



**Live with
confidence**

Leading ESG
in Africa's
insurance industry

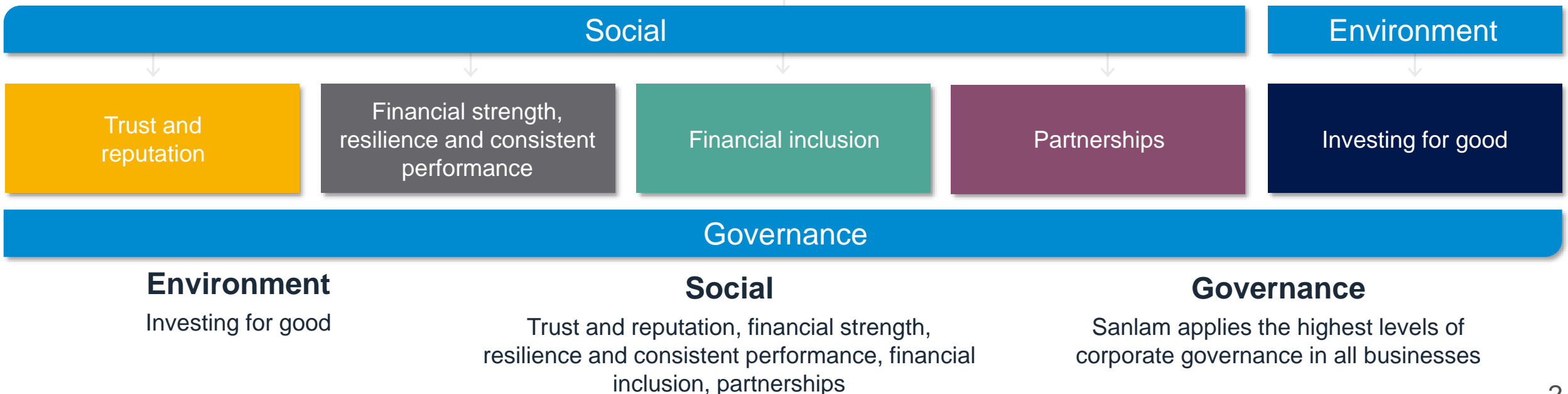


Financial Planning | Investments | Insurance | Health | Retirement | Wealth



Sanlam sustainability overview

Sustainability is integrated into Sanlam's strategy and business where we focus on the areas that provide the biggest opportunity for sharing Sanlam's core strengths for the benefit of all stakeholders

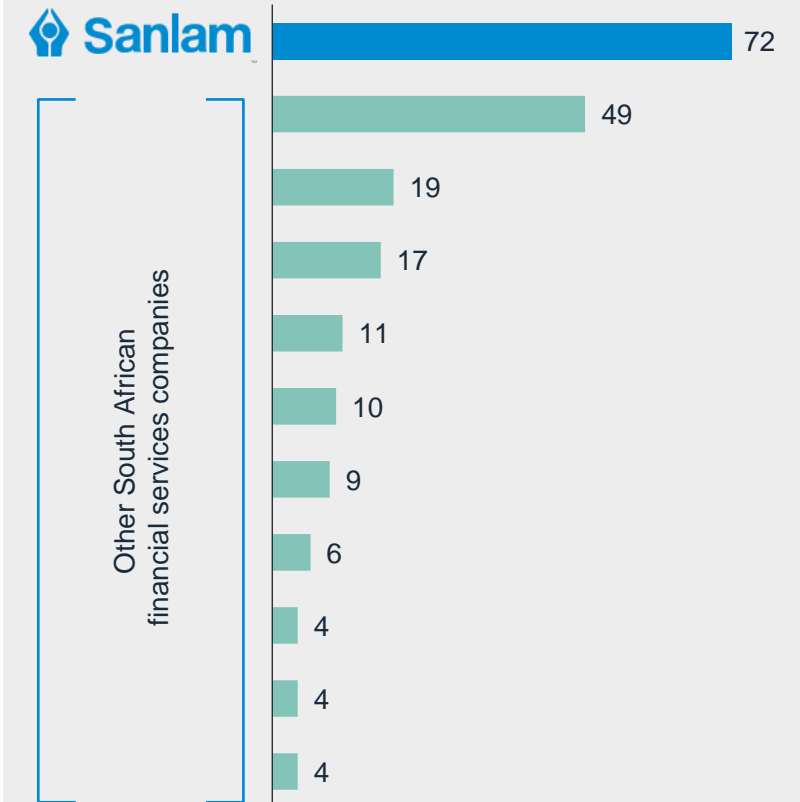




Retaining customer trust and protecting our reputation

- Leading reputation in financial services industry
 - Reputation built over 104-year history of empowering generations to be financially confident, secure and prosperous
 - DNA of a mutual insurance company - built by policyholders for policyholders
 - Strong focus on customer - Board sub-committee focusing specifically on customer interests and fair treatment of customers (Sanlam Customer Interests Committee)
- Robust regulatory oversight supports customer trust
 - Prudential and market conduct oversight (twin peaks), conglomerate supervision ensures standards applied across all our businesses and geographies
 - Sanlam operates above minimum regulatory standards
- Securing data and digital assets
 - Group Technology and Digital councils established to oversee cybersecurity and data protection, audit oversight provides independent assurance

