Sanlam Umbrella Fund

Integrated Annual Board Report **2026**

Building Confidence in Retirement

Sanlam

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Content

01	Building Confidence in Retirement	1
02	Chairperson's Message	2
03	Principal Officer's Reflection	4
04	Sponsor's Perspective	6
05	The Fund at a Glance	8
06	The Year in Numbers	10
07	What Strengthened Confidence This Year?	12
08	How the Fund Supports Members Today	15
09	Confidence Through Inclusion	17
10	Strengthening Confidence for the Future	18
11	Investment Highlights	20
12	Financial Highlights	23
13	Governance and Oversight	25
14	General Fund Information	31

01

Building Confidence in Retirement

Retirement confidence is not built at retirement. It is built throughout a member's financial journey through informed decision-making, responsible stewardship and access to the support and information needed to plan for the future.

The Board selected **Building Confidence in Retirement** as the theme for this year's report because it reflects the Fund's purpose and the role it plays in supporting members at every stage of their retirement journey. While investment returns remain important, confidence is shaped by governance, service delivery, communication, accessibility and the quality of the member experience.

This report looks beyond activities and committee structures to focus on outcomes. It highlights the actions taken during the year to strengthen retirement confidence, the ways in which the Fund supports members and the priorities that will shape its future direction.

This report explores three perspectives that reflect the Fund's commitment to building confidence in retirement:

1 **What strengthened confidence this year?**
The key initiatives, decisions and outcomes that supported members and strengthened the Fund during the year.

2 **How does the Fund support members?**
The governance, investments, administration, communication and member services that underpin the Fund's day-to-day operations.

3 **How is the Fund strengthening confidence for the future?**
The strategic priorities and initiatives that will help improve member outcomes and support the Fund's long-term sustainability.

While much of this work happens through the Board, its committees and service providers, the Fund's purpose is to support better member outcomes. Members see the impact through effective administration, clear communication, appropriate risk protection, informed decision-making and the ongoing management of their retirement savings in their best interests.

02

Chairperson's Message

Building Confidence in Retirement

"Our responsibility extends beyond safeguarding retirement savings. It is to earn and strengthen members' confidence through sound governance, responsible stewardship and an unwavering commitment to their best interests."

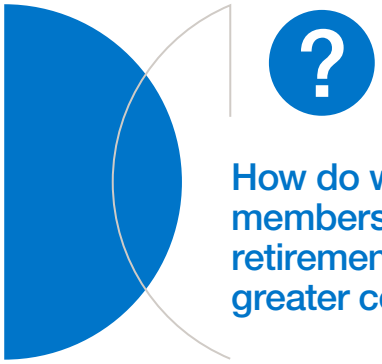
– JOLLY MOKOROSI, CHAIRPERSON OF THE BOARD

Building confidence in retirement is a journey shared by members, employers and the Fund. It is not defined by a single milestone, but by the many steps taken along the way. Every contribution, every investment choice, every governance decision and every member interaction help shape a path towards greater financial security. Like any journey worth taking, it requires preparation, resilience and, above all, trust that those guiding the journey are acting in members' best interests.

Confidence is not earned by a single decision, investment return or member interaction. It grows gradually, through consistent stewardship and a commitment to supporting members at every stage of their retirement journey.

As the retirement landscape continues to evolve, members face a complex environment shaped by economic pressures, changing employment patterns, advancing technology and increasing expectations of transparency, accessibility and service. Regulatory developments continue to raise the bar for governance and accountability, while members rightly expect retirement funds to do more than simply administer benefits and process transactions.

It was against this backdrop that the Board remained focused on a simple but important question:



How do we help members approach retirement with greater confidence?

Throughout the year, I was encouraged by the quality of the Board's discussions. Whether we were considering governance, investments, member communication or operational matters, the conversation consistently returned to one central theme: how will this improve outcomes for our members? This question also shaped the Board's approach to stewardship. It informed our focus on strong governance, reliable administration, effective communication and an unwavering commitment to member outcomes. These principles guided the Fund's strategy and decision-making and form the foundation of this year's theme, *Building Confidence in Retirement*.

This question became the lens through which the Board viewed its oversight, priorities and strategic direction earlier this year. It challenged us to look beyond our day-to-day responsibilities and consider how the Fund should evolve to meet the changing needs of members, employers and intermediaries. One of the most significant outcomes was the Board's strategic review of the Fund's future direction, reaffirming our shared ambition to position the Sanlam Umbrella Fund as the Fund of Choice for employers, members and intermediaries by delivering outstanding value, robust governance, meaningful member engagement and operational excellence.

