



SANLAM LIFE INSURANCE LIMITED

*(Incorporated in the Republic of South Africa with limited liability under registration number 1998/021121/06)
(as Issuer)*

unconditionally and irrevocably guaranteed by

SANLAM LIMITED

*(Incorporated in the Republic of South Africa with limited liability under registration number 1959/001562/06)
(as Guarantor)*

INFORMATION STATEMENT

in respect of the

ZAR6,000,000,000

SUBORDINATED NOTE PROGRAMME

Sanlam Life Insurance Limited (**Sanlam Life Insurance** or the **Issuer**) intends from time to time to issue notes (the **Notes**) under the ZAR6,000,000,000 Subordinated Note Programme (the **Programme**) pursuant to a programme memorandum, dated 24 July 2006 and updated by various programme memoranda dated 8 August 2013, 2 August 2016 and 4 August 2021, as amended and restated from time to time (collectively, the **Programme Memorandum**).

The Notes may be issued on a continuing basis and be placed by one or more of the Dealers specified in the section headed "*Summary of the Programme*" under the Programme Memorandum and any additional Dealer appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis.

The specific aggregate nominal amount, the status, maturity, interest rate, or interest rate formula and dates of payment of interest, purchase price to be paid to the Issuer, any terms for redemption or other special terms, currency or currencies, form and denomination of Notes, information as to financial exchange listings and the names of the dealers, underwriters or agents in connection with the sale of Notes being offered at a particular time will be set forth or referred to in the terms and conditions contained in the Programme Memorandum (the **Terms and Conditions**), read together with the pricing supplement applicable to any Notes (the **Applicable Pricing Supplement**) and this information statement (the **Information Statement**).

Availability of Information

This Information Statement is available on the Issuer's website at <http://sanl.am/SLIS23>

Information on the Issuer's website, other than in this Information Statement and the Programme Memorandum, is not intended to be incorporated by reference into this Information Statement, save for those documents which are incorporated by reference in the section headed "*Documents Incorporated by Reference*" in the Programme Memorandum.

Recipients of this Information Statement should retain it for future reference. It is intended that the Programme Memorandum read together with the Applicable Pricing Supplement(s) in connection with the issuance of Notes, will refer to this Information Statement for a description of the Issuer, its financial condition and results of operations (if any) and investor considerations/risk factors of the Issuer, until an updated information statement is issued. This Information Statement is not intended, and should not be construed as, the Programme Memorandum and/or the Applicable Pricing Supplement(s). It is not a standalone document and cannot be read without reference to the Programme Memorandum and/or the Applicable Pricing Supplement(s).

Information Statement dated 29 September 2023 (the **Information Statement Date**).

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GENERAL

Capitalised terms used in this section headed "General" shall bear the same meanings as defined in the Terms and Conditions in the Programme Memorandum, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Issuer and the Guarantor certify that to the best of their knowledge and belief there are no facts that have been omitted from this Information Statement which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made, and that this Information Statement contains all information required by law and the Debt Listings Requirements of the JSE. The Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in this Information Statement.

In addition, the Issuer and the Guarantor, having made all reasonable inquiries, confirm that this Information Statement contains or incorporates all information that is material in relation to the issuing and the offering of the Notes, that all information contained or incorporated in this Information Statement is true and accurate in all material respects and that the opinions and the intentions expressed in this Information Statement are honestly held and that there are no other facts, the omission of which, would make this Information Statement or any of such information or expression of any such opinions or intentions misleading in any material respect.

The Arrangers, the Dealer(s), the JSE Debt Sponsor or any of their respective subsidiaries or holding companies or a subsidiary of their holding companies (**Affiliates**) and the professional advisors have not separately verified the information contained in this Information Statement. Accordingly, no representation, warranty or undertaking, expressed or implied is made and no responsibility is accepted by the Arrangers, Dealer(s), the JSE Debt Sponsor, their Affiliates or any of the professional advisors as to the accuracy or completeness of the information contained in this Information Statement or any other information provided by the Issuer or the Guarantor. None of the Arrangers, Dealer(s), the JSE Debt Sponsor, their Affiliates nor any of the professional advisors accepts any liability in relation to the information contained in this Information Statement or any other information provided by the Issuer or the Guarantor in connection with the Notes. The statements made in this paragraph are without prejudice to the responsibilities of the Issuer or the Guarantor, as the case may be.

No person has been authorised by the Issuer or the Guarantor to give any information or to make any representation not contained in or not consistent with this Information Statement or any other information supplied in connection with the issue and sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor, the Arrangers, the Dealer(s), the JSE Debt Sponsor, their Affiliates or the professional advisors. Neither the delivery of this Information Statement nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Guarantor since the date hereof, or that any other financial statement or other information supplied in connection with the Information Statement is correct at any time subsequent to the date indicated in the document containing the same.

Neither this Information Statement nor any other information supplied in connection with the Notes constitutes the rendering of financial or investment advice by or on behalf of the Issuer, the Guarantor, the Arrangers, the Dealer(s), the JSE Debt Sponsor, their Affiliates or any professional advisor.

This Information Statement and any other information supplied in connection with the Notes is not intended to provide the basis of any credit or other evaluation, and should not be considered as a recommendation by the Issuer, the Guarantor, the Arrangers, the Dealer(s), the JSE Debt Sponsor, their Affiliates or any professional advisor, that any recipient of this Information Statement should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Guarantor. Each potential investor should consult its own advisors to make its investment decision and to determine whether it is legally permitted to purchase the Notes pursuant to the Programme Memorandum and the Applicable Pricing Supplement(s) and under Applicable Laws and regulations.

Neither this Information Statement nor any other information supplied in connection with the Notes constitutes an offer or invitation by or on behalf of the Issuer, the Guarantor, the Arrangers, the Dealer(s), the JSE Debt Sponsor, their Affiliates or the professional advisors to any person to subscribe for or to purchase any Notes.

This Information Statement does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. None of the Issuer, the Guarantor, the Arranger(s), Dealer(s), the JSE Debt Sponsor, their Affiliates nor any professional advisor, represents that this Information Statement may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available there under, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor, the Arranger(s), the Dealer(s), the JSE Debt Sponsor, their Affiliates or the professional advisors which would permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Information Statement nor any advertisement nor other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any Applicable Laws and regulations. The Arrangers or the Dealer(s) has represented that all offers and sales by them will be made on the same terms and in compliance with this prohibition.

The distribution of this Information Statement and the offer for the subscription or sale of Notes pursuant to the Programme Memorandum and Applicable Pricing Supplement(s) may be restricted by law in certain jurisdictions. Persons into whose possession this Information Statement or any Notes come must inform themselves about, and observe, any such restrictions. In particular there are restrictions on the distribution of this Information Statement, the Programme Memorandum, the Applicable Pricing Supplement(s) and the offer for the subscription or sale of Notes in the United States of America, the European Economic Area, the United Kingdom and South Africa.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the Securities Act) and may not be offered or sold in the United States of America or to, or for the account or benefit of, US persons as defined in Regulation S under the Securities Act (Regulation S). The Notes will be offered and sold only in offshore transactions outside the United States of America in accordance with Regulation S and, subject to certain exceptions, may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, US Persons.