Reputational leaderboard rated by external stakeholders*



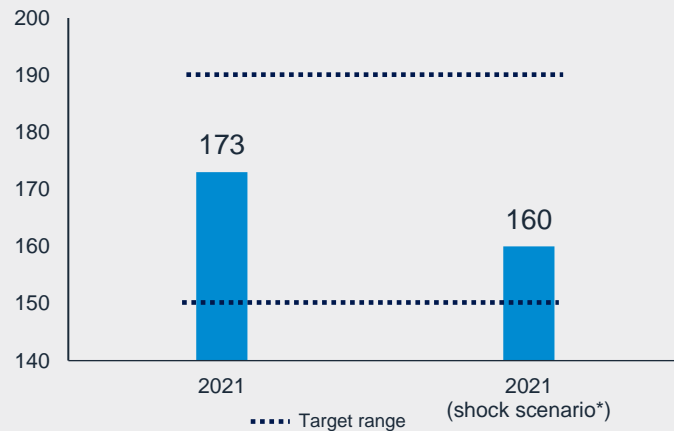
* 2021 Globescan survey: % of respondents who rated each brand as having the best reputation



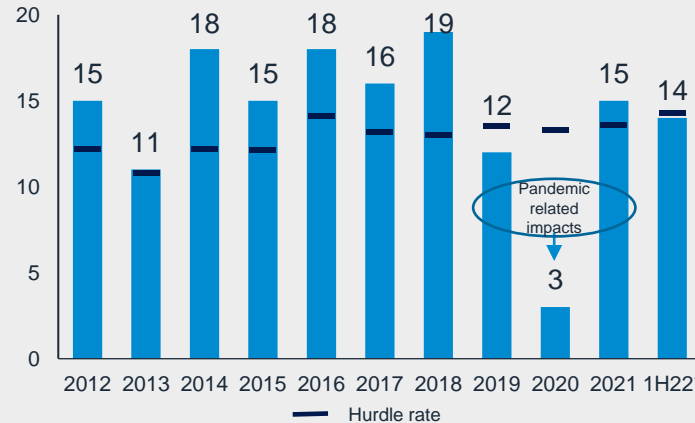
Financial strength, resilience and consistency

- RoGEV > hurdle rate in eight of past 10 years, strong cash generation underpins dividend growth
- Robust capital position, remains within target range under shock scenario
- Prudent accounting and actuarial reserving practices
- Only SA insurer with specific pandemic reserves and significant discretionary margins to absorb impact of the COVID-19 pandemic on operating earnings
- Strengthening of the mortality basis in 2021 allows rebuilding of pandemic reserve
- No material impacts on group financial strength from implementation of new accounting standard (IFRS17)

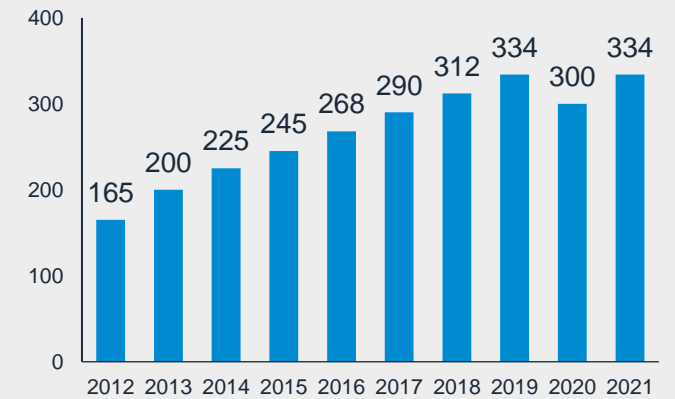
Group SCR cover ratio (%)



Adjusted RoGEV^ (per share) (%)



Dividend (cps)



* Equities decline by 30% and implied equity volatility increases by 25%, Property values decline by 15%, Fixed interest yields and inflation-linked real yields increase or decrease by 25% of the nominal or real yields
Emerging market currencies decline by 20% against developed market currencies, Credit spreads widen by 1%

^ Return on Group Equity value

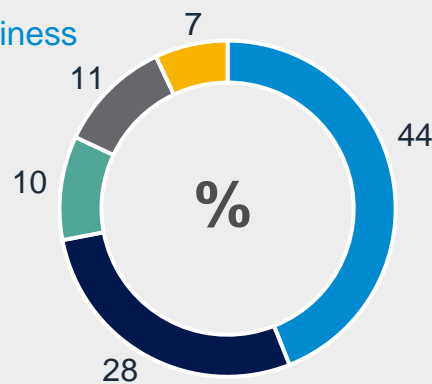


Financial strength, resilience and consistency continued

- Diversified by product and geography which supports resilience
- Well positioned for new macro environment of higher inflation and interest rates
 - Predominance of real assets on balance sheet, fixed interest exposure limited to covering fixed liabilities
 - New business contribution and margins have been stable through economic cycles
 - Existing provisions in value of in-force for weakening persistency
 - Strong management of operational costs and increased digitalisation to offer clients better value

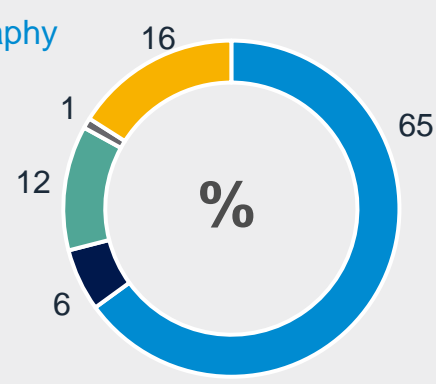
Split of enterprise value (1H22)