Confidence is shaped by more than financial performance alone. It is influenced by the quality of the member experience, the accessibility of information, the effectiveness of communication and the extent to which members feel informed, supported and empowered to make sound retirement decisions. Retirement funds have a responsibility not only to protect members' savings, but also to build understanding, encourage engagement and help members prepare for retirement with confidence. This broader understanding of the member experience is increasingly reflected across the Fund's activities and strategic priorities.

True transformation is an important enabler of better member outcomes. Our focus therefore extends beyond compliance to financial inclusion, accessibility, education and creating opportunities for broader participation. We believe that confidence grows when more members can access, understand and benefit from the services and support available to them.

As the Fund grows, we remain mindful of our responsibility to ensure that our governance structures, operating model and service arrangements evolve alongside that growth. The Board therefore continues to prioritise innovation, operational efficiency, technology enablement and enhanced accountability to ensure the Fund remains resilient, responsive and well positioned to deliver value to our members.

I am excited by the opportunities that lie ahead. As the Fund continues to grow, we remain committed to our ambition of being the Fund of Choice - not simply through growth, but by consistently delivering value, earning trust and putting members at the centre of every decision we make.

On behalf of the Board, I would like to thank my fellow Board members, committee members, the Principal Officer and Deputy Principal Officer, the Fund Secretariat, our service providers, participating employers, consultants and all stakeholders who contribute to the success of the Fund.

Most importantly, I would like to thank you, our members for the trust you place in us.

While the future will undoubtedly present new challenges and opportunities, our commitment remains unchanged. We will continue to govern with integrity, steward the Fund responsibly and place you, our members, at the heart of every decision we make. In doing so, we will continue building confidence in retirement - one decision, one conversation and one member outcome at a time.

Jolly

JOLLY MOKOROSI
Chairperson of the Board

03

Principal Officer's Reflection

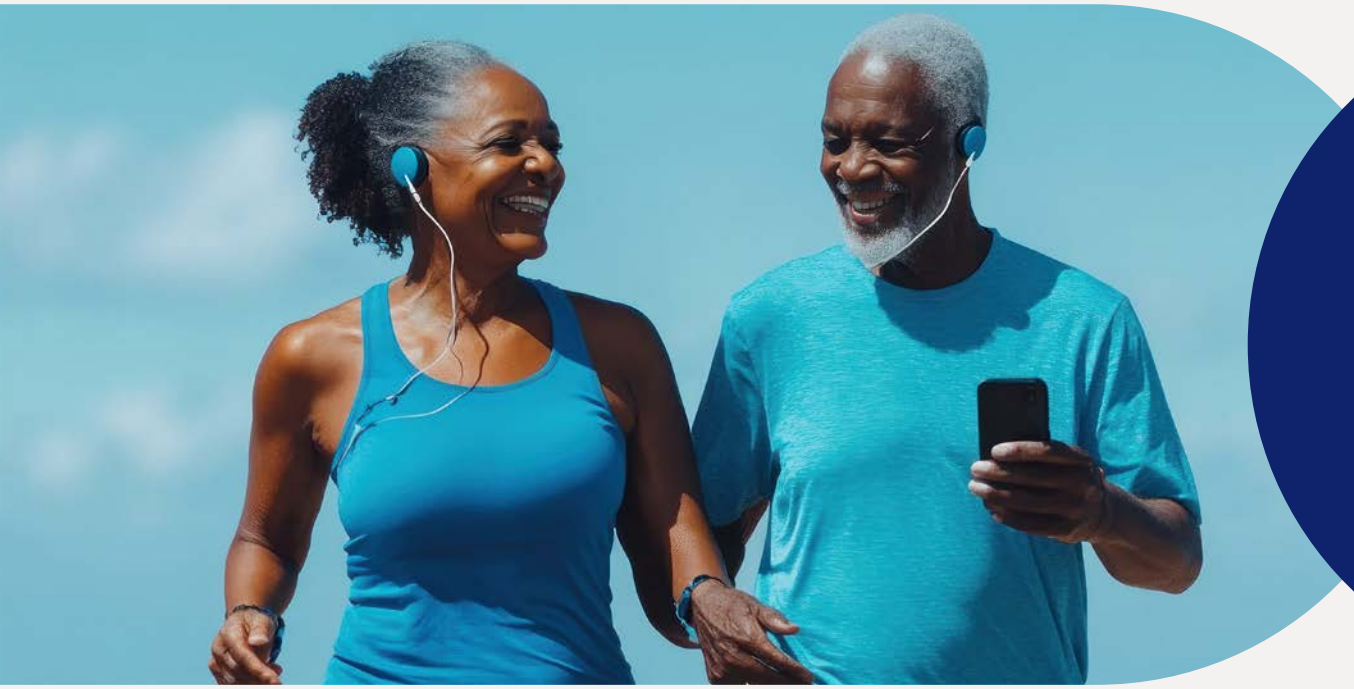
Turning Strategy into Action

"Success is not measured by the size of the Fund alone. It is measured by the confidence members have that their savings are protected, their interests are represented and their future is being strengthened."

