



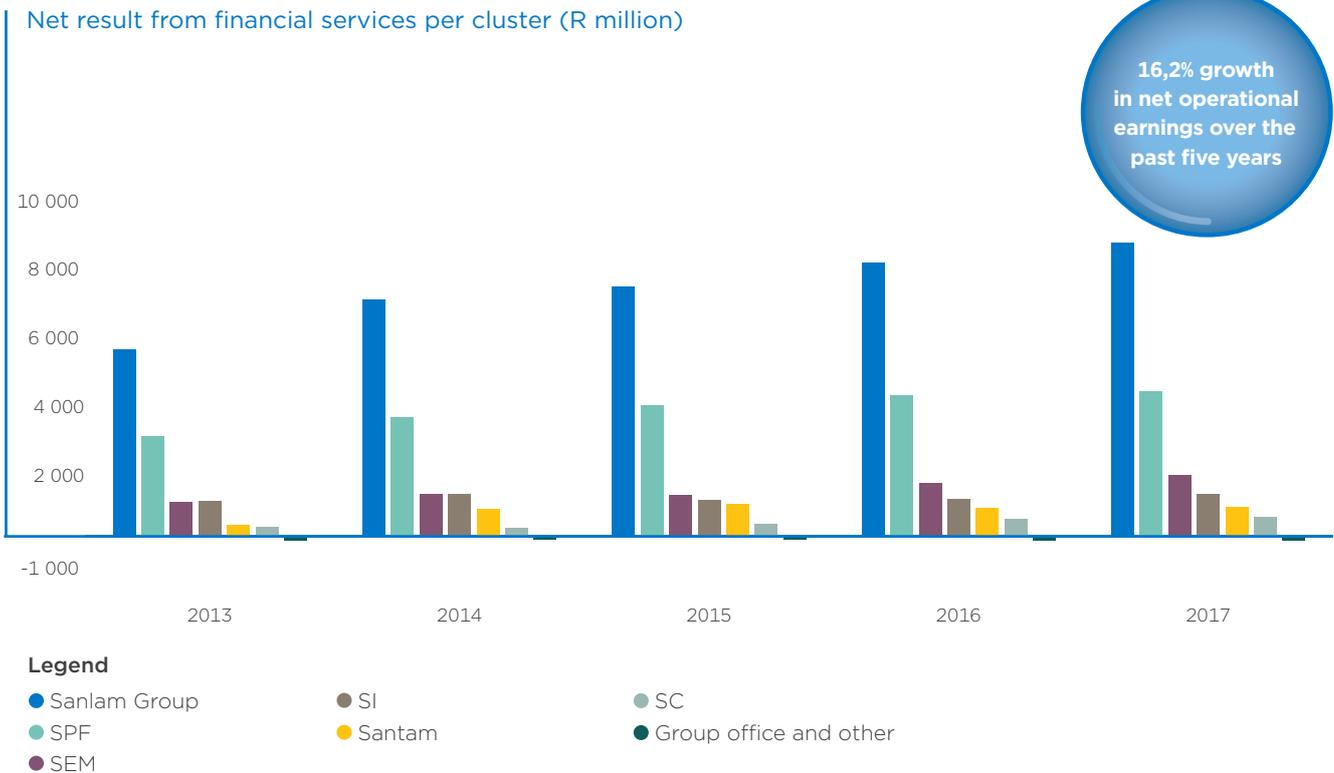
Strategic pillar

Enhancing resilience and earnings growth through diversification



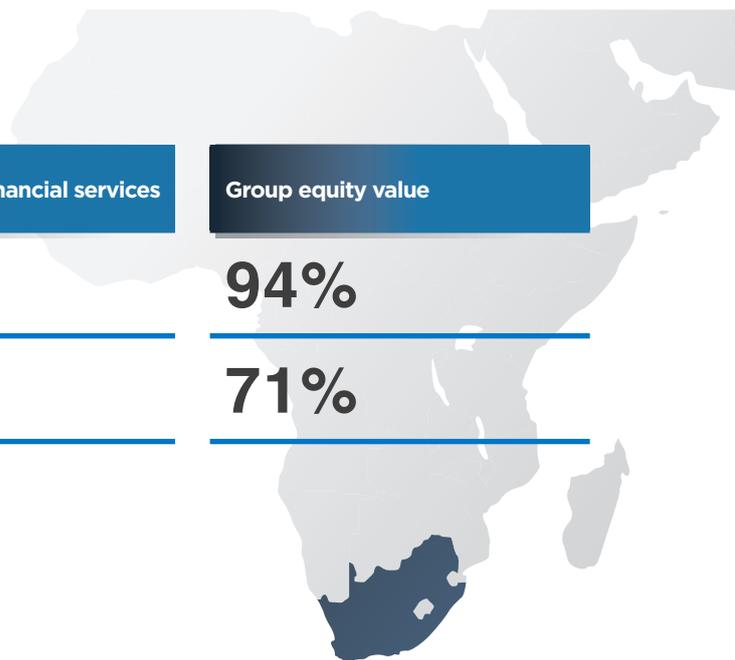
Our objective is to enhance Sanlam's international positioning and grow the relative importance and contribution of the international business to the Group, with a specific Pan-African focus.