Line of Business



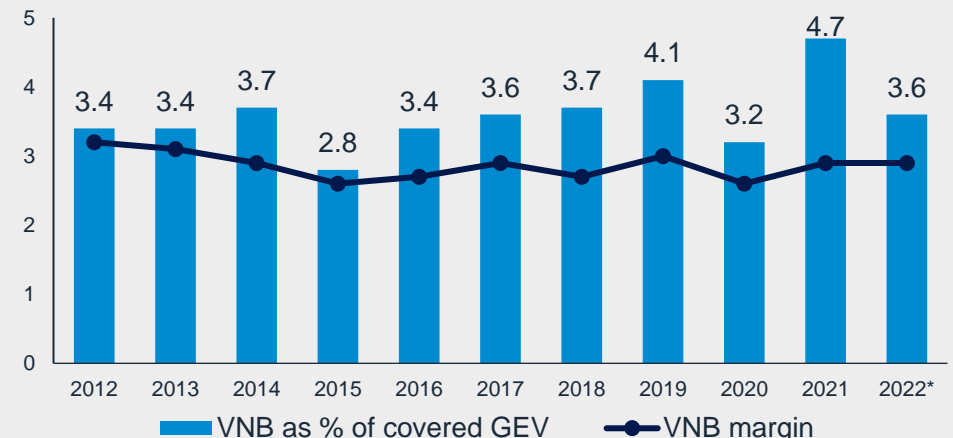
- Life Insurance
- General Insurance
- Asset Management
- Credit and Structuring
- Other

Geography



- South Africa
- Southern Africa
- North and West Africa
- East Africa
- India and other

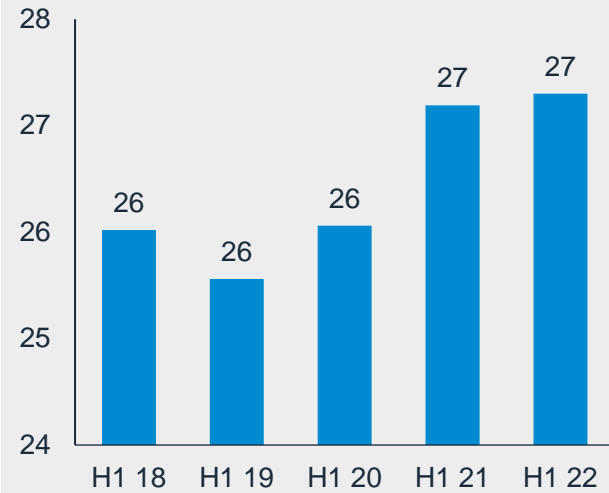
VNB and margin trends (%)



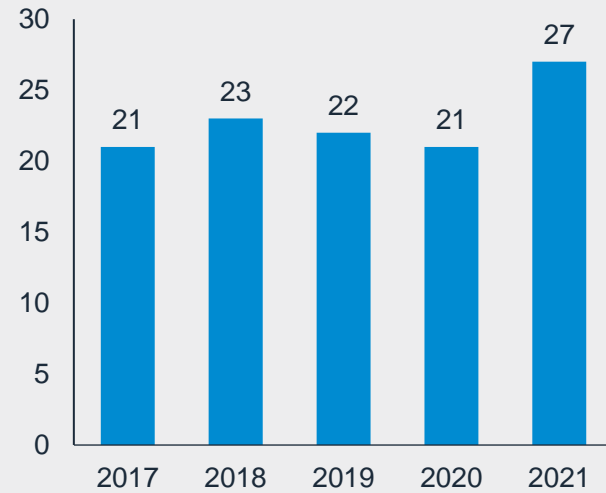


Financial strength, resilience and consistency continued

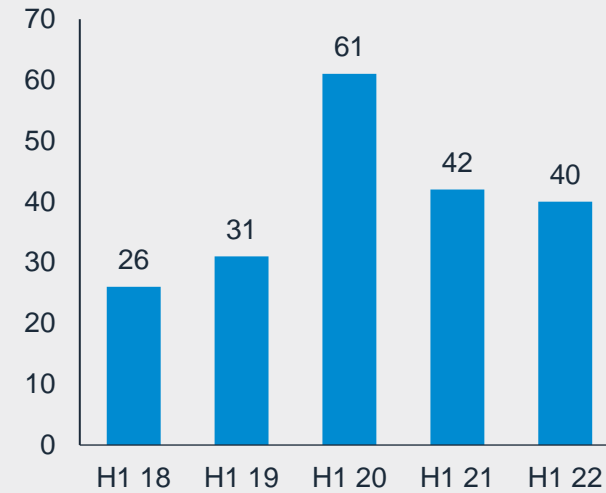
SA life insurance new business APE retail market share* (%)



