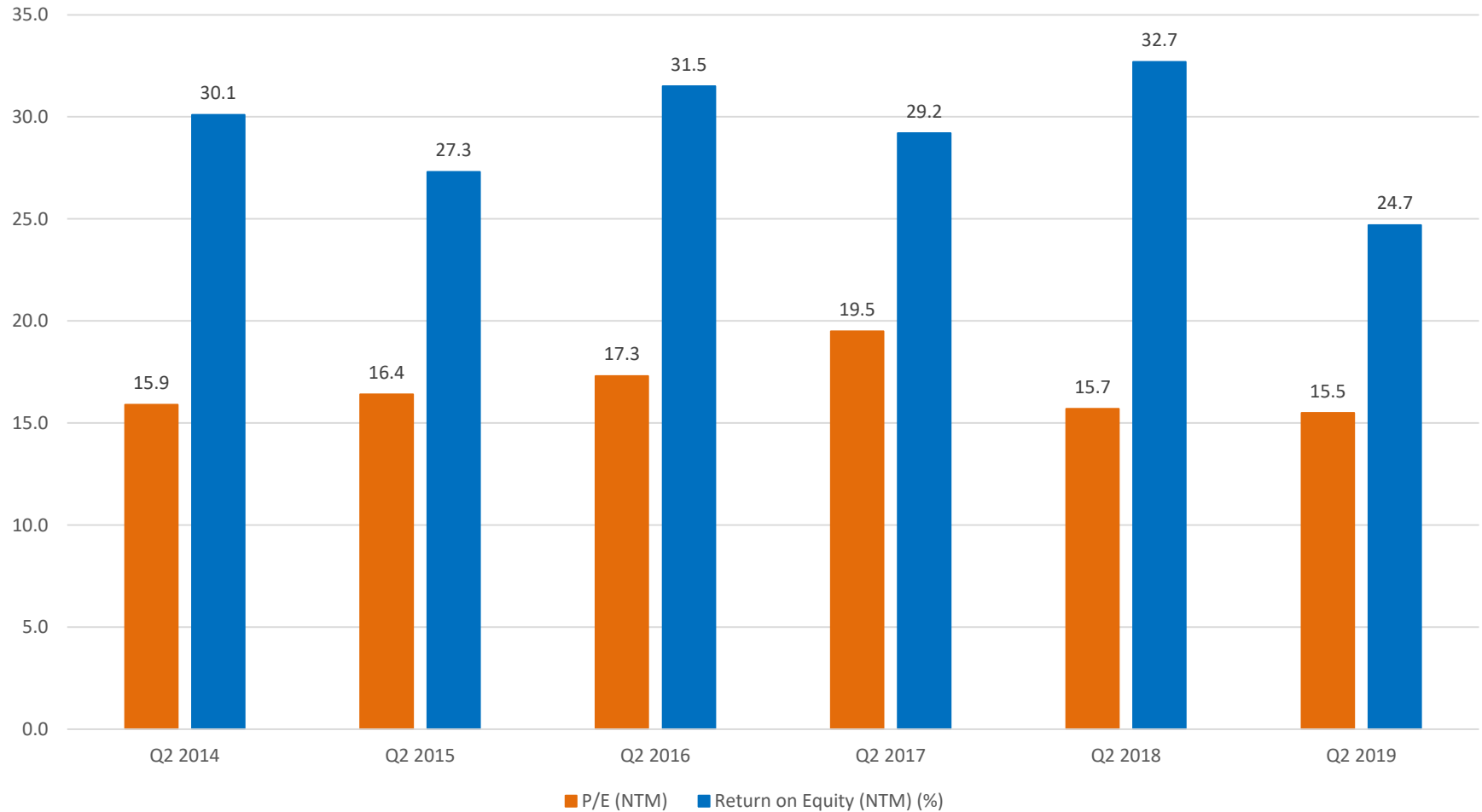
# Healthcare equipment: Medtronic

## Why we like this stock

- Structural growth in health care spending > GDP growth
- Most diversified global medical equipment business
- 15.5% compound growth since 1989 = 6736% USD return over 30 years



# Sanlam High Quality Fund valuation discipline



# Appendix

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# Important information

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