– JOELENE MOODLEY, PRINCIPAL OFFICER

A retirement fund's success is measured not only by its financial strength and governance structures, but by the experience and outcomes of the members it serves.

Over the past year, much of our focus has been on ensuring that the Fund continues to translate strategy into meaningful action. This has meant strengthening operational excellence, enhancing member engagement, improving governance processes and supporting initiatives that help members to make better-informed financial decisions.



As the Fund continues to grow, so too does our responsibility to ensure that members receive the service, support and information they need throughout their retirement journey. This responsibility extends beyond efficient administration. It requires us to continually challenge ourselves to improve how we engage with members, how we measure success and how we deliver value.

During the year, the Fund made meaningful progress across several important areas. Member communication and education remained a priority, with continued investment in webinars, stakeholder engagement platforms and targeted communication initiatives designed to support members at important decision-making points. The annual Symposium and Centralised Joint Forum provided valuable opportunities for engagement, learning and collaboration with participating employers, consultants and other stakeholders.

We also continued to focus on improving operational efficiency and service delivery. Enhancements to administration processes, increased automation, improved reporting and ongoing investment in digital capabilities are helping to create a more responsive and scalable operating environment. These initiatives are important as the Fund prepares for future growth and responds to the changing expectations of members.

An area of particular importance has been our growing emphasis on member outcomes. Across the Fund, there is increasing recognition that success should not be measured purely by transactions processed or regulatory requirements met.

Success is reflected in whether members understand their benefits, engage with their retirement planning and are empowered to make decisions that support their long-term financial wellbeing.

The Board's strategic review has provided a clear direction for the next phase of the Fund's development. Priorities include enhanced member engagement, digital enablement, operational excellence, prudent investing, financial inclusion, stakeholder alignment and innovation. The implementation plans supporting these priorities are already underway and will remain a key focus area across the Fund's governance and operational structures.

I remain grateful for the commitment and professionalism of the Board, committee members, Deputy Principal Officer, Fund Officers and service providers, whose dedication contributes to the Fund's ability to serve its members effectively. Together, we share a common purpose: to help members achieve better retirement outcomes and to strengthen confidence in retirement.

JOELENE MOODLEY
Principal Officer

04

Sponsor's Perspective

Delivering through Partnership

"Our ambition is to help create a Fund that members trust, employers value and advisers confidently recommend."

– NZWANANAI SHONIWA, MANAGING EXECUTIVE: SANLAM UMBRELLA SOLUTIONS

"Building confidence in retirement requires more than strong products and systems. It requires meaningful partnerships, shared purpose and a relentless focus on creating value for members, employers and intermediaries."

– ANNA SIWIAK, HEAD OF PRODUCT: SANLAM UMBRELLA SOLUTIONS

The Sanlam Umbrella Fund continues to grow in scale, relevance and impact. As Sponsor, we are proud to support a Fund that remains firmly committed to delivering better retirement outcomes through strong governance, innovation, operational excellence and member-centricity.

The relationship between the Fund and Sponsor is built on a shared commitment to serving members, participating employers and intermediaries. While the Board provides independent oversight and strategic direction, the Sponsor contributes expertise, resources and operational capability that support the Fund's long-term success.

Together, we are focused on ensuring that the Fund remains responsive to changing member needs while maintaining the high standards expected of one of South Africa's leading umbrella funds.

During the past year, continued emphasis was placed on enhancing the member experience, strengthening stakeholder engagement and improving accessibility to information and support. This included ongoing investment in digital capabilities, communication initiatives and administration enhancements designed to make it easier for members, employers, consultants and intermediaries to engage with the Fund and access the information they need.

We also recognise that the future of retirement fund administration will be shaped by technology, data and new ways of engaging with members. The Fund's strategic focus on automation, digital enablement and innovation reflects a commitment to improving efficiency while creating a more personalised and responsive experience for members and participating employers.

An important focus area going forward is strengthening direct engagement with members. As the Fund evolves and the number of individual members grows, there is an increasing need for communication and support that is relevant, timely and tailored to different member needs and life stages. The Fund's retailisation strategy, enhanced segmentation initiatives and focus on member insights are important steps in this journey.

The Fund's future ambitions are equally exciting. Through continued collaboration between the Board, the Principal Officer's Office and the Sponsor, we will continue to invest in initiatives that strengthen retirement outcomes, improve operational effectiveness, advance financial inclusion and support sustainable growth. We remain committed to helping position the Sanlam Umbrella Fund as the Fund of Choice for employers, members and intermediaries.