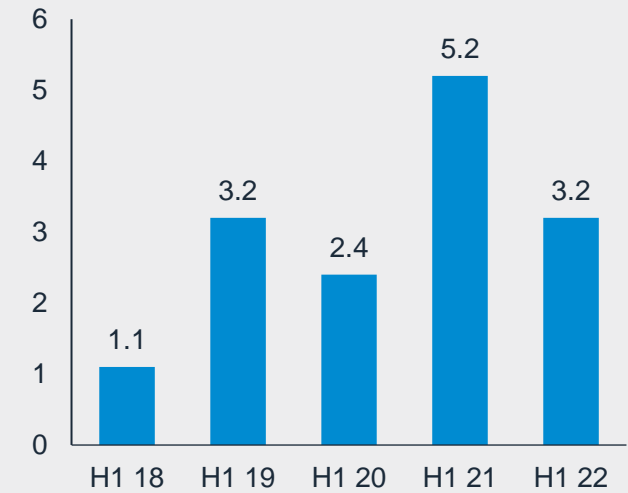
SA life insurance Group Risk premium volume market share (%)#



SA net value of new business market share* (%)



Sanlam Investments NCCF^ as % of AUM



- Sanlam has leading market shares in retail and group life insurance in South Africa
- Sanlam Investments has shown consistent net client cash inflows

Source: Sanlam
 # Swiss Re 2021 Group Volume Survey (2021 includes AlexForbes Life)
 * June 2022 UBS market share monitor, new business annual premium equivalent (APE) relative to Old Mutual, Discovery, Liberty and Momentum Metropolitan, APE = annual premium equivalent (recurring premiums + 10% single premiums)
 ^ net client cash flow annualised



Enabling financial inclusion and education



South Africa

- High quality adviser base of almost 7 000 with industry leading retention
- Wealth Bonus creates long-term value for clients and supports persistency
- Satrix Access range makes it possible to invest – no minimum investment amounts support financial inclusion



Pan Africa

- Over 8 000 agents advising our clients
- MTN partnership increases reach and scale with products offered through mobile phones from as little as 25 US cents (four million policies issued)
- Allianz partnership* will have leading credit rating and skills to capture large specialist business



India

- Shriram promoting financial inclusion across the entry-level market
- Focus on under penetrated second and third tier semi-urban and rural areas, customer-centric and community-led approach
- Robust ecosystem through financing and insurance that encourage cross-sell, while diversifying distribution and using strong digital platforms

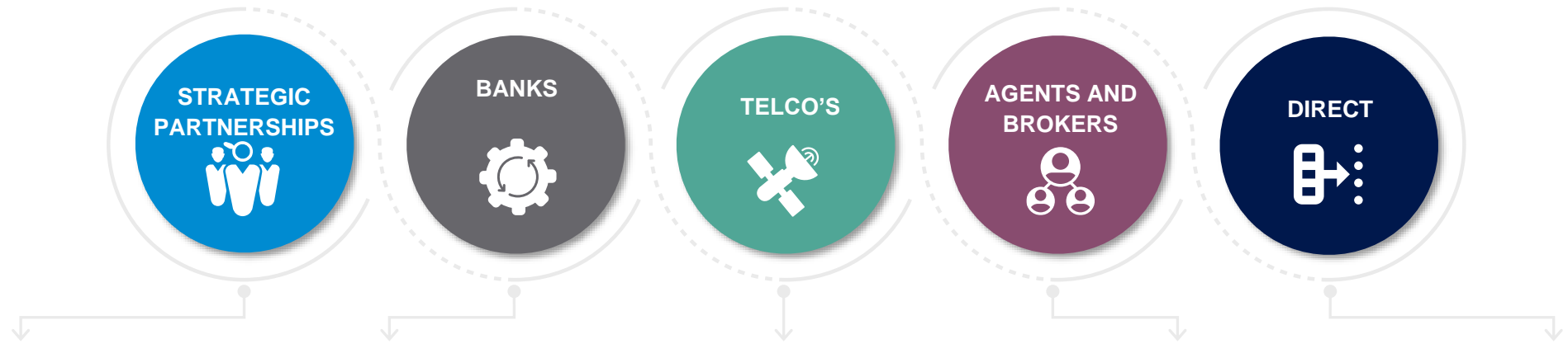
Sanlam Foundation

- Driving financial education and social upliftment in partnership with Ubuntu-Botho
- R593 million invested in communities since 2011
- 2.8 million reached through consumer financial education programmes
- Significant procurement spend with black owned businesses
- Activities extend across Africa, Ennajah Foundation in Morocco

- Touching more than 20 million lives across Africa and India – target to reach 50 million by 2025
- Serving and uplifting communities in more than 30 countries
 - Increasing penetration of insurance products – penetration remains below 3% in most markets in which we operate
 - Serving all market segments with appropriate and affordable products
 - Full suite of financial products – insurance, savings, healthcare, credit, advice and financial planning, mobile payments through MTN capabilities

