

SIP *nordic*
SOUTH AFRICA

Bridging the gap

September 2020





Clients need income and capital growth, but are anxious about market volatility and market falls.

With you, we bridge this gap by:

1. Providing income and capital growth from local and global markets
2. Protecting capital from market falls

Contents

1. **Introduction**
2. About us and our partners
3. Meet the team
4. What we offer matched to client needs
5. Five reasons to partner with us



Introduction

Who we are

SIP Nordic SA is a South African, privately owned financial services company

- The business originates from SIP Nordic, a Swedish privately owned licensed securities company founded in 2006 that has a presence in the Nordic countries, Europe and now South Africa.
- In collaboration with BNP Paribas, we provide a carefully designed range of innovative structured products to meet investors' capital growth and income needs, and to provide protection from market falls.

How we bridge the gap



What we offer

We offer clients a range of structured investment products that provide income or growth from exposure to local and global indices, with protection from market falls.



Our partners

By collaborating with proven partners we provide access to world-class products and administrative support.



itransact
Investment Platform

GUARDRISK
TAILORED RISK SOLUTIONS



BNP PARIBAS

Product issuer

Benefits of structured products



Our current product range



Enhanced Growth

Geared growth from the NYSE Pure Sector Rotation Index, which offers exposure to the US equity and Treasury bond markets, as well as capital protection over five years.



Tandem

Geared growth from exposure to a global index of sustainable development companies, 50% of your capital back plus a guaranteed fixed income return after a year, and 100% capital protection over five years.



Autocallable

A high US dollar coupon payment dependent on the rise of an index comprising of the top 25 stocks in France and Germany respectively.

What makes us different



We believe performance with protection is paramount



Our service is local and personal



We offer solutions for market volatility



We are a trusted partner



Our products are easy to understand



We are developing an academy for training



We continually develop new products



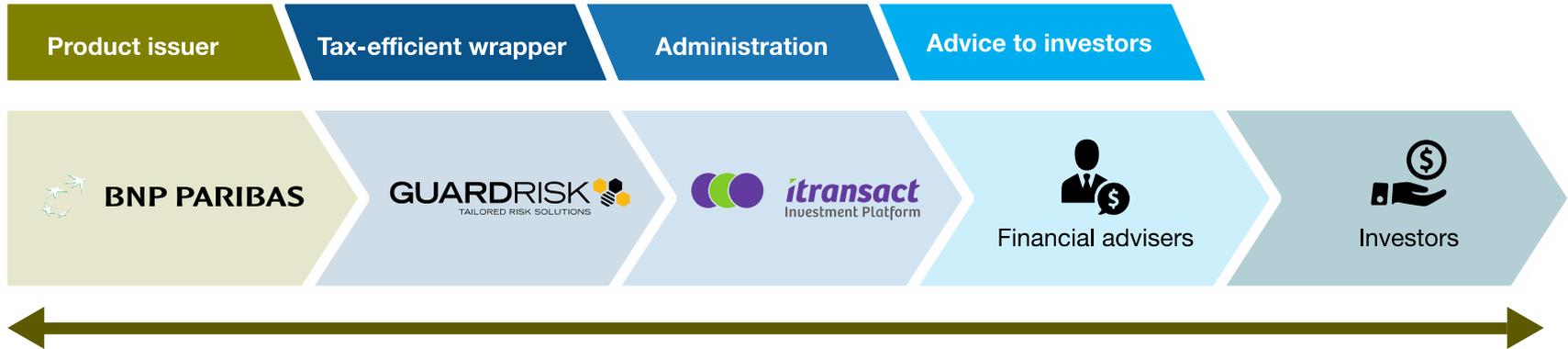
We offer global insights and expertise

Contents

1. Introduction
- 2. About us and our partners**
3. Meet the team
4. What we offer matched to client needs
5. Five reasons to partner with us



About us and our partners



Product promotion, financial adviser support and service





- Issues the structured products.
- Responsible for the pricing of the products.



Product promotion, financial adviser support and service

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- Markets the product to advisers.
- Advisers have access to dedicated, ongoing support from SIP Nordic SA.