Information and opinions presented in the Information Statement were obtained or derived from public sources that the Arrangers, the Dealer(s), the JSE Debt Sponsor, their Affiliates or the professional advisors believe are reliable but make no representations as to the accuracy or completeness thereof. Any opinions, forecasts or estimates (if any) herein constitute a judgment as at the date of this Information Statement. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or estimates. Past performance should not be taken as an indication or guarantee of future performance and no representation or warranty, express or implied is made regarding future performance. The price, value of and income from any of the securities or financial instruments mentioned in this Information Statement (if any) can fall as well as rise. Any opinions expressed in this Information Statement are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or groups of the Arrangers, the Dealer(s), the JSE Debt Sponsor, their Affiliates or the professional advisors as a result of using different assumptions and criteria. Furthermore, the Arrangers or the Dealer(s) (and their respective directors, employees, representatives and agents), the JSE Debt Sponsor, their Affiliates or any professional advisors accept no liability for any direct or indirect loss or damage incurred arising from the use of the material presented in this Information Statement, except as provided for by law.

All trademarks, service marks and logos used in this Information Statement are trademarks or service marks or registered trademarks or service marks of the Issuer and the Guarantor. This Information Statement may not be reproduced without the prior written consent of the Issuer, the Guarantor, the Arrangers or Dealer(s). It may not be considered as advice, a recommendation or an offer to enter into or conclude any transactions.

Copies of this Information Statement are available by request from the registered offices of the Issuer.

INVESTOR CONSIDERATIONS/RISK FACTORS

Capitalised terms used in this section headed “Investor Considerations/Risk Factors” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Issuer believes that the factors outlined below may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below. The value of the Notes could decline due to any of these risks, and investors may lose some or all of their investment.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information available to it at the date of this Information Statement, or which it may not be able to anticipate at the date of this Information Statement. Accordingly, the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.

Prospective investors should also read the detailed information set out elsewhere in the Programme Memorandum to reach their own views prior to making any investment decision.

References below to the “Terms and Conditions”, in relation to Notes, shall mean the “Terms and Conditions of the Notes” set out under the section of the Programme Memorandum headed “Terms and Conditions of the Notes”.

RISKS RELATING TO THE ISSUER’S AND GUARANTOR’S BUSINESS

Risk Factors

The Issuer is a wholly-owned subsidiary of the Guarantor. The Issuer’s payment obligations on the Notes are irrevocably and unconditionally guaranteed by the Guarantor. Accordingly, the Notes are affected, in particular, by the same risk factors as those that affect the business and operations of the Guarantor and/or its consolidated subsidiaries (collectively the **Sanlam Group**).

Therefore, references in this section to the Sanlam Group, Sanlam Limited and/or its consolidated subsidiaries shall include reference to the Issuer.

Many factors could affect the Sanlam Group’s business, financial condition, cash flows and results of operations. The Sanlam Group is subject to various risks resulting from changing economic, political, social, industry, business and financial conditions. As of the date of this Information Statement, the principal risks which could affect the Sanlam Group’s business, financial condition, profitability, cash flows, results of operations and future business results are described below. The Sanlam Group’s overall risk situation is the sum of the individual risks of all risk categories for the divisions and the corporate functions and legal entities. In general, the reporting of risks takes place in relation to the individual segments. If no segment is explicitly mentioned, the risks described relate to all divisions.

In addition, risks that are not yet known or assessed as not material can influence profitability, cash flows and financial position.

1. RISK MANAGEMENT

In acknowledging its responsibility for enterprise risk management (**ERM**) within the Sanlam Group, the Sanlam Limited Board (the **Board**) has tasked its Sanlam Limited Risk and Compliance Committee to ensure that its responsibilities are fulfilled. A major function of the committee is therefore to analyse and report back to the Board on the status of various risks, including the functioning of the risk management function. To facilitate this process, responsibility for the implementation of and adherence to the ERM philosophy has been devolved throughout the governance structures of the Sanlam Group, including the board of directors and the appropriate board committees of the Issuer and the Guarantor.

Considered an integral part of the decision-making process in the Sanlam Group, the primary objective of the ERM programme is to optimise the Sanlam Group's risk-adjusted return on capital. To ensure an optimal return, an organisation assumes an acceptable level of risk in conducting its operations. This level of risk is dependent on the organisation's risk appetite, as determined and managed by the Board. The role of risk management is therefore to enhance the organisation's ability to manage, and not necessarily avoid or eliminate these risks, ensuring that the overall risk profile remains acceptable. This may involve various risk responses or a combination thereof, namely acceptance, mitigation and/or avoidance of the risk.

The ERM policy is regularly reviewed and updated where necessary, evaluating risk as a combination of impact and likelihood. The assessments of the various risks in the Sanlam Group are evaluated on both a quantitative and qualitative basis, while amendments to the ERM policy require Board approval.

The ERM policy sets out the minimum standard of risk management that the various businesses, including the Issuer, have to adopt and adhere to. Rigorous policies, procedures and methodologies have been adopted and implemented throughout the Sanlam Group, enabling the effective identification and management of risks. All processes and procedures have been designed to provide reasonable assurance that the risks are adequately managed. Documented policies, plans and procedures are in place, enabling the Sanlam Group to continue its critical business processes in the event of a disaster. Plans, procedures and policies are revised and tested on a regular basis.

2. RISK TYPES

The Issuer is exposed to the following main risks:

	Risk category (primary)	Risk type (secondary) and description
General risks	Operational Risk	Operational risk: means the risk that there is a loss as a result of inadequate or failed internal processes, people or systems and external events. Operational risk includes:
		Technology, cyber and information security (IT) risk: the risk of obsolescence of infrastructure, deficiency in integration, failures/inadequacies in systems/networks and the loss of accuracy, confidentiality, availability and integrity of critical information. Cyber risk and information security risk are also included under this category.
		Business continuity risk: the risk that inadequate planning, controls and preparation are in place to ensure the organisation can overcome serious incidents or disasters and resume its normal operations within a reasonably short period.
		Going concern risk: the risk that inadequate processes, people and/or financial resources exist to continue business in the foreseeable future.
		Legal risk: the risk that the Issuer's operations or its condition are disrupted or adversely affected by legal proceedings against it, adverse judgments from courts, contracts that turn out to be unenforceable or contractual obligations which have not been provided for.

	Risk category (primary)	Risk type (secondary) and description
		<p>Compliance/regulatory risk: the risk of not complying with laws, regulations, rules, related self-regulatory organisation standards and codes of conduct including acceptable market conduct practices¹, investment management mandates, as well as the failure to uphold the Sanlam Group's core values and its Code of Ethical Conduct.</p> <p>Human resources risk: the risk that the Issuer does not have access to appropriate skills and staff complement to operate and effectively manage other operational risk.</p> <p>Fraud risk/financial crime risk: the risk of financial crime and unlawful conduct impacting on the Issuer. It includes both internal and external fraud.</p> <p>Taxation risk: the risk of financial loss due to changes in tax legislation that result in the actual tax on shareholders' fund earnings being higher than expected, with a corresponding reduction in return on capital; or the actual policyholder tax being higher than that assumed in the determination of premium rates and guaranteed policy benefits.</p> <p>Regulatory change risk: the risk that unanticipated new Acts or regulations will result in the need to change business practices that may lead to financial loss.</p> <p>Process risk: the risk of loss as a result of failed or inadequate internal processes.</p> <p>Project risk: the risks inherent in major projects.</p> <p>Physical risk: risk related to financial loss that might occur due to natural and non-natural disaster events.</p> <p>Outsourcing provider risk: the risk arising from the inability or unwillingness of an outsourcing service provider to discharge its contractual obligations; and from concentration with individual outsourcing service provider (which exacerbates the former).</p>
	Conduct Risk	Conduct risk: relates to the failure to deliver fair client outcomes or the failure to uphold integrity within the market. It also refers to the failure to uphold the Sanlam Group's core values and its Code of Ethical Conduct.
	Reputational Risk	<p>Reputational risk: is the risk that adverse publicity regarding the Issuer's business practices, associations and market conduct, whether accurate or not, will cause a loss of confidence in the integrity of the institution. The risk of loss of confidence relates to stakeholders, which include, <i>inter alia</i>, potential and existing clients, investors, suppliers and supervisors.</p> <p>Brand risk: is the risk that market perception of the organisation's brand might be weak or inferior when compared to other competitors within the market.</p>

¹ Market conduct involves the behaviour of an organisation and of those that act on its behalf towards various stakeholders (including potential and current clients, regulators or supervisors, investors and other market participants). Market conduct comprises market discipline (including transparency and corporate governance) and consumer protection (including Treating Clients Fairly).