* Subject to regulatory approval

Enhanced client reach and engagement through strategic partnerships



ARC

Broad-based empowerment in South Africa

Allianz

Partner on the African continent outside of South Africa

SHRIRAM Capital

India

AfroCentric GROUP

Healthcare

Absa for scale in South African asset management and expanded distribution

And other banking partners across the Africa continent

Partnering with the largest mobile operator in Africa

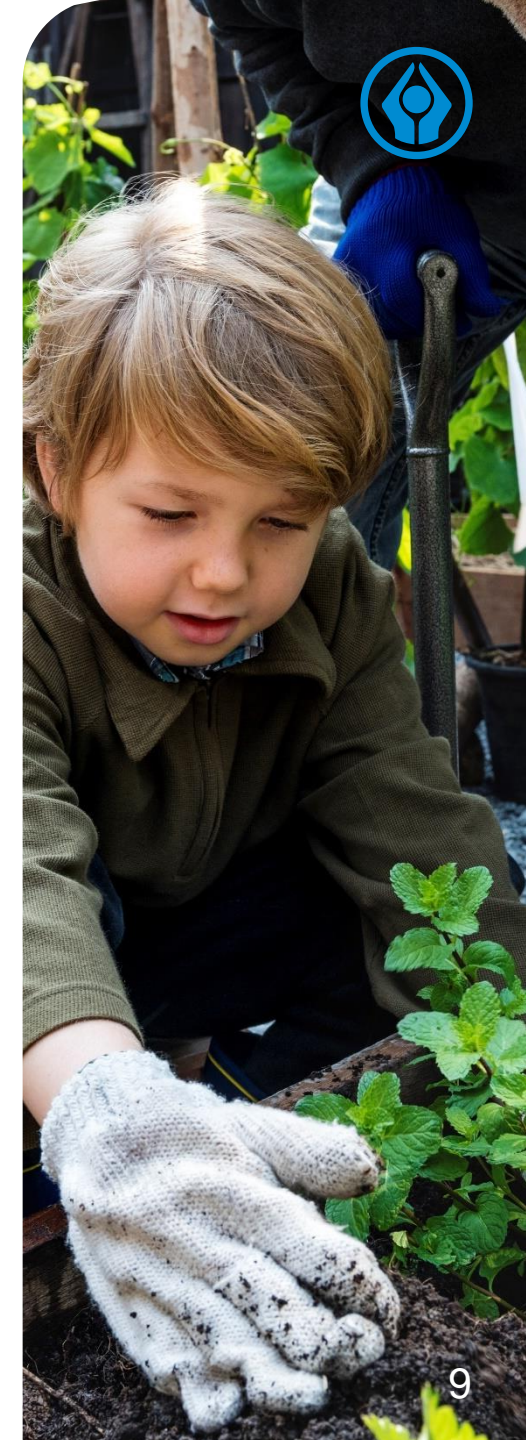
Access to more than 60 million active mobile money users, **more than 200 million clients**

Sanlam uses a vast network of tied agents and independent brokers across the African continent and through Shriram in India

Digital businesses to be leveraged in new business models

Direct selling through partnerships with retailers

- Continue to defend against new entrants by investing in new business models and entrepreneurs to disrupt ourselves
- Through partnerships we are able to acquire customers at lower cost than traditional channels
 - MTN aYo has over 4 million active customers, through Capitec partnership we reached over 2 million clients, Allianz brings 2 million customers in Africa, Easy Equities over 700k active clients, Indie and MiWay Life grown to over 80k clients



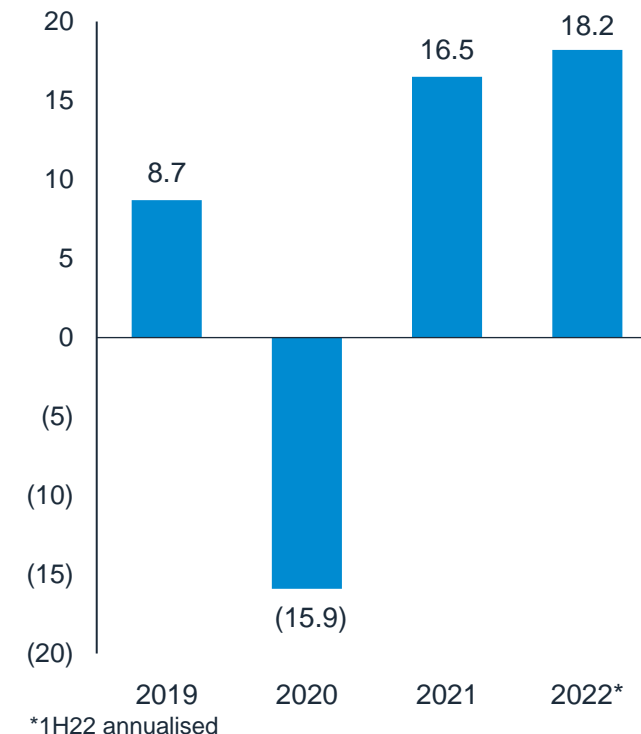
Shareholders capital allocation

- Continued focus on disciplined capital allocation according to our strategic framework
- Recent strategic activity strengthened our business with minimal capital outlay while releasing significant discretionary capital
- Strength of Pan-African operations key to Allianz partnership
- Returns from diversification initiatives improving, strong recovery in returns from Sanlam Emerging Markets (SEM)

Recent transactions show capital discipline

Allianz JV	➤	• No outlay of cash
Sanlam investment into ARC Financial Services	➤	• No outlay of cash
Absa Financial Services transaction	➤	• No outlay of cash
Shriram restructure Shriram General/KKR transaction	➤	• No cash outlay • Significantly above Sanlam valuation
ARC investment into Sanlam Investments	➤	• Received cash of R817 million
MTN partnership	➤	• Investment of \$55 million
Sanlam UK exits	➤	• Realised proceeds of some R5 billion
Alexander Forbes transactions	➤	• Cash outlay of R150 million
Balance sheet optimisation	➤	• Released R1 billion of capital from core life insurance operations