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BNP Paribas

BNP Paribas has over 25 years' experience in the equity derivatives market. They are well-known for their capabilities in providing a comprehensive product range of diverse solutions across both flow and structured products. They are focused on designing new strategies and innovative solutions to meet all their clients' needs.

Equity derivatives

Strengths:

- Diversified business model
- Index innovation
- Sustainable investments
- Sophisticated solutions

The bank for sustainability

Strengths:

- Green bonds
- Equity-linked indices
- Equity-linked sustainable bonds
- UN sustainable development goals

Source: BNP Paribas, April 2020

BNP Paribas – a bank for a changing world

A leading European bank and a prominent global institution

Countries (APAC, EMEA, US)	72
Employees globally (Staff numbers as at 31 December 2018)	202,624
Fitch	AA-
Moody's	Aa3
S&P	A+
Revenues FY 2019	€44.6bn
Net income FY 2019	€8.4bn (attributable to equity holders, excluding exceptional items)
Liquidity reserve	€309bn (as at 31 December 2019)
Solvency ratio	12.1% (as at 31 December 2019)

“We put you at the centre of our world, innovate on your behalf, and support you through changing times.”

Source: BNP Paribas, April 2020

BNP Paribas – global awards

RISK AWARDS 2020

- Currency Derivatives House of the Year

IFR AWARDS 2019

- Foreign Exchange Derivatives House of the Year

THE BANKER INVESTMENT BANKING AWARDS 2019

- Most Innovative Investment Bank of the Year
- Most Innovative Investment Bank for Climate Change & Sustainability
- Most Innovative Investment Bank for Bonds

EUROMONEY 2019

- World's Best Bank for CSR

MTN-I 2019

- US Investor Solutions

PROFIT & LOSS DIGITAL FX AWARDS

- Next Generation Algorithmic Execution
- Workflow Integration: Commodities

FX WEEK E-FX AWARDS 2019

- Bank Algo Trading Technology Provider of the Year
- Most Innovative Bank e-FX platform of the Year

ASIA RISK AWARDS 2019

- Derivatives House of the Year Japan

ENERGY RISK ASIA AWARDS 2019

- Derivatives House of the Year
- Precious Metals House of the Year

GLOBAL CAPITAL BOND AWARDS 2019

- Most Impressive Bank for Financial Institutions
- Most Impressive FIG House in Euros
- Most Impressive Bank for Corporate Bonds
- Most Impressive Corporate Bond House in Euros
- Most Impressive Sales and Trading Team for Corporate Bonds

FOW INTERNATIONAL AWARDS 2019

- Bank of the Year

RISK AWARDS 2019

- Credit Derivatives House of the Year
- Currency Derivatives House of the Year
- Interest Rates Derivatives House of the Year

PROFIT & LOSS DIGITAL FX AWARDS 2019

- Next Generation Algo Execution
- Workflow Integration, Commodities

GLOBAL CAPITAL DERIVATIVES AWARDS 2019

- Research & Strategy House of the Year

PROFIT & LOSS DIGITAL FX AWARDS 2018

- Algo Provider of the Year
- Client Experience
- Editor's Choice

IFR AWARDS 2019

- Euro Bond House of the Year
- European Financial Bond House of the Year
- EMEA Loan House of the Year

Source: BNP Paribas, April 2020

BNP Paribas – global markets structure

BNP Paribas' global markets offer consistent client service and innovative solutions for investment, hedging and financing opportunities across asset classes and geographies, and research and market intelligence to help their clients make strategic decisions.

Global markets product lines

- Rates
- Equity derivatives
- Forex & local markets (fxlm) & commodity derivatives
- Prime solutions & financing
- Primary & credit market

For more info, visit <https://group.bnpparibas/en/>

Source: BNP Paribas, April 2020



Product issuer

Tax-efficient wrapper

Administration

Advice to investors



BNP PARIBAS

GUARDRISK
TAILORED RISK SOLUTIONS



itransact
Investment Platform



Financial advisers



Investors

- Where applicable, domestically listed structured products can be made available through a Guardrisk life wrapper.
- This results in a tax-efficient product that can be used for estate planning purposes.
- It also ensures that FAIS requirements are met (long term Category C licence).