16,2% growth in net operational earnings over the past five years

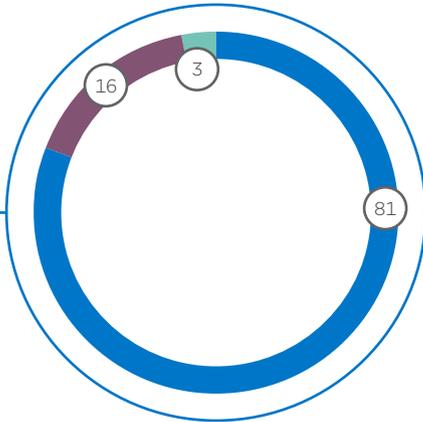


Comparable South African contribution:

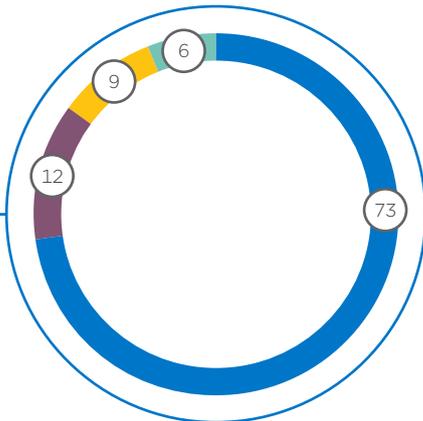
	Net value of new life business	Net result from financial services	Group equity value
2007:	86%	83%	94%
2017:	81%	73%	71%



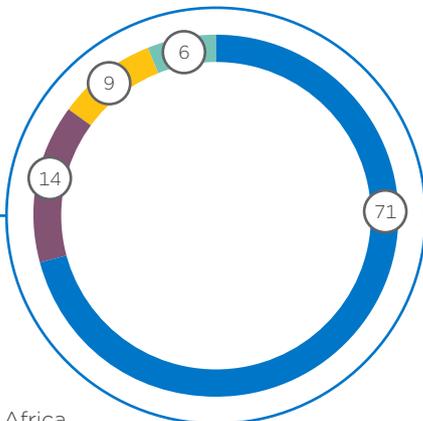
Net value of new life business



Net result from financial services



Group equity value

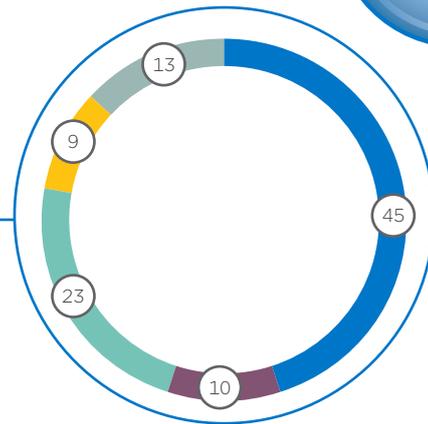


Legend

- South Africa
- Rest of Africa
- India and South-East Asia
- Other international

Diversifying our base: Group equity value per line of business

We also diversify the Group across lines of business



Legend

- Life insurance
- Admin, health and other
- Credit and structuring
- Investment management
- General insurance

Diversification across geographies and lines of business enables us to manage the earnings and currency volatility that can emanate from the countries in which we operate. This provides more stability in overall earnings generation and our dividend payment capability.

Our diversification through SEM is into higher-growth regions that enhance our future earnings growth potential. This supports the main attraction of the Sanlam investment case: stable real dividend growth combined with accelerated future growth prospects.

Our geographic diversification is depicted per cluster on pages 22 to 23 and our line of business diversification on pages 24 to 27. Our footprint in Africa is largely complete, while further improving the line of business diversification is a priority (refer to Pillar 4 on page 110).

Given our diversified business profile, the challenge for Sanlam is to maintain operational controls and governance oversight.