SEM (non-covered) adjusted RoGEV (%)

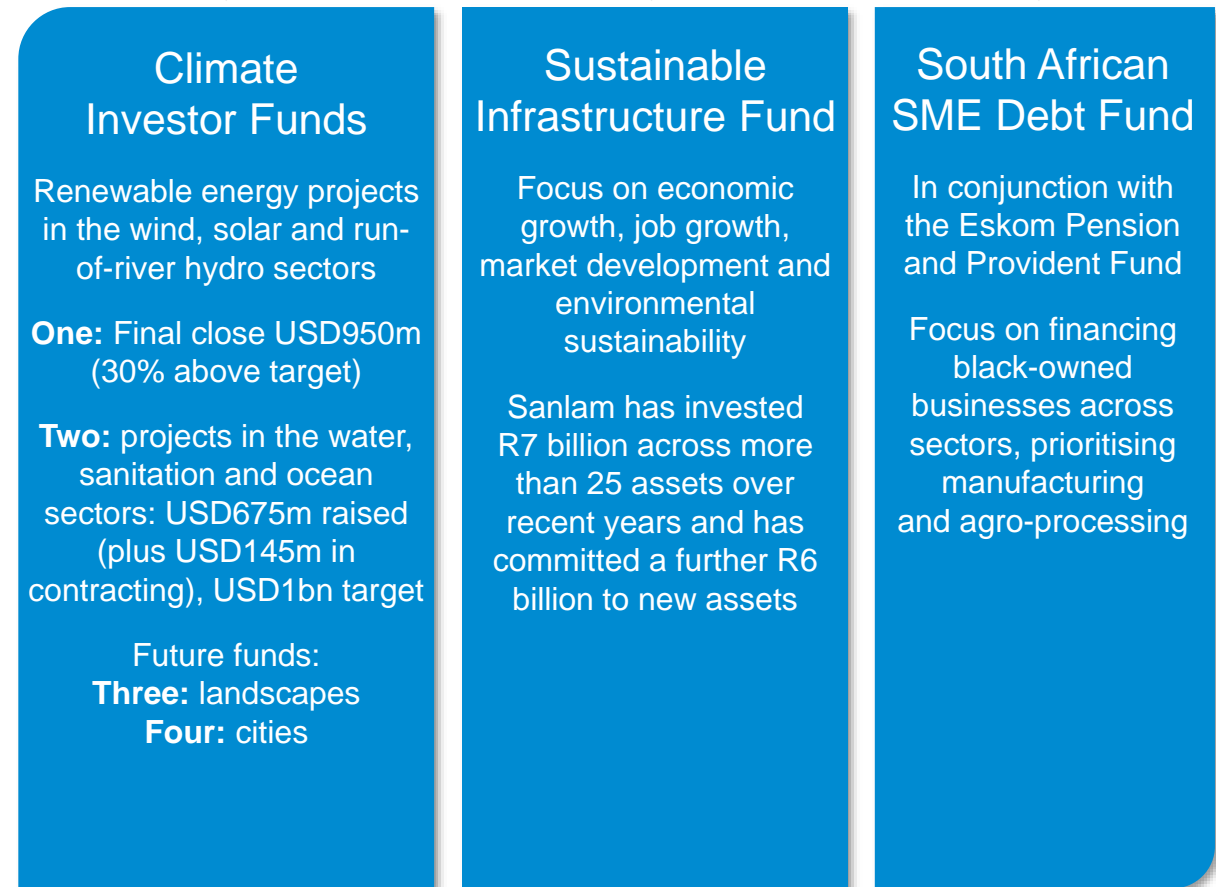




Investing for good - climate and people

- Creating wealth, investing in job creation, reducing inequalities and combatting climate change
- On track to impact over 27 000 lives with our Investors' Legacy partners
 - Committing R2.25 billion into new investment strategies aligned with the core impact theme of job preservation and creation
- Raising and deploying innovative investment vehicles to mitigate and adapt to climate change
 - Climate Fund Managers responding to the climate crisis by structuring and managing a series of blended finance vehicles, each focused on key thematic areas of climate change mitigation and adaptation
- ESG leader in asset management through Robeco partnership
- BEE credentials – one of the largest black owned asset managers
- Sanlam partnership with WWF-SA for nature, Sanlam Gauge and Sanlam ESG Barometer
- We are in the process of finalising our policy position on Climate Change and Fossil Fuel Investment (to decarbonise our investment Portfolio) by end of 2022