	Risk category (primary)	Risk type (secondary) and description
	Strategic Risk	Strategic risk: is the risk that the Issuer's strategy is inappropriate or that the Issuer is unable to implement its strategy.
		Capital risk: the risk related to the potential loss of part or all of on balance sheet capital.
		Competition risk: is the potential for losses due to competitive pressures.
		Governance risk: is the risk that the effective, ethical management of a company by its executives and managerial levels is not achieved.
		Market share risk: risk related to the reduction of the organisation's market share or inability to grow/expand market share.
		Organisational strategy risk: risk that the structure of the organisation or the overall strategic direction of the organisation might cause the organisation not to achieve its strategic goals.
		Performance risk: risk that products or services offered by the organisation might underperform against market expectations.
		Product risk: the risk that relates to design defects within products which may cause loss to the organisation.
		Profit/earnings risk: risk that profitability/earnings of the organisation might be affected due to various internal/external factors.
		Investment risk: the probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Financial and business-specific risks	Market Risk	Market risk: is the risk arising from the level or volatility of market prices of financial instruments which have an impact upon the value of assets and liabilities of the organisation. Market risk includes:
		Equity risk: the risk resulting from the sensitivity of value of assets, liabilities and financial instruments to changes in the level or in the volatility of market prices of equities.
		Interest rate risk: the risk of loss or adverse change in the value of assets and liabilities due to unanticipated changes in the level or volatility of interest rates.
		Currency risk: the risk or loss or adverse change in the value of assets and liabilities owing to unanticipated changes in the level or volatility of currency exchange rates.
		Property risk: the risk that the value of investment properties will fluctuate as a result of changes in the environment (i.e. the risk of loss or adverse change in the value of assets and liabilities due to unanticipated changes in the level and volatility of market prices of property as well as vacancy levels).

	Risk category (primary)	Risk type (secondary) and description
		<p>Asset liability mismatching (ALM) risk: the risk of a change in value as a result of a deviation between asset and liability cash-flows, prices or carrying amounts. ALM risk originates from changes in market risk factors.</p> <p>Concentration risk: the risk of losses associated with inadequately diversified asset portfolios. This may arise either from a lack of diversification in the asset portfolio, or from large exposure to default risk by a single issuer of securities or a group of related issuers (market risk concentrations).</p> <p>Market Liquidity Risk (also known as trading liquidity risk or asset liquidity risk): risk stemming from the lack of marketability of a financial instrument that cannot be bought or sold quickly enough to prevent or minimise a loss (or make the required profit).</p> <p>Credit spread risk: the sensitivity of the values of assets, liabilities and financial instruments to changes in the level or volatility of market implied credit spreads over the risk-free interest rate term structure.</p>
	Credit Risk	<p>Credit risk: is the risk of default and deterioration in the credit quality of issuers of securities, counterparties and intermediaries to whom the company has exposure. Credit risk includes:</p> <p>Default risk: credit risk arising from the inability or unwillingness of a counterparty to a financial instrument to discharge its contractual obligations.</p> <p>Downgrade or Migration risk: risk that changes in the possibility of a future default by an obligator will adversely affect the present value of the contract with the obligator today.</p> <p>Settlement risk: risk arising from the lag between the value and settlement dates of securities transactions.</p> <p>Reinsurance counterparty risk: concentration risk with individual reinsurers, due to the nature of the reinsurance market and the restricted range of reinsurers that have acceptable credit ratings.</p>
	Funding Liquidity Risk	<p>Funding Liquidity risk: is the risk relating to the difficulty/inability to access/raise funds to meet commitments associated with financial instruments or policy contracts.</p>
	Insurance Risk (life business)	<p>Insurance risk (life business): relates to life insurance classes regulated under the Insurance Act, risk arising from the underwriting of life insurance contracts, in relation to the perils covered and the processes used in the conduct of business. It includes:</p> <p>Underwriting risk: the risk that the actual experience relating to mortality, longevity, disability and medical (morbidity) will deviate negatively from the expected experience used in the pricing of solutions and valuation of policy liabilities.</p>

	Risk category (primary)	Risk type (secondary) and description
		<p>Persistency risk: the risk of financial loss due to negative lapse, surrender and paid-up experience. It covers the risk of loss or adverse change in insurance liabilities due to unanticipated change in the rate of policy lapses, terminations, renewals and surrenders.</p> <p>Expense risk: the risk of loss due to actual expense experience being worse than that assumed in premium rates and the valuation of policy liabilities. It covers the risk of loss or adverse change in insurance liabilities due to adverse variation in the expenses incurred in servicing insurance and reinsurance contracts.</p> <p>Concentration risk: the risk of financial loss due to having written large proportions of business with policyholders of the same/similar risk profile (including catastrophe risk).</p>
	<p>Insurance Risk (Short-term insurance business)</p>	<p>Insurance risk (short-term insurance business): relates to non-life insurance classes regulated under the Insurance Act, risk arising from the underwriting of non-life insurance contracts, in relation to the perils covered and the processes used in the conduct of business. It includes:</p> <p>Claims risk (Premium and Reserve Risk): refers to a change in value caused by the ultimate costs for full contractual obligations varying from those assumed when these obligations were estimated. Claims risk are often split into – Reserve risk (relating to incurred claims) and Premium risk (relating to future claims).</p> <p>Underwriting risk: relates to inaccurate assessment of the risks associated with writing an insurance policy or from uncontrollable factors. As a result, the insurer's costs may significantly exceed the premium income.</p> <p>Reinsurance risk: the inability of the ceding company or the primary insurer to obtain insurance from a reinsurer at the right time and at an appropriate cost.</p> <p>Catastrophe risk: the risk of loss, or of adverse change in the value of insurance liabilities, resulting from significant uncertainty of pricing and provisioning assumptions related to extreme or exceptional events.</p> <p>Concentration risk: the risk of financial loss due to having written large proportions of claims with businesses of the same/similar risk profile (including catastrophe risk).</p>

3. RISKS RELATED TO SANLAM GROUP AND ITS BUSINESS

The Sanlam Group is subject to various company-specific and business-related risks. Should any of the following risks materialize, this could have material adverse effects on the Sanlam Group's business, net assets, financial condition and results of operations.

Global Macro Downturn

Inflation risk and Interest rate risk remains a major concern in the US, EU and Emerging Markets (**EM**). This in turn affects the global markets and EM economies as well. There is a general risk-off approach in markets which affects investment in EM.

Inflation is currently above target levels in most Developed Markets (**DM**) and EM economies. DM and EM central banks have already responded by increasing their policy interest rates. This might prolong economic recovery in majority of EM countries.

The Russian / Ukraine conflict continue to put pressure on international supply chains which contributes to slower economic growth.

