

Media Release

For immediate release

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Sanlam concludes two transactions to bolster market position in South Africa

Sanlam today announced two separate transactions that will significantly strengthen its life insurance operations in South Africa.

The transactions represent a considerable deployment of capital, and the Group is confident that there will be strong returns generated by these investments for shareholders.

The Capital Legacy transaction

Sanlam has agreed to combine the fiduciary operations of Sanlam Trust with Capital Legacy to create a formidable fiduciary business, with a unique life insurance offering, the Legacy Protection Plan, which addresses a clear need of indemnifying clients against executor and ancillary expenses, which can be substantial.

The combined business will enable affordable access to wills and estate administration, accelerate the delivery of a shared vision of financial inclusion, as well as enhance the growth of both entities through leveraging their unique strengths.

The proposed transaction supports and strengthens Sanlam's overall financial planning proposition.

As an entrepreneurial, owner-managed business, Capital Legacy has developed into a fast-growing financial services business in South Africa. It will buy 100% of Sanlam Trust to create an enlarged Capital Legacy business that includes Sanlam Trust. Sanlam Private Wealth Fiduciary Services and Sanlam Corporate's Beneficiary Fund are not part of the proposed transaction and will remain with Sanlam.

Sanlam will take a strategic shareholding in the enlarged Capital Legacy (that includes Sanlam Trust) by subscribing for a 26% stake in Capital Legacy. A Sanlam branded version of Capital Legacy integrated wills and estate offering will be available to Sanlam clients via Sanlam's distribution channels. Access to the current best in class Sanlam Trust and beneficiary fund services will continue under the expanded Capital Legacy.

The management owners of Capital Legacy will remain shareholders and continue to run the combined business together with the Sanlam Trust management team.

Commenting on the Capital Legacy transaction, Anton Gildenhuys, the Sanlam Retail Affluent CEO, said, "We believe that proper estate planning and drawing up a will are key components in financial planning. We admire the innovative solutions that Capital Legacy has created, the agile and best in

class technology as well as the comprehensive marketing infrastructure they have built – all of which supports their phenomenal growth. Combining the market leading capabilities in Sanlam Trust with those at Capital Legacy will create a brilliant organisation that will be able to support all current and future clients in their endeavours to live with confidence.”

The transaction is subject to regulatory approvals including those of the competition authorities, the Prudential Authority, and the Financial Sector Conduct Authority. **It is expected to be completed in the third quarter of 2023.**

The BrightRock transaction

Sanlam has agreed to acquire full control of BrightRock Holdings (BrightRock). Sanlam currently holds 62% of BrightRock and will acquire its remaining shares from the minority shareholders. This will result in Sanlam owning 100% of BrightRock.

BrightRock will continue to operate as a separate entity under its own brand and its distinct needs-matched offering. The entrepreneurial management team who founded the company will remain with the business. The transaction is subject to regulatory approval **and is expected to be implemented during the second quarter of 2023.**

Commenting on the BrightRock transaction, Sanlam Retail Affluent Chief Executive Officer, Mr Anton Gildenhuys said: “Since inception BrightRock has established a credible presence and presented a valuable proposition to people’s insurance needs. Sanlam and BrightRock’s offerings combined have the largest market share of new retail risk sales in the independent broker market, according to the latest NMG market share survey. We are pleased to have contributed to BrightRock’s success since becoming a shareholder in 2017 and we now believe the opportunity is right to realise future growth prospects through owning 100% of the business. This is in line with our strategy and reflects our ongoing commitment to invest and strengthen our market position in South Africa for the benefit of our stakeholders.”

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About Sanlam

Sanlam is a pan-African financial services group listed on the Johannesburg, Namibian and A2X stock exchanges. Through its clusters - Retail Mass, Retail Affluent, Sanlam Corporate, Sanlam Emerging Markets, Sanlam Investment Group and Santam, the Group provides comprehensive and bespoke financial solutions to institutional clients and consumers across all market segments.

Sanlam’s areas of expertise include life and general insurance, financial planning, retirement, investments, and wealth management.

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

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

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

For more information, visit www.sanlam.com

Media Enquiries – Sanlam Group

Allim Milazi, Sanlam Group Communications
+27 82 889 5874 | allim.milazi@sanlam.co.za

Thandukwazi Gcabashe, FTI Consulting

+27 66 486 3269 | thandukwazi.gcabashe@fticonsulting.com