

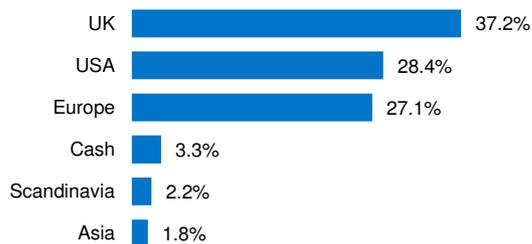
Fund objective

The objective of the fund is to provide a regular and growing stream of income derived from equity dividends for investors with the potential for real growth in capital value.

Fund style

The manager strives to achieve the fund objective through investing in the shares of companies that are offering relatively high dividend yields and are well established, have healthy balance sheets, generate strong cash flows and have demonstrated a commitment to paying regular dividends.

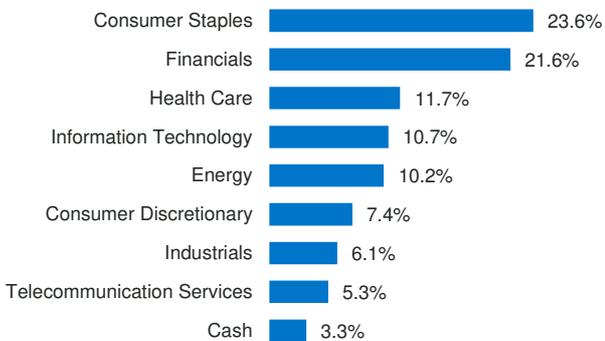
Geographical breakdown



Asset allocation

Equities	96.7%
Cash	3.3%

Sector breakdown

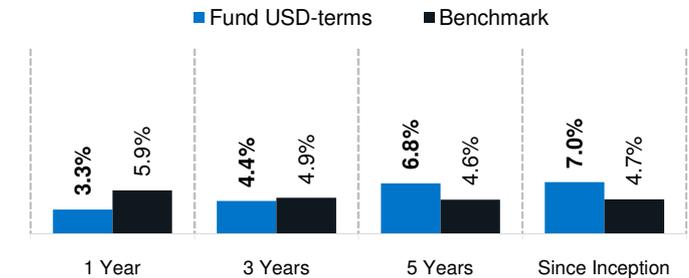


Top 10 holdings

Unilever	UK	4.9%
Cisco	USA	4.5%
Royal Dutch Shell	UK	4.3%
Legal & General	UK	3.9%
British American Tobacco	UK	3.7%
IG Group	UK	3.5%
AGEAS	Europe	3.4%
Glaxosmithkline	UK	3.1%
Total SA	Europe	3.0%
BP	UK	2.9%

31 July 2018

Performance summary



Actual highest and lowest annual figures

Highest annual	15.5%
Lowest annual	-3.6%

The performance figures above are annualised, net of fees, and in USD terms. The highest and lowest returns are based on 12 month rolling periods over 10 years (or since inception where the performance history does not exist for 10 years).
Inception date of class: 7 September 2012. Source: Morningstar

Fund information

Manager	Sanlam Asset Management (Ireland)
Investment Manager	The management of investments are outsourced to Sanlam Investment Management (Pty) Ltd, FSP 579, an authorised financial services provider under the South African Financial Advisory and Intermediary Services Act, 2002.
Portfolio Manager	Douw Steenekamp (Denker Capital) <i>B.Compt. (Hons), CA(SA)</i>
Trustee/Custodian	Brown Brothers Harriman Trustee Services (Ireland) Ltd 30 Herbert Street, Dublin 2, Ireland Tel: +353 1 241 7130 Fax: +353 1 241 7131
Administrator	Sanlam Asset Management (Ireland)
Transfer Agency	Brown Brothers Harriman Fund Administration Services (Ireland) Ltd
Domicile	Ireland
Listing	Irish Stock Exchange
Salient risk factors	This fund is relatively high risk in relation to other asset classes due to its equity based investment approach, however the investment manager aims to reduce the overall risk by their value and fundamental stance.
Base currency	US Dollar
Benchmark	Composite Index: Annualised income yield of the MSCI World High Dividend Yield NTR Index + US Consumer Price Index
Fund size	\$163 million
Unit price	\$1.2122
Fund launch date	6 September 2012
Minimum investment	\$1,000
Dealing/Redemption frequency	Daily
Dealing deadline	4 PM (Irish time on the business day preceding a dealing day)
Valuation point	Close of business in the applicable markets.
Daily publication of prices	Irish Stock Exchange & www.sanlam.ie
Distribution	Bi-annual (detail on page 2).