The main impacts for the Sanlam Group are the following:

- Negative Impact on saving benefits.
- Profitability Impact – Poor Investment return on assets.
- Poor economic growth and inflation impacting new business sales and retention of existing business.
- Pressure to achieve budgeted targets.
- Impact on balance sheet strength and funding levels.
- Loss of fee income due poor market performance.
- Increased credit provisions and potential default risk

Electricity supply and failing infrastructure

The South African State-Owned power utility, Eskom's energy capacity constraints increasing the risk of potential grid failure. Extended loadshedding have now become the base case scenario in South Africa with significant impact on long term Gross Domestic Product (**GDP**) projections and Economic Growth.

GDP in South Africa is projected to slow to zero in 2023 given the current levels of loadshedding.

Extended loadshedding may impact operational performance of the Sanlam Group. This has far-reaching consequences in terms of facilities management, diesel procurement for generators, impact on staff, maintenance of backup equipment, and the like.

There is also an increased risk of failing infrastructure in South Africa. This affects water systems, failing fire departments as well as electricity infrastructure and affects municipalities across the country. This in turn increases the risk of higher claims due to fire and flood damage associated with inability to respond to natural disasters in a timely manner.

Strategic initiatives / transaction execution risk

Increased corporate activity due strategic portfolio restructuring continues taking place within the Sanlam Group.

The following risks needs to be managed:

- Integration and onboarding risks of new business into the Sanlam Group.
- Transition risks where business units are sold off.

- Further strain on key staff and resources which is involved with the transition or integration of business units over and above their daily operational responsibilities.
- Overall complexity of the Sanlam Group increases as new businesses are acquired.

Various initiatives such as the ABSA investment management business integration, Alexander Forbes Life acquisition and the strategic joint venture with Allianz will see the footprint of the Sanlam Group expand even further which will also require strong focus from management and key staff to deliver the benefits.

There is also concern around the impact the various other projects currently in progress may have on our focus and thus ability to deliver on core strategy.

Cyber Risk

This includes various risks emanating from digitised information, the supporting information technology infrastructure and increasing digitisation of all channels. New threats such as “cyber threat hurricanes”, increasing reputational risk and tougher data regulations mean that businesses and risk experts are more concerned than ever. The threat from direct cyberattacks as well as the impact of indirect or opportunistic cyberattacks are escalating.

Lasting damage is reputational and could be caused in a wide number of ways, the most prevalent for the Group being the theft or ransom of sensitive customer data, the corruption of insurers’ databases, fraud or the theft of intellectual property.

Digital Transformation

The on-going technological revolution is fundamentally altering the way people live, work and relate to one another through technology, and will affect the Sanlam Group’s current & future customers, employees and partners. This revolution coincides with longer-term changes in demographics and globalization.

International insurance players, incumbent banks and tech players may disrupt the industries/lines of business in which we operate throughout Africa and elsewhere. Our ability to respond may be constrained by limitations of our legacy systems, scarcity of talent with key capabilities, lack of cross cluster collaboration and associated pressure on costs.

Delivering such fundamental change at scale in a large and complex organization like Sanlam is challenging, especially with short-term pressures.

Human Capital

The Sanlam Group’s business is growing and transforming in a dynamic world with increased pace of change, digital transformation and changing customer expectations:

- increased competition for talent resulting in challenges in sourcing for key talent segments as well as black talent.
- Rapid evolution of skills and shortage of critical skills requires increased focus on building capability that supports the success of the current and future organisational strategy
- Mental wellness of staff also remains a further challenge impacted by factors such as financial challenges (fuel hikes, rising inflation and the general economic recession), family dynamics having changed due to job losses and loss of lives, as well as return to work implications.

Regulatory / Compliance Risk

The Sanlam Group continues to operate under the ever-evolving requirements set out by diverse regulatory, legal and tax regimes. Ongoing regulatory reforms can have a material impact on Sanlam’s businesses.

The effort required to ensure the simultaneous implementation of the constant flow of new and updated regulatory measures is placing strain on already stretched resources in the Sanlam Group and might impact our ability to invest (time/resources) on other business initiatives.

Political and Social Instability

Instability has become a staple feature of South Africa's socio-political and economic environment with the trend increasing on a year-on-year basis. The phenomenon is fueled by income inequality, unemployment and poor service delivery. High inflation and interest rates increases will most likely lead to further inequality and pressure on low-income households which could increase the risk of social instability.

High unemployment numbers continue to be a big social and economic challenge in South Africa. GDP and economic growth remain the only viable long term solution to address these challenges.

SanlamAllianz is invested in several economically and politically unstable countries, which can give rise to unintended consequences and risk.

ESG / Climate Risk

Climate risk is a systemic risk and it will have a profound economic and social impacts. As such the Sanlam Group will need to consider the impact of physical and transitional risks associated with Climate Change and the related ESG requirements.

Increasing pressure from asset managers and regulators for more ESG related disclosure and how companies are responding to these demands. In particular, the roadmap to comply with the Task Force for Climate related Financial Disclosure (TCFD) recommendations.

Risks Relating to the Notes

The Notes may not be a suitable investment for all investors

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in the Programme Memorandum or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such an investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

There may not be an active trading market for the Notes

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. There is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

The Notes may be redeemed prior to maturity

Unless in the case of any particular Tranche of Notes the Applicable Pricing Supplement specifies otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the government of South Africa or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Notes the Applicable Pricing Supplement specifies that the Notes are redeemable at the Issuer's option in certain other circumstances, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Because uncertificated Notes are held in the CSD, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

Notes issued under the Programme which are listed on the Interest Rate Market of the JSE or such other or additional Financial Exchange and/or held in the CSD may, subject to Applicable Laws and the Applicable Procedures, be issued in uncertificated form. Unlisted Notes may also be held in the CSD in uncertificated form. Notes held in the CSD will be issued, cleared and settled in accordance with the Applicable Procedures through the electronic settlement system of the CSD. Except in the limited circumstances described in the Terms and Conditions, investors will not be entitled to receive Individual Certificates. The CSD will maintain records of the Beneficial Interests in Notes and/or issued in uncertificated form, which are held in the CSD (whether such Notes are listed or unlisted). Investors will be able to trade their Beneficial Interests only through the CSD and in accordance with the Applicable Procedures.

Payments of principal and/or interest in respect of uncertificated Notes will be made to the CSD or the Participants and the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the CSD or the Participants for distribution to their account holders. A holder of a Beneficial Interest in uncertificated Notes, whether listed or unlisted, must rely on the procedures of the CSD to receive payments under the relevant Notes. Each investor shown in the records of the CSD or the Participants, as the case may be, shall look solely to the CSD or the Participant, as the case may be, for his share of each payment so made by the Issuer to the registered holder of such uncertificated Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, such Beneficial Interests.

Holders of Beneficial Interests in uncertificated Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the CSD to appoint appropriate proxies.

Credit Rating

Tranches of Notes issued under the Programme, the Issuer, the Guarantor, and/or the Programme, as the case may be, may be rated or unrated. A Rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning Rating Agency. Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes issued under the Programme.

Any amendment in the Rating of the Issuer and/or the Guarantor and/or the Programme and/or a Tranche of Notes, as the case may be, after the date of this Information Statement, will be announced on SENS.

Risks related to the structure of the particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to re-invest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Index-Linked and Dual Currency Notes

The Issuer may issue Notes the terms of which provide for interest or principal payable in respect of such Notes to be determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a **Relevant Factor**) or with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- the market price of such Notes may be volatile;
- no interest may be payable on such Notes;
- payments of principal or interest on such Notes may occur at a different time or in a different currency than expected;
- the amount of principal payable at redemption may be less than the Nominal Amount of such Notes or even zero;
- a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable is likely to be magnified; and
- the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Partly-paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Variable Rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate may at any time be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes where denominations involve integral multiples: Individual Certificates

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive an Individual Certificate in respect of such holding and would need to purchase a Nominal Amount of Notes such that its holding amounts to a minimum Specified Denomination.

