

# Sanlam Investment Holdings (SIH) acquires Absa's investment management business

1 December 2022

In October 2021 Sanlam, Africa's largest non-banking financial services group, and Absa, one of Africa's largest diversified financial services groups, announced the combination of their investment management businesses. The transaction has resulted in an asset management company with assets under management, administration and advice in excess of R1 trillion, consolidating SIH's position as one of the largest B-BBEE asset managers in South Africa. We are pleased to announce that all the suspensive conditions have been successfully met.

Following the conclusion of the transaction Sanlam Investment Holdings will still consist of a traditional active manager business, a multi-manager business, a collective investments business, an alternative investments business, and South Africa's leading index tracking business, Satrix. The transaction also includes Absa's linked investment services platform (AIMS), which will be integrated with Glacier.

*The Sanlam Investments Multi-Manager research team provides manager research capabilities to Glacier Invest as its investment partner. For more on Glacier Invest, visit [glacierinvest.co.za](https://glacierinvest.co.za).*

## Why have we considered this venture?

We are always looking for ways to sustain growth by creating efficiencies that benefit clients. In today's market, increased scale is necessary to consistently drive positive client outcomes within a stable and sustainable business model that is able to face the most challenging market environment.

The acquisition of Absa Investments will equip us with the scale to become more competitive, and successfully respond to the cost and market pressures challenging our industry today and well into the future. It will enable us to invest more broadly in Environmental, Social and Governance (ESG) integration, research and technologies, providing us with the data and systems to enable you as asset custodians in an environment where regulation is becoming more prescriptive.

This transaction presents an exciting growth opportunity for our business as well as for our

intermediaries and clients.

Clients will enjoy access to a broader range of solutions leveraged by best-of-breed platforms delivering more innovative and competitive services. The scale and enhanced efficiencies post this transaction will make our business more resilient in the face of industry challenges and fast-track our journey of building sustainability into our business model. The combination of Sanlam and Absa's distribution capabilities will also enhance our reach, thus deepening financial inclusion. At the same time, staff will grow their skills across a much broader and agile business supported by more data providing deeper client insight.

Nothing will change for SIH, but we do recognise that there may be concerns about the continuation of your portfolio, its management, pricing and construction as well as how you will continue to interact with us going forward.

We value you and are committed to keeping you informed of changes as we forge this exciting relationship over the next few months.

## Timing of the deal

The effective date will be 1 December 2022.

## Communication to your clients

We assure you that client centricity remains the bedrock of our culture and informs everything we do. Our promise is to remain committed to supporting you while looking forward to improving the scope and quality of our service once this transaction gains traction.

We thank you for entrusting us with your clients' investments. There is no doubt that this important transaction will extend our leadership in the industry, and we are excited about the opportunity that this transaction presents to secure both your and your clients' futures.

Should we receive direct queries from clients regarding this deal, we will keep them informed as new information becomes available.

Please contact your account executive with any queries or concerns.

Glacier Financial Solutions (Pty) Ltd is a Licensed Discretionary Financial Services Provider, trading as Glacier Invest FSP 770.

Sanlam Multi Manager International (Pty) Ltd FSP 845 is a Licensed Discretionary Financial Services Provider, acting as a Juristic Representative under Glacier Invest.

As a Juristic Representative of Glacier Invest, Sanlam Multi-Manager International (Pty) Ltd manages the retail investment solutions.

Sanlam Investments consists of the following authorised Financial Services Providers: Sanlam Investment Management (Pty) Ltd ("SIM"), Sanlam Multi Manager International (Pty) Ltd ("SMMI"), Satrix Managers (RF) (Pty) Ltd, Graviton Wealth Management (Pty) Ltd ("GWM"), Graviton Financial Partners (Pty) Ltd ("GFP"), Satrix Investments (Pty) Ltd, Amplify Investment Partners (Pty) Ltd ("Amplify"), Sanlam Africa Real Estate Advisor Pty Ltd

("SAREA") and Sanlam Asset Management Ireland ("SAMI"); and has the following approved Management Companies under the Collective Investment Schemes Control Act: Sanlam Collective Investments (RF)(Pty) Ltd ("SCI") and Satrix Managers (RF)(Pty) Ltd ("Satrix").

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