Portfolio Manager quarterly comment: June 2018

Despite the general sense of disquiet that seemed to dominate market commentary during the quarter, global economic growth remained above trend and in-line with consensus expectations. Within the developed world, where the fund has most of its exposure, the United States continues to lead the pack with growth remaining robust and forecasts being nudged higher as the effect of last year's tax reforms becomes more apparent. Interest rates were hiked another notch, as was widely expected, without any discernible effect on markets. European growth remained relatively anaemic and market expectations have recently been trimmed, affected by worries over political developments and comments emanating from the ECB. Across the channel, where the reality of a challenging Brexit is becoming clearer, the United Kingdom economic data also disappointed. Business investment has slowed, due to the significant uncertainty that remains regarding the nature of the future relationship with its biggest trading partner with less than a year to go before the formal separation.

The fund lagged both the overall market, as represented by the MSCI World Index, and its more comparable high yield subset, as represented by the MSCI World High Dividend Yield Index, during the quarter. The main reasons for this underperformance were the fund's relative overexposure to the out of favour consumer staples and European financial sectors, where many counters experienced price declines, and its lack of exposure to the high flying FAANG stocks. These shares pay no or paltry dividends and are, therefore, not candidates for inclusion in the fund.

Notable positive contributions to performance were provided by Micro Focus International, Royal Dutch Shell, BP, Total and Anheuser-Busch InBev (a new addition to the fund), while the most notable detractors from performance were Philip Morris International, British American Tobacco, Singapore Telecommunications and ING Groep.

The decision to purchase additional shares in Micro Focus International following the very sharp drop in its share price during the previous quarter has, so far, been vindicated by a 26% bounce during this period. We remain confident that the company's management team will successfully address the unanticipated problems associated with the integration of their acquisition of the software assets of Hewlett Packard Enterprise that gave rise to the previous quarter's disappointing trading update.

The 12% increase in the price of oil during the quarter boosted the prices of all of the fund's holdings in the sector. Given the dynamics in the sector which point to continued strength in the commodity price and increased profitability and cash flow from the integrated producers, we continue to regard their current valuations as very attractive.

The prices of Philip Morris International (-18%), British American Tobacco (-6%) and Altria (-8%) were under sustained pressure during the quarter in response to comments from Philip Morris regarding a slowdown in the rate of sales growth of their new "heat not burn" iQos product in Japan. This product has grabbed a 16% share of the Japanese tobacco products market since its introduction a bit more than two years ago. The market has clearly taken these comments to imply that the promise of renewed industry volume growth has been dashed, despite management's assurances to the contrary. We are not persuaded that a slower rate of growth (not a decline) in one quarter is sufficient evidence to conclude that the potential of this new product category has been exhausted.

Based on current consensus expectations the fund offers a significantly better yield than the overall market (dividend yield of 4.4% versus 2.4%), while trading on a lower valuation (forward P/E of 12.6x versus 15.1x) and producing a substantially better return (ROE of 20.2% versus 17.4%). When compared to the MSCI World Index the fund displays an active share of 92%. We believe that this positions the fund well for the future and, based on our current projections, we expect it to deliver a yield greater than the target yield during the coming 12 months.

Fees
Class A USD (Inc)
Income distributed

Class I USD (Acc)
Income accumulated

Annual management fee

Fixed fee of **1.25%** per annum

Other allowed expenses

Trustee fees, custody fees, administration fees, director's fees, legal fees, audit fees, bank charges, regulatory fees, brokerage/trading fees.

1.35%
1.41%
Total expense ratio (TER) 1 April 2015 to 31 March 2018

of the value of the financial product was incurred as expenses relating to the administration of the product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's.

0.18%
0.19%
Transaction cost (TC) 1 April 2015 to 31 March 2018

of the value of the financial product was incurred as costs relating to the buying and selling of the assets underlying the product. TC's are a necessary cost in administering the product and impacts the product's returns. It should not be considered in isolation as returns may be impacted by many other factors over time incl. market returns, type of financial product, investment decisions of the investment manager and the TER.

1.53%
1.60%
Total Investment Charges (TER + TC)

of the value of the financial product was incurred as costs relating to the investment of the financial product.

Distribution: Class A USD (Inc)
Frequency

Bi-annually (April and October)

Declaration dates

31 March and 30 September

Last three distributions

31 March 2018:	1.76 cents per unit
30 September 2017:	2.67 cents per unit
31 March 2017:	1.59 cents per unit

Contact information
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Web: www.sanlam.ie

Company registration number: 267640 – UCITS IV Management Company & Alternative Investment Fund Manager regulated by the Central Bank of Ireland and is licensed as a Financial Services Provider in terms of Section 8 of the South African FAIS Act of 2002.