If Individual Certificates are issued, holders should be aware that Individual Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Modification and waivers and substitution

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Change of law

The Notes are governed by, and will be construed in accordance with, South African law in effect as at the Programme Date. No assurance can be given as to the impact of any possible judicial decision, change to South African law or administrative practice in South Africa after the Programme Date.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Regulatory approval

In granting approval for the issue of Subordinated Notes, the Regulator may set out certain conditions, including the prior consent of the Regulator to an early redemption of the relevant Notes or the repayment of amounts due in respect of such Notes following an Event of Default. There can be no assurance that the approval of the Regulator will be granted upon the occurrence of these events. Further, the Regulator has the ability to require that principal and/or interest is deferred as per Condition 9.3 (Deferred Payment) of the relevant Terms and Conditions of the Subordinated Notes, which may result in investors not receiving their monies on a timely basis.

Capital Adequacy Risk

Capital adequacy risk is the risk that there will be insufficient available own funds to provide for unexpected adverse insurance or market related events.

Regulatory Capital Requirement - Financial Soundness and Governance and Operational Standards

The Insurance Act came into effect on 1 July 2018. The Insurance Act established the principle of proportionality, which means that the regulatory requirements are to be applied in a manner which is proportionate to the nature, scale and complexity of the risks inherent to the business of an insurer and insurance group. The Insurance Act provides for a number of matters to be addressed in Prudential Standards issued by the Regulator. These Prudential Standards set out detailed governance, risk management and internal controls as well as financial soundness requirements for insurers and insurance groups. The Regulator has grouped the prudential standards into financial soundness (the Prudential Standards into Financial Soundness) and governance and operational standards (the Governance and Operational Standards). The previous solvency assessment management regime, which was aimed at the protection of policyholders and beneficiaries, informed the Prudential Standards.

The Prudential Standards into Financial Soundness provide the first pillar of regulatory assurance around the capacity of insurers to meet their financial promises. The Governance and Operational Standards provide a second pillar of regulatory assurance, aimed at ensuring insurers maintain a minimum standard of sound governance and prudent business management.

Prudential Standards for Financial Soundness

An insurer must at all times maintain its business in a financially sound condition, by holding eligible own funds (capital) that are at least equal to the minimum capital requirement or solvency capital requirement, as prescribed by the Regulator, whichever is the greater. The Prudential Standards into Financial Soundness sets out the high-level framework for assessing the financial soundness of South African insurers from a regulatory perspective and are designed to ensure that insurers can meet policyholder obligations by holding own funds of sufficient quality and quantity to absorb significant unforeseen losses arising from the risks associated with an insurer's activities. The Prudential Standards for Financial Soundness address matters of assessing how much eligible own-funds an insurer actually holds and how much it is required to hold for regulatory purposes.

Governance and Operational Standards

The Governance and Operational Standards contain the minimum requirements for governance, from board structures through to the allocation of roles and responsibilities within an insurer. Since insurers absorb risk from the economy, it is essential they manage those risks professionally and prudently. The Governance and Operational Standards also establish the Prudential Authority's minimum requirements for an insurer's approach to risk management and control; fitness and propriety of key persons responsible for critical functions and activities within an insurer's business, and significant owners; oversight of outsourcing arrangements; controls around transfers of business from one insurer to another and other significant transactions.

Changing Regulatory and Business Landscape

The Financial Sector Regulation Act underpins the 'Twin Peaks' approach to regulation which is characterised by separate prudential and market conduct regulators. The Financial Sector Regulation Act created the Regulator which is mandated to amongst other things, promote and enhance the safety and soundness of financial institutions, and the FSCA which is mandated to regulate market conduct in the financial sector. To support the 'Twin Peaks' approach a number of existing financial sector laws were amended (e.g. Financial Advisory and Intermediary Services Act, 2002); new financial sector laws came into effect (e.g. Insurance Act) and a number of additional financial sector laws and other legislative changes are still under development (e.g. the Conduct of Financial Institutions Act and the Financial Sector Laws Act).

In granting its approval for the issue of the Subordinated Notes, the Regulator has set out certain conditions associated with the approval, including the prior consent of the Regulator to an early redemption of such Notes or the repayment of amounts due in respect of such Notes following an Event of Default. There can be no assurance that the approval of the Regulator will be granted upon the occurrence of any of these events.

DESCRIPTION OF SANLAM LIFE INSURANCE LIMITED

Capitalised terms used in this section headed “Description of Sanlam Life Insurance Limited” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

1. DESCRIPTION OF THE ISSUER

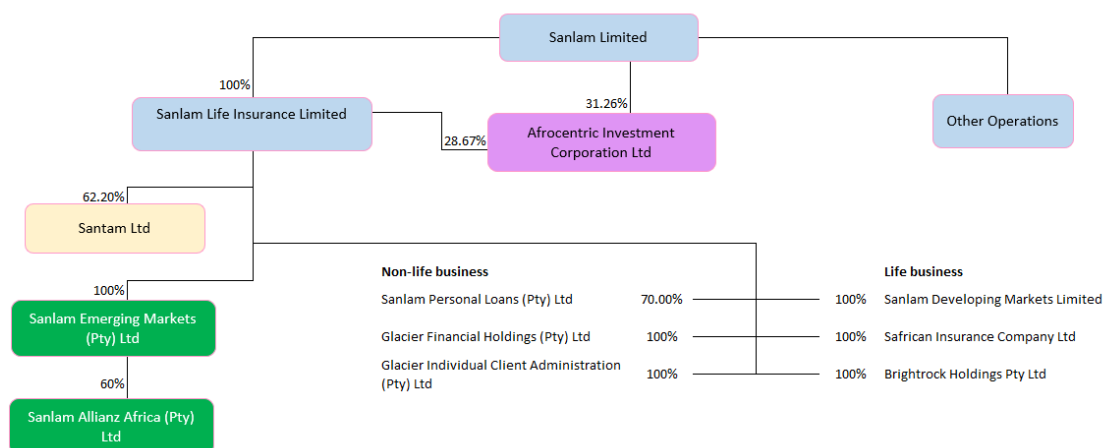
The Issuer is a company incorporated in South Africa in terms of the Companies Act, 2008 (the **Companies Act**) under registration number 1998/021121/06. It is a wholly-owned subsidiary of Sanlam Limited, the holding company of the Sanlam Group that is one of the largest financial services groups in South Africa. The Issuer is one of the country’s largest life insurers and it owns a majority interest in Santam Limited (**Santam**), the largest non-life insurer in the country. In addition to its South African activities, the Issuer has business interests elsewhere in Africa, India and Malaysia through its subsidiaries. The Issuer is licensed under the Insurance Act and is regulated by the Regulator.

2. BACKGROUND AND HISTORY

The Issuer’s predecessor was originally established in 1918 as a mutual life insurance company and gradually shifted its focus from life insurance to providing a broader range of financial products and services through a number of divisions and subsidiaries. It demutualised in 1998 and the Issuer was established to assume the assets, liabilities and obligations of the previously mutual insurance company in terms of a High-Court approved demutualisation scheme. Sanlam Limited, the holding company of the Sanlam Group, was simultaneously listed on the JSE Limited (the **JSE**), A2X Markets (**A2X**) and the Namibian Stock Exchange.

3. ORGANISATIONAL STRUCTURE

A simplified organogram of the Issuer’s corporate structure at 27 September 2023 is set out below:



Notes:

- (1) Santam Ltd is a JSE-listed company.
- (2) Only the significant interests of the Issuer are included. Any indirect shareholdings, through other subsidiaries, are included in the effective holding.
- (3) Sanlam Emerging Markets is the holding company of the Issuer’s emerging markets (excluding SA) life insurance, general insurance and other non-life operations.