Our latest local impact strategies



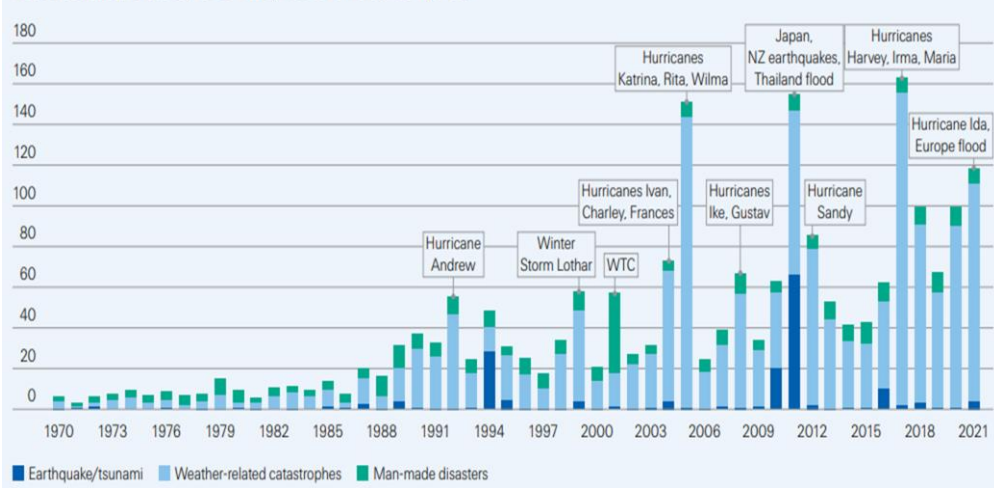


Elevated natural catastrophes (NATCAT) globally

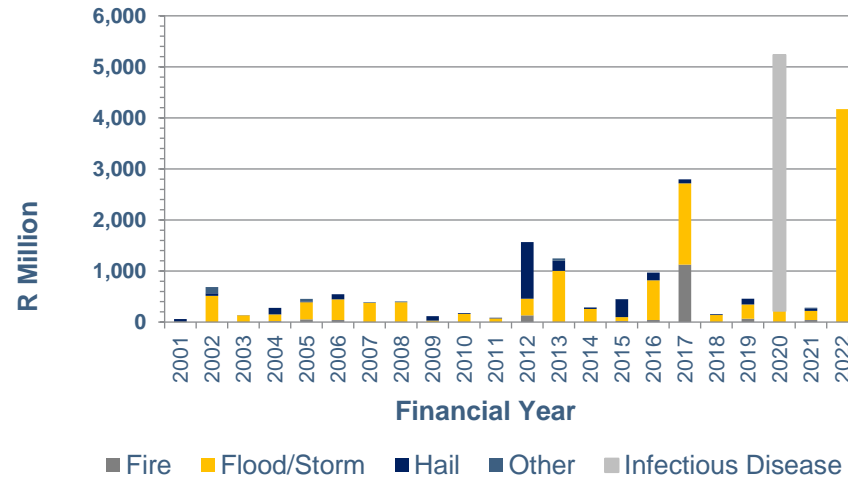
Global Insured Losses

Source: Swiss Re

Insured catastrophe losses, 1970–2021, in USD billion at 2021 prices



Santam' Gross Total Catastrophes Claims



All years expressed in equivalent values as at 30 June 2022

- Global NATCAT losses stood at \$35 billion as at June 2022, 10% above the 10-year rolling average, climate change and poor infrastructure leading causes of the increase in NATCAT losses
- KwaZulu-Natal (KZN) insured losses estimated at around \$2bn (R32 billion) and is the largest NATCAT insured loss in South Africa's history
- Santam NATCAT loss topped R4.4bn, the largest in Santam history, however, peer comparison shows Santam KZN NATCAT exposure to be below average - net loss from KZN is just over 12.6% (R556m of R4.4bn)
- Santam bears an appropriate share of the loss, making it attractive as an underwriting partner to reinsurers



Building and partnering for resilience

- Through the Partnership for risk and resilience (P4RR), Santam plays an active role in partnering with municipalities to reduce fire, flood and drought risk of vulnerable South Africans
 - Increases resilience of vulnerable communities to disasters
 - Enhances institutional capacity of municipalities to manage disaster risks
 - To date supported 82 municipalities across South Africa
- Santam also supports municipalities to improve and enhance their climate change adaptation plans through Greenbook initiative
 - Provides evidence to South African municipalities to adapt their cities and towns to current and future climate change impacts based on their risk assessment
- Underwriting team carries out flood risk assessments in selected areas and geocodes insured properties, strengthening understanding of risks and informing the insuring thereof
- Partnering with leading organisations and adopting best practice in responding to climate change
- Funding supplier development and the transition towards a low carbon economy - Santam Resilient Investment Fund
- Specialist Business provides insurance cover for the renewable energy sector in South Africa and across Africa



People, Diversity and Inclusion



>20 000
Employees in
South Africa



77%
Black
Employees



62%
Female
Employees



>14 000
Employees
in Africa



49%
Female
Employees



>103 000
Employees
in India
(incl sales agents)

Sanlam Board

- **59%** independent
- **53%** black
- **29%** female

- Focused on future-fit talent, succession and wellbeing
- We are developing a high-performance and agile culture “Winning as One”
- Transformation, diversity, equity and inclusion remain critical
 - Equal Pay for Work of Equal Value
 - New diversity, equity and inclusion framework that aims to attract, develop and retain employees and promote culture of inclusion
 - Group-wide leadership enablement initiative
- We use the Barrett Values Centre framework and methodology to understand and measure the Sanlam culture
 - First Groupwide assessment in September 2020, followed by surveys in 2021 and 2022
 - Around 70% of employees participated
 - Sanlam’s culture score improved from 58 in 2020 to 61 in 2022 – a significantly higher score than the industry average of 50
- Sanlam Board is majority independent, has majority black representation and 29% female representation