Product promotion, financial adviser support and service

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- Adviser and investor onboarding.
- Performs all administrative functions, including life wrapper issuance.
- Facilitates fees directly to the adviser.
- Provides access to investment information online.
- SIP Nordic SA is a distributor for Itransact.



Product promotion, financial adviser support and service



Itransact

1. Itransact is a **leading independent investment product platform** (Category III LISP), established in 2012 to service the growing market demand for low cost, index-based investment products by combating hidden, high and unfair investment costs and fees.
2. Itransact has established a reputation in the financial services market as a disruptor brand by offering **innovative, cost effective and highly differentiated products** that are regulated by the FSCA, via independent Category I financial services providers.
3. **R4bn+ of assets under administration** as at January 2020.
4. Itransact is owned and operated by **Automated Outsourcing Services (Pty) Ltd**, an authorised financial services provider established in 1997 (FSP 650).

Itransact – core competencies

1

Distributors of:

- ETFs, ETNs,
- Index-based segregated portfolios
- Index-based retirement annuities, pension, preservation and provident funds
- Index-based living annuities, unit trusts, endowments and structured products

2

Asset management of:

- Index (passive) solutions
- Segregated retail and institutional portfolios

3

Administrators of:

- Securities
- Unit trusts, mutual funds (including PCCs) administration
- Wrap funds and life portfolios
- Segregated portfolios
- Retail pension benefits
- Linked endowment policies
- Customer interaction centre and online reporting services
- Registry services

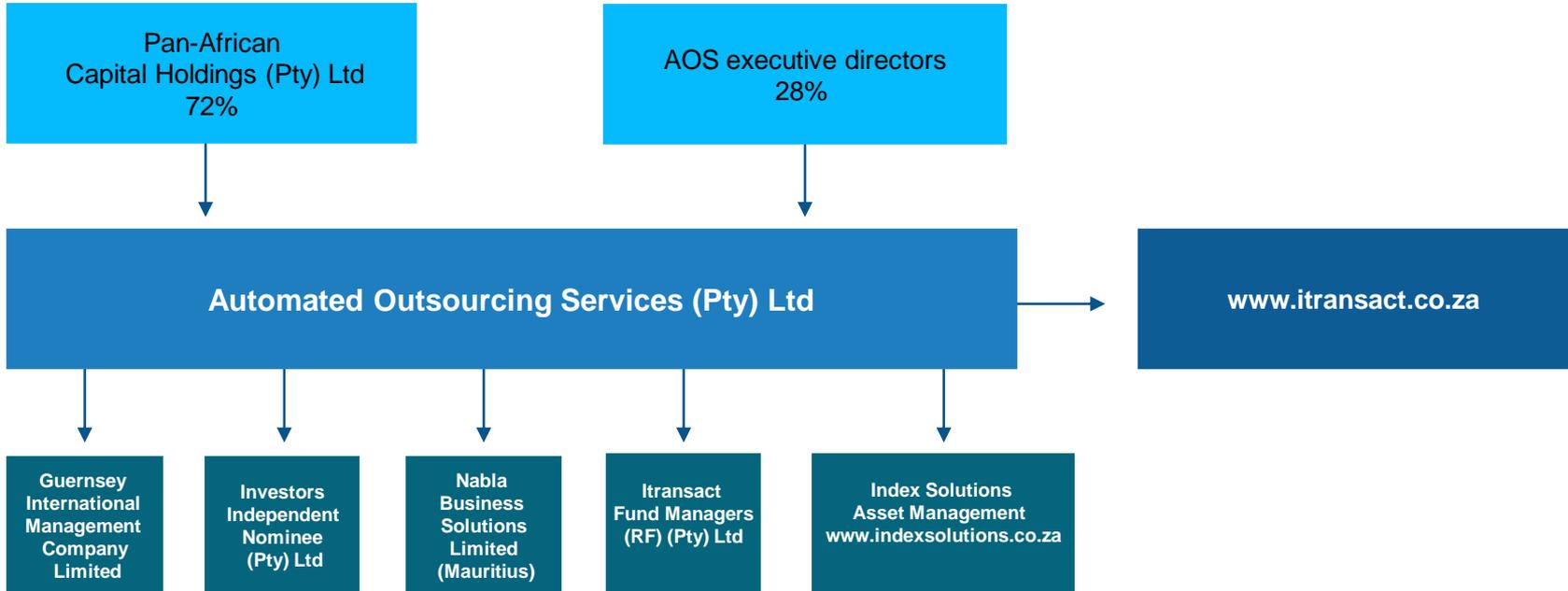
Automated Outsourcing Services (AOS)

AOS is a black-owned independent third-party fund administration and financial services company with offices in South Africa, Guernsey and Mauritius.