4. DESCRIPTION OF THE ISSUER'S PRINCIPAL BUSINESS

The Issuer is a licensed life insurer with limited approvals to conduct non-insurance business for individual and institutional clients in South Africa. The life insurance products of the Issuer and its subsidiaries in South Africa cover:

- assurance and investment products offered to individual policyholders by its Retail Affluent and Retail Mass clusters. These assurance products include life, disability, universal life, guaranteed annuities and health policies and the investment products include single premium savings, term annuities and endowment policies.
- assurance and investment products offered to retirement funds and other groups by its Sanlam Corporate cluster. These products include insurance policies issued to retirement funds as an integrated product (i.e. as a packaged solution). Elements of each product, being investment management, risk underwriting and administration services, are sold separately.

The Issuer's shareholder assets include investments in a number of operating subsidiaries, joint ventures and associated companies. The activities of these subsidiaries and associated companies range from providing similar life insurance products (in South Africa, a number of other African countries, India and Malaysia), linked investment products, non-life insurance, estate planning and trust services and personal loans (predominantly in South Africa).

Significant operating subsidiaries, joint ventures and associated companies include (valuations at 31 December 2022):

- A 100% interest in Sanlam Developing Markets Limited (**SDM**) valued at some ZAR19.2 billion and a 100% interest in Safrican valued at ZAR1.5 billion. These subsidiaries primarily conducting the Sanlam Group's entry-level market business in South Africa.
- A 58% interest in BrightRock Holdings Proprietary Limited valued at some R1.1 billion, primarily conducting risk business in middle income and affluent markets.
- A 100% interest in Glacier Financial Holdings Proprietary Limited valued at R2.8 billion, which is licensed as a Linked Investment Service Providers platform business.
- A 100% interest in Sanlam Emerging Markets Proprietary Limited, valued at ZAR43.4 billion. Most of the Sanlam Group's Africa (excluding SA), India and Malaysia operations are conducted through SEM's subsidiaries and associated companies. In most instances, these are in partnership with local country shareholders.
- Santam, a licensed non-life insurer, focuses on the corporate, commercial and personal markets and has a market share of more than 20% in South Africa and a countrywide infrastructure and broker network. Santam also has a direct distribution channel through its wholly-owned subsidiary MiWay Limited. Santam is also an indirect co investor in Sanlam Emerging Markets Proprietary Limited's general insurance subsidiaries and associates.
- A 70% interest in Sanlam Personal Loans Proprietary Limited valued at ZAR1.4 billion, a focused unsecured personal loans business in partnership with Direct Axis, a specialist personal loans manager in the FirstRand Group.
- A 100% interest in Sanlam Trust Limited that provides trust and estate planning and administration services.

5. MANAGEMENT, THE BOARD AND DEBT OFFICER

5.1 Directors' Declarations

In relation to each of the directors (listed below), as at the date of this Information Statement the Issuer confirms that none of the directors have:

- (i) ever been convicted of an offence resulting from dishonesty, fraud, theft, forgery, perjury, misrepresentation or embezzlement;
- (ii) ever been adjudged bankrupt, insolvent or sequestrated in any jurisdiction;
- (iii) at any time been a party to a scheme or arrangement or made any other form of compromise with their creditors;
- (iv) ever been involved, as a director with an executive function, in any business rescue plans and/or by any entity to commence business rescue proceedings, application having been made for any entity to begin business rescue proceedings, notices having been delivered in terms of section 129(7) of the Companies Act, receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company voluntary arrangements or any composition or arrangement with its creditors generally or any class of its creditors of any company at the time of, or within the 12 months preceding, any such event(s);
- (v) ever been found guilty in disciplinary proceedings by an employer or regulatory body due to dishonest activities;
- (vi) ever been involved in any receiverships, compulsory liquidations, administrations or partnership voluntary arrangements of any partnership where they were partners at the time of, or within 12 months preceding, any such event(s);
- (vii) ever received public criticisms from statutory or regulatory authorities, including professional bodies, and none has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
- (viii) ever been barred from entry into a profession or occupation;
- (ix) ever been convicted in any jurisdiction of any criminal offence or an offence under legislation relating to the Companies Act, and no company of which he or she was a director, alternate director or officer at the time of the offence has been convicted in any jurisdiction of any criminal offence, or an offence under legislation relating to the Companies Act;
- (x) ever been removed from an office of trust on the grounds of misconduct and involving dishonesty; or
- (xi) ever been declared delinquent or placed under probation in terms of section 162 of the Companies Act or disqualified from taking part in the management of a corporation in terms of section 47 of the Close Corporations Act, or disqualified to act as a director in terms of section 219 of the 1973 Companies Act or section 69 of the Companies Act.

5.2 Board of Directors as at the date of this Information Statement (the Board):

Executive Directors	Paul Hanratty (Chief Executive Officer) Abigail Mukhuba (Finance Director) Heinie Werth
Independent Non-Executive Directors	Elias Masilela (Chairman of the Board of Directors) Andrew Birrell Mathukana Mokoka Karabo Nondumo Nicolaas Kruger Prof Shirley Zinn Kobus Möller Ebenezer Essoka Thembisa Skweyiya Ndivhuwo Manyonga Willem van Biljon
Non-Executive Directors	Dr Patrice Motsepe Dr Johan van Zyl Sipho Nkosi Anton Botha

The CV's of directors are available at <https://www.sanlam.com/downloads/governance/2022/Sanlam-Governance-Report-2022.pdf>

5.3 Company Secretary

Details of the Company Secretary:

Name: Fortune Adela

Appointed as the Company Secretary on 1 January 2023

5.4 Debt Officer

Details of the Debt Officer as at the Information Statement Date:

Name: Abigail Mukhuba

Appointed as the Debt Officer on 23 October 2020

Email address: abigail.mukhuba@sanlam.co.za

Telephone number: +27 (0)11 778 6351

The Issuer has appointed Abigail Mukhuba as the debt officer and the board of the Issuer has confirmed that it has considered and is satisfied with the competence, qualifications and experience of the debt officer.

6. CAPITAL ADEQUACY REQUIREMENTS AND CAPITAL MANAGEMENT

Effective capital management is an essential component of meeting the Sanlam Group's strategic objective of maximising shareholder value. The management of the Issuer's capital base requires a continuous review of optimal capital levels, including the use of alternative sources of funding, to maximise return on capital and ensure appropriate solvency levels as a safeguard to clients, regulators, and broader society. The Issuer has an integrated capital and risk management approach. The amount of capital required by the various business units is directly linked to their exposure to financial and operational risks. Risk management is accordingly an important component of responsible capital management and allocation.

The methodology used to determine the allocation of required capital to South African covered business is aligned with the new regulatory framework, as defined in the Insurance Act, and supporting Prudential Standards. The Issuer sets an appropriate level of required capital for covered business under the Prudential Standards, based on a standard formula Solvency Capital Requirement (**SCR**) targeted cover range of between 150% and 200% over a 10-year projection period. At the lower end of the range, the Issuer's covered business should be able to withstand two economic shock scenarios and still have a SCR cover above 100%.

