

6 December 2021

Sanlam concludes agreements on Individual Client Administration and Large Retirement Fund Administration transactions with Alexander Forbes

Sanlam today announced it has concluded agreements with Alexander Forbes on two transactions involving Alexander Forbes' Individual Client Administration operations (the AFICA group) and Sanlam's large stand-alone employee benefits (EB) retirement fund administration business.

In the AFICA group transaction, Sanlam will pay R200 million for Alexander Forbes' individual client administration business, which will become part of Glacier by Sanlam (Glacier), a wholly owned subsidiary of Sanlam. Under the EB transaction, Sanlam will sell its large stand-alone retirement fund administration operations (excluding the administration of its commercial umbrella fund and large industry umbrella funds), to Alexander Forbes for R154 million.

The proposed transactions will enhance Sanlam's competitiveness through increased scale and present Alexander Forbes' individual clients with a modernised customer experience, enhanced administration, and user functionality, enabled by Glacier's technological capabilities. In addition, Alexander Forbes' comprehensive set of individual client products covering both retirement and savings will be administered on the Glacier investment platform.

Sanlam has made the strategic decision to sell its operations in large stand-alone retirement fund administration to focus on areas it considers key to its future positioning. These areas include umbrella fund administration, group risk underwriting, investment management, life investments, consulting services, and health solutions.

Sanlam identified Alexander Forbes as the most suitable buyer for the EB stand-alone administration operations due to its expertise in fund administration as well as its scale, which is required to compete in this segment into the future. Alexander Forbes understands the value proposition that Sanlam has delivered to its clients and employees and will ensure the continuity and enhancement of this proposition into the future.

Sanlam Group CEO, Mr Paul Hanratty said: "These transactions support Sanlam's strategy to strengthen our position in South Africa. They will build on the acquisition of Alexander Forbes' Group Risk business announced earlier this year and allow Sanlam to focus on providing sound advice and excellent products for customers backed by the strongest possible balance sheet. At the same time our administration clients can continue to look forward to excellent service from Alexander Forbes, whom Sanlam regard as market leaders in this area.

Dawie de Villiers, CEO of Alexander Forbes, says: "Our Board and executive are excited by the opportunities that will be unlocked through the modernised digital capabilities now available to our financial advisers coupled with our larger retirement fund membership base. The Proposed Transactions

accelerate our transformation towards becoming the most impactful provider of financial advice to retirement fund members in South Africa.”

The effective date of the transactions will depend on the fulfilment of certain conditions, including regulatory approvals, and is expected to occur during the first half of 2022.

ENDS

Issued by Sanlam Group Communications

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About Sanlam Group

Sanlam is a pan-African financial services group listed on the Johannesburg, Namibian and A2X stock exchanges. Through its clusters: Life and Savings encompassing Retail Mass, Retail Affluent and Corporate business units; Sanlam Emerging Markets; Sanlam Investment Group; and Santam, the Group provides comprehensive and bespoke financial solutions to institutional clients and consumers across all market segments. Sanlam's areas of expertise include life and general insurance, financial planning, retirement, investments, and wealth management.

Established in 1918 as a life insurance company, Sanlam has evolved into the largest non-banking financial services group in Africa through its diversification strategy.

Headquartered in South Africa, Sanlam has a direct stake in financial services entities in Namibia, Botswana, Swaziland, Zimbabwe, Mozambique, Mauritius, Malawi, Zambia, Tanzania, Rwanda, Uganda, Kenya, and Nigeria. The Group has a footprint of insurance operations in Morocco, Angola, Algeria, Tunisia, Ghana, Niger, Mali, Senegal, Guinea, Burkina Faso, Cote D'Ivoire, Togo, Benin, Cameroon, Gabon, Republic of the Congo, Madagascar, Burundi, and Lesotho.

Sanlam also has business interests in India, Malaysia and the United Kingdom and a niche presence in selected developed markets.

For more information on Sanlam, visit www.sanlam.com

About Alexander Forbes

Alexander Forbes is a financial services group that impacts people's lives by delivering insight and advice to individuals, employers, and retirement funds. Alexander Forbes is listed on the Johannesburg Stock Exchange. For more information on Alexander Forbes, visit www.alexanderforbes.co.za