1. Established in **1997**
2. Combined assets under administration of **R130bn**
3. **22** Institutional clients
4. Administers over **250 retail and institutional funds**
5. Administers over **500 000 client records**

AOS provides customised fund administration, business and technology solutions on an outsourced basis to its local and international clients through exceptional service and technology.

AOS group structure





- Offer appropriate products to investors to meet their needs: innovative structured products that deliver growth and income in a tax-efficient wrapper.
- Access statements and online administration from Itransact.



Product promotion, financial adviser support and service



Adviser support

1. Partner with you
2. Offer superior service and assistance where required
3. Arrange product launches
4. Accreditation available on all BNP products
5. Developing a SIP Nordic SA Academy for Structured Products
6. www.sipnordic.co.za

Contents

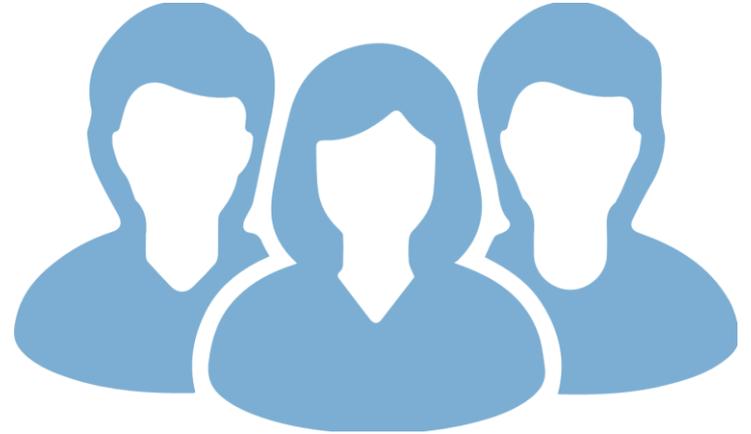
1. Introduction
2. About us and our partners
- 3. Meet the team**
4. What we offer matched to client needs
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Meet the team

Our team

1. Peter Steele
Managing Director
2. Graziella Wall
*Business Development Manager,
Cape Town, Southern Cape and Eastern Cape*
3. Leanne Weiss
Business Development Manager, KZN
4. Selest Hinton
Business Development Manager, Gauteng
5. Mariam Mathews
Operations Manager



Meet the team



Peter Steele
Managing Director

- As MD, Peter's goal is to establish SIP Nordic SA as the provider of choice for structured products in South Africa. Unlike traditional investments, structured products provide market exposure and capital protection, which makes them very appealing in times of uncertainty.
- Peter's career in the financial services industries in both South Africa and Zimbabwe spans more than 30 years. Most of this time he spent in sales management, establishing distribution channels for some of the leading asset managers. These include TMA, Absa Investment Management Services, Cadiz Asset Management, Sasfin, and Northstar Asset Management.

Meet the team

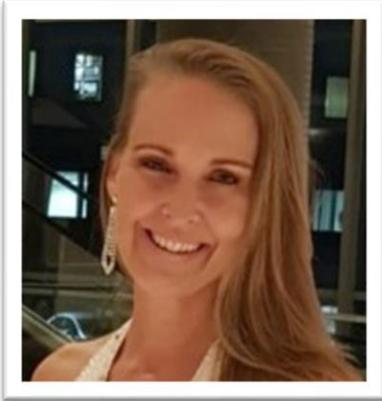


Graziella Wall CFP®

Business Development Manager - Cape Town, Southern Cape and Eastern Cape

- Graz is committed to cultivating and sustaining meaningful, long-term relationships with clients.
- She has extensive knowledge of and experience in the financial services industry in South Africa, in which she has been involved for almost 30 years. Graz has a passion for investments and structured products and before joining SIP Nordic SA, she gained valuable experience at Stanlib, Blue Horizon and Cadiz Asset Management.