The life insurance operations require significantly higher levels of capital than non-life operations. The optimisation of long-term required capital is accordingly a primary focus area of the capital management philosophy given the significant potential to enhance shareholder value, while maintaining appropriate solvency levels. The following main strategies are used to achieve this objective:

- Appropriate matching of assets and liabilities for policyholder solutions. This is especially important for long-duration policyholder solutions that expose the Issuer to interest rate risk, e.g. non-participating annuities.
- Due regard is given to liquidity risk management, particular where derivatives are utilised for matching purposes.
- The asset mix of the long-term required capital, as well as the estate reserves in the policyholder portfolios also impacts the overall capital requirement. The Sanlam Group's balance sheet management function models the overall risk and expected return on assets, including the impact on required capital to determine the optimal asset mix in this regard.
- Management of operational risk. Internal controls and various other operational risk management processes are used to reduce operational risk and commensurately the allowance for this risk in the calculation of required capital.
- The optimal usage of hedges, e.g. the interest rate derivatives currently in place.
- Efficient selection of reinsurance exposures.

The Sanlam Group continues to improve and develop its capital management models and processes in line with international best practice.

7. CORPORATE GOVERNANCE AND REGULATORY ENVIRONMENT

7.1 Policies

Details of the Sanlam Group's current policy in respect of the "*Selection and (re) Appointment of Directors*" (which applies to the Issuer) is available on the Sanlam Group's website at the following link [Policy-for-the-Selection-Appointment-of-Directors.pdf \(sanlam.com\)](https://www.sanlam.com/downloads/governance/2023/Sanlam-Group-Conflict-of-Interest-Policy.pdf).

The Sanlam Group's current "*Group Conflicts of Interests Policy*" (which applies to the Issuer) is available on its website at the following link <https://www.sanlam.com/downloads/governance/2023/Sanlam-Group-Conflict-of-Interest-Policy.pdf>.

7.2 External Audit

The joint external auditors of the Issuer are, at present, PricewaterhouseCoopers Incorporated and KPMG Incorporated.

Board responsibilities and functioning

The board of directors of the Issuer and the Guarantor (the **Sanlam Boards**) meetings are combined meetings and are held concurrently. This promotes the productivity and efficiency of the two Boards, to reduce the duplication of effort and to optimise the flow of information.

The agenda of the Sanlam Limited Board focuses on the Sanlam Group strategy, capital management, accounting policies, financial results and dividend policy, human resource development, JSE requirements as well as corporate governance throughout the Sanlam Group. It is also responsible for the relationship with key stakeholders in the Sanlam Group. The Sanlam Limited Board has the following Board committees:

- Audit, Actuarial and Finance
- Risk and Compliance
- Human Resources and Remuneration
- Nominations
- Non-executive Directors
- Customer Interest
- Social, Ethics and Sustainability
- Independent Non-Executive Directors

The Issuer's Board is responsible for the overall oversight of the Issuer as a solo insurer as well as general risk management and statutory oversight of the entity. The Issuer's Board has the following Board committees:

- Audit, Actuarial and Finance
- Risk and Compliance
- Human Resources and Remuneration

Board charter

The Sanlam Boards respective charters (and the committee charters) embrace the Code of Practices and Corporate Conduct in the King IV Report which contains the corporate governance guidelines and recommendations. The current Board charters have been modelled on the principles of sound corporate governance, recommended by King IV. The responsibilities of the Boards include:

- Determining Sanlam's overall objectives;
- Developing strategies to meet those objectives in conjunction with management;
- Formulation of a clear and concise governance policy which is adhered to;
- Delegating and segregating the Board's responsibilities and accountability; and
- Evaluating the performance of the Board, its committee structures and individual directors.

An annual evaluation process to review the effectiveness of the Boards, its committees and individual directors has been entrenched.

Committee charters

The Board committee charters, in addition to the annual work plan relevant to each of the committees are reviewed at least annually.

Board composition

On the date of this Information Statement the Sanlam Boards each comprise 18 members, four of whom are non-executive, 11 are independent non-executives (in accordance with King IV's standards of independence) and three executive directors (refer above). It is structured in such a way that no individual director has unfettered powers of decision-making.

The roles of Chairman and Group Chief Executive remain separated, with Elias Masilela and Paul Hanratty holding these positions respectively. The Sanlam Group Executive committee members are also attendees at the board meetings. At least a third of all Board members retire every year at Sanlam's annual general meeting (**AGM**). It had been agreed by the Board that executive directors would also rotate on a voluntary basis as per a determined schedule of rotation. Retiring directors are eligible for re-appointment. None of the non-executive directors has a director's service contract and all remuneration paid to non-executive directors for their services as a director is in terms of approval, at the AGM as required by the Companies Act. Executive directors are full-time employees and as such are subject to Sanlam's conditions of service.

Application of and approach to King IV

The Board is satisfied that every effort is made to apply and explain all aspects of King IV^{TM2}, as appropriate. The Risk and Compliance committee is also satisfied that Sanlam has to date applied the King IVTM principles and have taken steps to ensure adherence to the obligations placed upon the Sanlam Group as a consequence thereof. The Sanlam Group regularly assess its compliance levels to ensure that all areas requiring improvement are appropriately identified and addressed. Focus areas include:

- reviewing and approving Sanlam's revised Group strategy;
- reviewing and approving Sanlam's risk appetite statement;

² The King IV Report on Corporate Governance for South Africa 2016, Copyright and trademarks are owned by the Institute of Directors in Southern Africa™ and the IoDSA website link is:

<http://www.iodsa.co.za/?page=AboutKingIV>

- reviewing and approving the Issuer and the Sanlam Group's own risk and solvency assessment (**ORSA**) supervisory report. This included assessing the capital targets contained in the ORSA report to be adequate, i.e. given the size, business mix and complexity of the Sanlam Group's operations;
- ensuring ongoing compliance with an enhancement of the Sanlam Group Governance Policy, including enhancing governance and compliance protocols implemented across the Sanlam Group. This include the recruitment of new independent non-executive directors to the Board, while taking cognisance of the recommendations made by shareholders and the Regulator as well as in accordance with the JSE's criteria relevant to diversity attributes;
- ongoing adherence to the Sanlam Group Information Management and Information Technology (**IT**) Governance Framework and Charter, as well as the IT Policy Framework;
- promoting and monitoring ESG and responsible investment principles in how the Sanlam Group, including the Issuer conduct its business;
- adopting a heightened approach towards stakeholder inclusivity and exercising an oversight role over the implementation of Sanlam Group Stakeholder Management Policy;
- evaluating on a continuous basis the independence status of Sanlam's directors in accordance with King IV™ criteria and recommended practices, on a substance-over form basis;
- recruiting and appointing an African black female as the Sanlam Group Finance Director, effective 1 October 2020; and
- proposing candidates for the Sanlam Group's Audit, Actuarial and Finance committee to be elected by shareholders at the Sanlam Limited AGM, which is the Issuer's holding company, that was held in June 2022. This process was repeated in 2023 as members are elected annually at the Sanlam Limited AGM, which is the Issuer's holding company.

IT is essential for Sanlam as it has become truly pervasive. The Board's IT governance, which includes a Digital Transformation and Information Technology (**DTIT**) forum, directs the strategic and operational use of IT to ensure benefits are realised at an acceptable and articulated level of risk. IT receives the appropriate level of focus and is an important enabler of projects that effect change to our businesses. Thus, IT governance is extended to include all major change projects. The IT governance framework is established at Group level. It extends into the businesses and is tailored to suit their specific needs. Similarly, IT governance capacity and awareness are supported by all Board and management structures within the businesses.

The Board entrenched the principles and recommended practices of King IV™ across the Sanlam Group. A process to apply and explain King IV™ principles was initiated and is expected to be rolled out further to subsidiaries, joint ventures and associated companies (including non-SA entities). It will continue to focus on the application of the Sanlam Group Governance Policy, disclosure requirements regarding integrated reporting, and the composition of governance structures. Sanlam's decentralised business approach requires that each of its business clusters operates in concert with its underlying business units. However, all entities within the Sanlam Group are required to endorse the principles of King IV™ by putting measures in place to ensure good corporate governance.