Investment Manager: Sanlam Investment Management

The appointed investment manager is Sanlam Investment Management (Pty) Ltd, an authorised financial services provider in terms of Financial Advisory and Intermediary Act, 2002, FSP 579. Address: 55 Willie van Schoor Avenue, Bellville, 7530, South Africa

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Web: www.denkercapital.com
Codes
Class A USD (Inc)
Income distributed

Class I USD (Acc)
Income accumulated

ISIN

IE00B7VS0236

IE00B87VN244

SEDOL

B7VS023

B87VN24

Bloomberg

SANSgau ID

SANSgiu ID

Morningstar category

Global Equity Income

Risk profile: Aggressive

You can afford to take on a higher level of risk (i.e. will have a greater exposure to equities in your portfolio) because of your investment time horizon, or your appetite for risk. You know that in taking the risk, you need to be patient if you want to achieve the results. So you are willing to invest for the long-term and are prepared to tolerate some volatility in the short term, in anticipation of the higher returns you expect to receive in five years or beyond.

Regulatory statement

The Fund is a sub-fund of the Sanlam Universal Funds plc, a company incorporated with limited liability as an open-ended umbrella investment company with variable capital and segregated liability between sub-funds under the laws of Ireland and authorised by the Central Bank. The Fund is managed by Sanlam Asset Management (Ireland) Limited, Beech House, Beech Hill Road, Dublin 4, Ireland, Tel + 353 1 205 3510, Fax + 353 1 205 3521 which is authorised by the Central Bank of Ireland, as a UCITS Management Company, and an Alternative Investment Fund Manager, and is licensed as a Financial Service Provider in terms of Section 8 of the South African FAIS Act of 2002.

The Sanlam Universal Funds Plc full prospectus, the Fund supplement, the MDD and the KIID is available free of charge from the Manager or at www.sanlam.ie. This is neither an offer to sell, nor a solicitation to buy any securities in any fund managed by us.

Any offering is made only pursuant to the relevant offering document, together with the current financial statements of the relevant fund, and the relevant subscription/application forms, all of which must be read in their entirety together with the Sanlam Universal Funds plc prospectus, the Fund supplement the MDD and the KIID. No offer to purchase securities will be made or accepted prior to receipt by the offeree of these documents, and the completion of all appropriate documentation. A schedule of fees and charges and maximum commissions is available on request from the Manager.

This is a Section 65 approved fund under the Collective Investment Schemes Control Act 45, 2002 (CISCA). Sanlam Collective Investments (RF) (Pty) Ltd is the South African Representative Office for this fund.

The information to follow does not constitute financial advice as contemplated in terms of the South African Financial Advisory and Intermediary Services Act. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision, not all investments are suitable for all investors. Collective Investment Schemes (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future performance. Changes in exchange rates may have an adverse effect on the value, price or income of the product. 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 based on the initial fees applicable, the actual investment date, 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. Trail commission and incentives may be paid and are for the account of the Manager.

The Manager has the right to close any Portfolios to new investors to manage them more efficiently in accordance with their mandates. Performance figures for periods longer than 12 months are annualised. The performance fee is accrued daily, based on performance over a rolling 6 month period with payment to the manager being made bi-annually. Performance fees will only be charged once the performance fee benchmark is outperformed. The portfolio management of all the portfolios are outsourced to Regulated and authorised financial services providers.

Glossary Terms

Annualised total returns

Annualised return is the weighted average compound growth rate over the period measured.

Capital growth

Capital growth is the profit made on an investment, measured by the increase in its market value over the invested amount or cost price. It is also called capital appreciation.

Dividend income

The investor's share of a company's profits, given to him or her as a part-owner of the company.

Equities

Equities are shares that represent an institution's or individual's ownership in a listed company. These shares are also the "vehicle" through which they are able to "share" in the profits made by that company. As the company grows, and the expectation of improved profits increases, the market price of the share will increase which translates into a capital gain for the shareholder. Similarly, negative sentiment about the company will result in the share price falling.

Shares / equities are usually considered to have the potential for the highest return of all the investment classes but also have the highest level of risk i.e. share investments have the most volatile returns over the short term. An investment in equities should be viewed with a 7 to 10 year horizon.

Undervalued equity stocks (value investing approach)

This is a strategy of selecting shares that trade for less than their intrinsic values. Value investors actively seek stocks that they believe the market has undervalued. They believe the market overreacts to good and bad news, resulting in stock price movements that do not correspond with the company's actual long-term fundamentals. The result is an opportunity for value investors to profit by buying when the price is deflated.

Securities

A general term for shares, bonds, money market instruments and debentures.

Collective investment scheme (CIS)

Collective investment schemes (also called unit trusts) are portfolios of assets such as equities, bonds, cash and listed property, in which investors can buy units. They allow private investors to pool their money together into a single fund, thus spreading their risk across a range of investments, getting the benefit of professional fund management, and reducing their costs.

Total expense ratio (TER)

This is the total costs associated with managing and operating an investment administration, financial planning and servicing fees. These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which administration, financial planning and servicing fees. These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which represents the TER.

Standard deviation

Standard deviation (also called monthly volatility) is a measure of how much returns on an investment change from month to month. It is typically used by investors to gauge the amount of expected volatility in an investment.