Meet the team

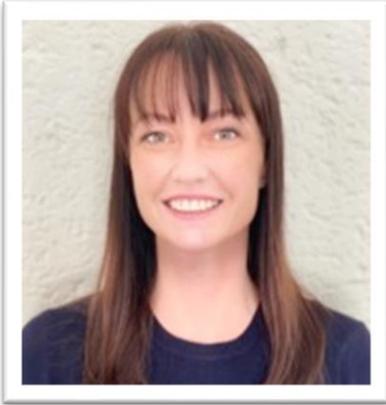


Leanne Weiss

Business Development Manager - KwaZulu-Natal

- Leanne's focused efficiency, people-centred approach and contagious enthusiasm is key to her building strong relationships with adviser investment businesses.
- She has over three decades' experience in financial services, including over 18 years in the investment industry during which time she acquired extensive knowledge of both local and international markets. She holds a marketing degree and a Higher Diploma in Financial Management.
- She has held distribution and business development management positions at UAL Merchant Bank, Ovation Global Investments, Franklin Templeton USA, a joint venture between Franklin Templeton and Nedbank Investment Bank (FTNIB) and Discovery Invest.

Meet the team



Selest Hinton

Business Development Manager - Gauteng

- Selest has over 12 years' experience in financial services and has always been passionate about partnering with financial advisers and intermediaries to provide the best solutions for investors.
- Before joining SIP Nordic SA, she held consultant and business development manager positions at Cadiz Asset Management, Discovery, Momentum and Nedgroup Investments.
- She has a BComm degree in Risk Management and an Advanced Certificate in Financial Planning.

Meet the team



Mariam Mathews
Operations Manager

- Mariam's role as operations manager is to develop a culture of top performance and high morale within the SIP Nordic SA team.
- Mariam has more than 20 years' experience in the financial services industry and has a reputation for client service excellence. During this time, she has filled various roles including sales support, client service consultant and more recently, that of client relationship manager. Mariam has worked at some of South Africa's leading asset management companies, including Sanlam, Cadiz Asset Management and Metropolitan.
- Mariam has a BA degree in psychology.



- Get advice about what is appropriate for them.
- Invest in innovative structured products that deliver growth and income in a tax-efficient wrapper from Guardrisk.
- Can access statements from Itransact.
- Benefit from the expertise and experience of:
 - BNP Paribas
 - SIP Nordic
 - Guardrisk



Product promotion, financial adviser support and service



Contents

1. Introduction
2. About us and our partners
3. Meet the team
- 4. What we offer matched to client needs**
5. Five reasons to partner with us



What we offer matched to client needs

What we offer

Benefit from market-generated income or capital growth and protection from market falls, structured within a tax-efficient endowment

With innovative structured products, we provide clients with:

1. Exposure to a market index that generates income or capital growth
2. Capital protection from market falls
3. Tax-efficient outcomes

What we offer

Lookback Enhanced Growth

(Geared growth + capital protection)

Summary	Geared growth from exposure to the US equity and Treasury bond markets with a volatility control mechanism and capital protection over five years.
Investment objective	<ul style="list-style-type: none">• Enhanced index performance, where positive index performance is multiplied by the geared percentage participation level and added to the initial capital invested over a five-year term.• An optimised exposure to the index, as you benefit from the highest level reached during one of the five lookback dates.• 100% capital protection regardless of index performance.
How it works	<ol style="list-style-type: none">1. Invest for five years and access tax-efficient capital growth.2. Capital is repaid after five years plus with geared exposure to the upside of the underlying index.3. Five annual lookback dates to optimise exposure to the index.4. No exposure to index falls, capital is protected.
Risks	<ul style="list-style-type: none">• Liquidity risk• Index risk• Issuer counterparty risk• No currency risk as the investment is denominated in ZAR
Index exposure	NYSE Pure Sector Rotation Index (Bloomberg code: PURES5 Index) A potential return in ZAR linked to the performance of the index, which is made up of US listed stocks from the best-performing sectors in the US equity market. The index takes additional exposure to the overall US equity market and US Treasury bonds to maximise return and balance risk.
Minimum investment	R100 000