All businesses and governance structures in the Sanlam Group are supported by clear approval frameworks and agreed-upon business principles, which ensure a coherent and consistent application of the Sanlam Group's governance approach across the businesses. Refer to the Sanlam Group Corporate Governance Report 2022 as well as the King IV™ Report 2022 for a greater appreciation of the application of King IV™ by the Sanlam Group. Specifically, under the Sanlam Group's Code of Ethical Conduct, no material breaches were reported during 2022. The Sanlam Group Compliance Office, with the compliance functions of the business clusters and units, facilitates the management of compliance through analysing statutory and regulatory requirements, and monitoring the implementation and execution thereof. Material deviations are reported to the Risk and Compliance committee. No material deviations were reported in 2022.

DESCRIPTION OF SANLAM LIMITED

Capitalised terms used in this section headed “Description of Sanlam Limited” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

1. BACKGROUND AND HISTORY

The Issuer’s predecessor was originally established in 1918 as a mutual life insurance company and gradually shifted its focus from life insurance to providing a broader range of financial products and services through a number of divisions and subsidiaries operating across Africa, India and selected emerging and developed markets, with its holding company, Sanlam Limited. It demutualised in 1998 and the Issuer was established to assume the assets, liabilities and obligations of the previously mutual insurance company in terms of a High-Court approved demutualisation scheme. Sanlam Limited, the holding company of the Sanlam Group, was simultaneously listed on the JSE, A2X and the Namibian Stock Exchange. The Sanlam Group has been operating for more than 100 years and is one of the largest established financial services groups in South Africa, with a global presence.

The Sanlam Group is the largest insurance group in Africa as measured by market capitalisation. It is also one of the largest internationally active insurance groups in the world, as measured by in-country presence, with a direct and indirect presence in 31 countries, excluding South Africa. Through its SEM Cluster, the Sanlam Group has the most extensive insurance footprint on the African continent. The Sanlam Group has a direct presence in 28 countries in Africa.

2. PRINCIPAL ACTIVITIES

Sanlam Limited, as the holding company of the Sanlam Group, and its subsidiaries offer its clients a large and diversified range of solutions. Omni-channel distribution ensures that clients are reached and serviced through their preferred channel, with increased focus on developing our digital capability. Our areas of expertise include financial planning, investments, insurance, retirement and wealth. The Sanlam Group conducts operations through business clusters (below) that deliver tailored, comprehensive and client-centric financial solutions to individual and institutional clients.

Sanlam Life and Savings (SLS) offers retail and corporate life insurance and investment products in South Africa. The cluster provides clients with a comprehensive range of appropriate and competitive financial solutions, designed to facilitate long-term wealth creation and protection. SLS has strong market positions in its businesses and is well diversified across product and segment. The cluster is well positioned to further entrench its market presence to build a fortress position in South Africa.

Sanlam Allianz Africa, a joint venture between Sanlam and Allianz, constitutes Sanlam’s financial services offering in emerging markets in Africa outside South Africa, with the aim of ensuring sustainable delivery and growth across its various businesses and markets. Sanlam’s interests in emerging markets outside of Africa, comprising India and Malaysia, are overseen by the Sanlam Group Office. The key focus of Sanlam Allianz Africa’s is on building Sanlam’s Pan-African operations to create a Pan-African champion, and to strengthen and grow Sanlam’s operations outside of South Africa. Sanlam Allianz Africa believes in local partnerships and skills development to create sustainable businesses.

Sanlam Investment Group (SIG) provides retail and institutional clients in South Africa and institutional clients in the United Kingdom with access to a comprehensive range of specialised investment management, credit and risk management expertise. SIG is a key part of the strategy to build a fortress position in South Africa. A transaction which became effective in 2021 with ARC Financial Services Investments Pty Ltd will contribute to this.

Santam provides a diversified range of non-life (general) insurance products and services in Southern Africa and internationally to clients, ranging from individuals to commercial and specialist business owners and institutions. Sanlam and Santam continue to work collaboratively to strengthen their respective market positions.

Refer to the 2022 Integrated Report available at <https://www.sanlam.com/downloads/integrated-report-and-annual-financial-statements/2022/Sanlam-IR-2022.pdf> for additional information on core activities.

3. BOARD OF DIRECTORS

The Sanlam Limited and Issuer Board meetings are combined meetings and are held concurrently. This promotes the productivity and efficiency of the two Boards, to reduce the duplication of effort and to optimise the flow of information. Refer above for the Board of Directors information and please refer to the Sanlam website at <https://www.sanlam.com/leadership> for additional information on the board of directors.

SIGNED at _____ on this the _____ day of _____ 2023.

For and on behalf of
SANLAM LIFE INSURANCE LIMITED

Name:
Capacity: Director
Who warrants his/her authority hereto

Name:
Capacity: Director
Who warrants his/her authority hereto

The original signed version of this document is available for inspection at the offices of the Issuer at 2 Strand Street, Belville, Cape Town, 7530, South Africa.

GENERAL INFORMATION

ISSUER**SANLAM LIFE INSURANCE LIMITED**

(registration number 1998/021121/06)

2 Strand Street

Bellville, 7530

Cape Town

South Africa

Contact: Chief Financial Officer

GUARANTOR**SANLAM LIMITED**

(registration number 1959/001562/06)

2 Strand Street

Bellville, 7530

Cape Town

South Africa

Contact: Chief Financial Officer

ARRANGERS**Sanlam Life Insurance Limited,
acting through its Sanlam Specialised Finance
division**

(registration number 1998/021121/06)

2 Strand Street

Bellville, 7530

Cape Town

South Africa

Contact: Head SA Debt Finance

**FirstRand Bank Limited,
acting through its Rand Merchant bank
division**

(registration number 1929/001225/06)

1 Merchant Place

Cnr Fredman Drive and Rivonia Road

Sandton, 2196

South Africa

Contact: Head of Debt Finance Group

DEALERS**The Standard Bank of South Africa Limited,
acting through its Corporate and Investment
Banking division**

(registration number 1962/000738/06)

3rd Floor East

30 Baker Street

Rosebank, 2196

South Africa

Contact: Head of Debt Capital Markets

**FirstRand Bank Limited,
acting through its Rand Merchant bank
division**

(registration number 1929/001225/06)

1 Merchant Place

Cnr Fredman Drive and Rivonia Road

Sandton, 2196

South Africa

Contact: Head of Debt Finance Group

CALCULATION AGENT, TRANSFER AGENT AND ISSUER AGENT

Absa Bank Limited,
acting through its Corporate and Investment Banking division
(registration number 1986/004794/06)

15 Alice Lane
Sandown
Sandton
South Africa

Contact: Head of Debt Capital Markets

PAYING AGENT AND SETTLEMENT AGENT

Standard Chartered Bank,
Johannesburg Branch

(registration number 2003/020177/10)

2nd Floor, 115 West Street
Sandton
South Africa

Contact: Head of Operations

LEGAL ADVISERS TO THE ISSUER, ARRANGERS AND DEALER

Bowman Gilfillan Incorporated

(registration number 1998/021409/21)

11 Alice Lane
Sandown
Sandton, 2196
South Africa

Contact: Mr Casper van Heerden

AUDITOR TO THE ISSUER

KPMG Incorporated

(registration number 1999/21543/21)

85 Empire Road
Parktown, 2193
South Africa

Contact: Audit Partner - Sanlam Life Insurance Limited