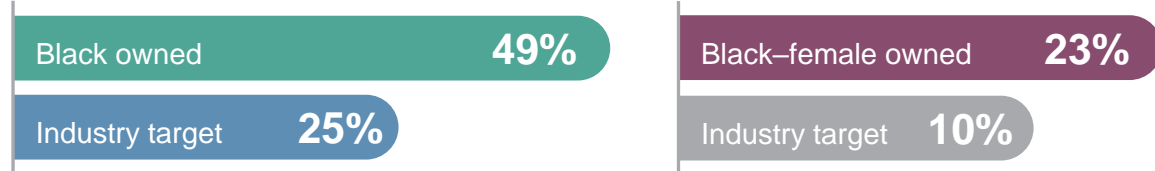


Social upliftment through broad-based black economic empowerment

- 18-year partnership with anchor investor Ubuntu-Botho
 - Facilitated broad based black economic empowerment
 - Significant wealth creation for a broad set of society
- Facilitated creation of African Rainbow Capital – fully black owned and controlled investment company focusing on opportunities in the South African and African financial services and diversified investments (non-financial) industries

Sanlam’s empowerment and transformation

Ownership



Impumelelo Top Empowered Company

Procurement

Spend with Black women-owned businesses	R2.5bn	Supplier Procurement spend with SMEs	R3.2bn
		Spend with Black-owned SMEs	
		Qualifying small enterprises	R1.7bn
		Exempt micro enterprises	R626m



Additional information





Our ambition is to make a real, sustainable difference to people and planet

Over R35 billion recently committed towards UN Sustainable Development Goals

	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
SA SME Debt Resilient	●			●			●	●		●	●						
SA SME Debt Investors Legacy	●							●		●							
SA SME Debt South African SME Debt	●	●						●		●							
SA Private Equity Investors Legacy	●		●					●		●							
SA Infrastructure Sustainable Infrastructure						●	●	●	●		●		●				
EM Infrastructure Climate Investor One					●		●	●	●				●				●
EM Infrastructure Climate Investor Two					●	●	●		●			●	●	●			●

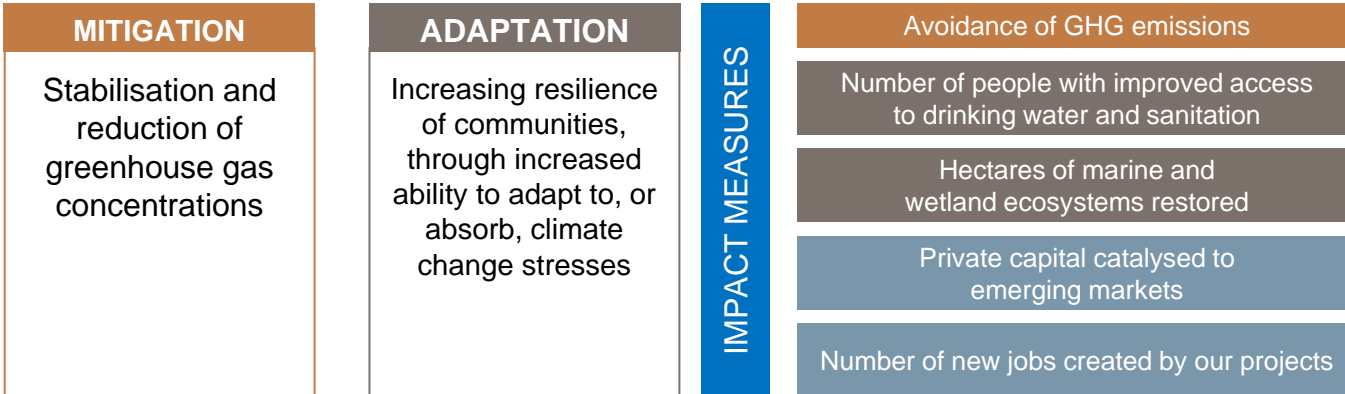


Pioneers in climate change

Raising and deploying innovative investment vehicles to mitigate and adapt to climate change

- Through Climate Fund Managers (CFM) – a strategic partnership with FMO, the Dutch Entrepreneurial Development Bank – we aspire to contribute to a more sustainable world and increase resilience to climate change while generating attractive returns for commercial investors.

Donors: Climate Investor One and Climate Investor Two



Investor countries Investment countries

* Blended finance is the tactical use of public finance to mobilise large scale private capital flows to emerging and frontier markets



Pioneers in climate change continued

Main strategic ESG partnerships



Signatories



Ranked and rated by



FTSE4Good



We make it easier to invest in companies that invest in the future.

JSE

THE FTSE/JSE RESPONSIBLE INVESTMENT INDEX SERIES



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In this presentation we make certain statements that are not historical facts and relate to analyses and other information based on forecasts of future results not yet determinable, relating, among others, to new business volumes, investment returns (including exchange rate fluctuations) and actuarial assumptions. These statements may also relate to our future prospects, developments and business strategies. These are forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995. Words such as “believe”, “anticipate”, “intend”, “seek”, “will”, “plan”, “could”, “may”, “endeavour” and “project” and similar expressions are intended to identify such forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements involve inherent risks and uncertainties and, if one or more of these risks materialise, or should underlying assumptions prove incorrect, actual results may be very different from those anticipated. Forward-looking statements apply only as of the date on which they are made, and Sanlam does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. Any forward-looking information contained in this announcement has not been reviewed and reported on by Sanlam’s external auditors.

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