What we offer

Tandem

(Geared growth plus 50% liquidity after a year)

Summary	Geared growth from exposure to a global index of sustainable development companies, 50% of your capital back plus a guaranteed fixed income return after a year, and capital protection over five years.
Investment objective	<ul style="list-style-type: none">• Geared capital growth from a global index over a five-year term.• Access to 50% of your capital plus a guaranteed fixed income return after a year.• 100% capital protection regardless of index performance.
How it works	<ol style="list-style-type: none">1. After one year you will receive a guaranteed fixed return based on 50% of your initial investment plus 50% of your investment amount back.2. After five years you will receive the remaining 50% of your investment amount back plus geared participation in the index growth.
Risks	<ul style="list-style-type: none">• Liquidity risk• Index risk• Issuer counterparty risk• No currency risk as the investment is denominated in ZAR
Index exposure	Solactive Sustainable Development Goals World RC 8 EUR Index (Bloomberg code: SOGOALEU Index) The index offers diversified exposure to companies worldwide that contribute to the sustainable development goals through their involvement in sustainable products and leading sustainable behaviour, as well as a volatility (risk control) mechanism.
Minimum investment	R100 000



What we offer

Autocall France Germany Certificate (USD)

(High coupon payment)

Summary	A potential coupon payment and capital repayment based on the upside exposure to an index of the top 25 French and top 25 German stocks.
Investment objective	<ul style="list-style-type: none">• A high coupon return in US dollars linked to the performance of an index that includes top-performing stocks in Germany and France.• The possibility of automatic early termination at the end of each year, at which time the initial investment is repaid plus a conditional coupon for each year that the money has been invested.
How it works	<ol style="list-style-type: none">1. The term of the investment is 5 years.2. The Autocall pays a fixed coupon p.a. in USD if the index is flat or above the initial index on an automatic call date.3. The automatic call dates are in years 1, 2, 3, 4 and at maturity.4. The maximum return in year 5 would be 5x the fixed coupon rate in USD plus capital back.5. 100% downside protection on expiry, provided that the index does not end below the barrier level (set at 70% of the initial index level).
Risks	<ul style="list-style-type: none">• Liquidity risk• Index risk• Issuer counterparty risk• Currency risk should the funds be repatriated (USD-based investment)• Capital risk
Index exposure	Euronext® France Germany Leaders 50EW Decrement 5% Index (Bloomberg code: EFGED Index) The index is an equal-weighted index that reflects the performance of the top 25 stocks from both countries based on free float market capitalisation.
Minimum investment	R100 000 USD equivalent





Product promotion, financial adviser support and service

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- Markets the product to advisers.
- Advisers have access to dedicated, ongoing support from SIP Nordic SA.

Contents

1. Introduction
2. About us and our partners
3. Meet the team
4. What we offer matched to client needs
- 5. Five reasons to partner with us**

5 reasons to partner with us



Solutions for market volatility

Get the best of both worlds, with potential upside from global and local indices and protection from some or all of the downside risk.



Innovative but easy-to-understand products

A simple range of products that meet clearly defined investor income or capital growth needs.



A network of best-in-class partners

Access to international, specialist expertise, systems and technology.



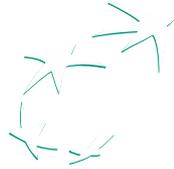
Personal service and a well-known South African team

A dedicated team who is committed to your success.



Comprehensive support

We will be launching an academy that will be the first of its kind in South Africa to provide training on structured products.



BNP PARIBAS

DISCLAIMER:

- Potential investors should note that in purchasing any product described in this document, you will be purchasing from Itransact as principal and not as agent for BNP Paribas or any of its affiliates.
- You therefore will not have any contract with, or recourse to, BNP Paribas or its affiliates.
- Potential investors should also note that this document is the sole responsibility of SIP Nordic South Africa and that BNP Paribas and its affiliates take no responsibility for the reliability, accuracy or completeness of its contents, any representations made herein, the performance of the product or the marketing of the product including compliance with any applicable marketing or promotion laws, rules or regulations.
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