On behalf of the Sponsor, I would like to thank the Board, Fund Officers, participating employers, consultants and service providers for their continued partnership and contribution during the year.

Most importantly, we thank our members for the trust they place in us. That trust is our greatest responsibility and our strongest motivation. Together, we remain committed to building a retirement fund that delivers real value, responds to changing needs and helps more South Africans retire with dignity, security and confidence.

NZWANANAI SHONIWA
Managing Executive: Sanlam Umbrella Solutions

05

The Fund at a Glance

Position as at 30 June 2026

The Fund remains focused on delivering value, support and retirement confidence to its members. The information below provides a snapshot of the Fund's size, reach and activities at the reporting date.

Participating employers

3,992

Sanlam Umbrella Pension Fund	Sanlam Umbrella Provident Fund	Sanlam Unity Umbrella Fund
1,165	**1,867**	**960**

Assets under management – split between Active membership and Individual membership

Sanlam Umbrella Pension Fund	**Active Members**	**R48,792,645,395**
	Paid-up members	R1,911,723,002
	In-fund Living Annuitants	R512,355,196
	Phased retirees	R428,859,943
Sanlam Umbrella Provident Fund	**Active Members**	**R95,222,703,420**
	Paid-up members	R3,879,695,435
	In-fund Living Annuitants	R786,052,668
	Phased retirees	R982,727,863
Sanlam Unity Umbrella Fund	**Active Members**	**R770,847,467**
	Paid-up members	R33,167,700
	Phased retirees	R444,573

Membership – to be reflected per each of the categories listed below

Sanlam Umbrella Pension Fund	**Active Members**	**94,658**
	Paid-up members	21,516
	In-fund Living Annuitants	128
	Phased retirees	126
Sanlam Umbrella Provident Fund	**Active Members**	**236,506**
	Paid-up members	57,750
	In-fund Living Annuitants	153
	Phased retirees	192
Sanlam Unity Umbrella Fund	**Active Members**	**19,408**
	Paid-up members	5,406
	Phased retirees	1

Default investment portfolios' average returns for this period

	1-year	CPI 1-year	3-year	CPI 3-year	5-year	CPI 5-year	10-year	CPI 10-year
Life stage default-average	15.8%	5.0%	15.0%	4.4%	13.4%	5.2%	10.0%	4.70%
Protection default-average	12.2%	5.0%	11.1%	4.4%	9.8%	5.2%	8.5%	4.70%

06

The Year in Numbers

The year in numbers reflects the scale of the Fund's activities during the reporting period and highlights some of the key developments that contributed to strengthening confidence in retirement.

Growth

Assets under management »

22%

Activity

Contributions received from members and employers »

R12.7 billion

Benefit claims paid »

Withdrawals – 52,812

R6.4+ billion

Retirements – 4,087

R6.3+ billion

Death benefit claims finalised during the reporting period »

1,200

Claims ranged from relatively small to benefits exceeding R10m with the highest claim over R20m.

Savings Pot withdrawal claims processed »

100,965

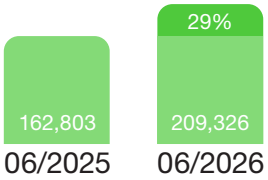
Engagement

7,795 members attended **Imali Zam webinars** live

3,749 members viewed the webinar recordings

5 editions of the **Prosper newsletters** were distributed to members during the year and viewed by **266,220 members**

Digital adoption growth numbers »



29% growth

29,136 beneficiary nominations completed

36,333 member engagements »

2,437 inbound calls

8,577 proactive calls

23,497 WhatsApp engagements

1,504 email engagements

318 group session engagements

2,162 free virtual doctor consultations »

1,646 GP consultations

516 psychology consultations

Confidence

Unqualified audits across all the Funds' annual financial statements

Pension Fund Adjudicator determinations »

12 S37C complaints were submitted.

Three determinations were received in favour of the Fund while nine await determinations.

15 S37D complaints were received.

Eleven determinations were received in favour of the Fund while four await determinations.

07

What **Strengthened Confidence** This Year?

Behind the numbers are the initiatives, decisions and achievements that helped shape the Fund's progress during the year. The following highlights reflect some of the key actions taken by the Board and its committees to strengthen governance, improve member outcomes and build confidence in retirement.

Supporting Members Through Change

The introduction of the Two-Pot Retirement System continued to shape the retirement landscape during the year.

For many members, access to their Savings Pot provided much-needed financial relief. At the same time, it highlighted the importance of helping members understand the long-term implications of withdrawing retirement savings. Across the Fund, governance structures worked together to support members through this transition. Administration teams successfully managed significantly higher claim volumes, while communication initiatives focused on helping members make informed decisions. Service levels were stabilised following the initial surge in claims and operational enhancements were implemented to improve processing efficiency and responsiveness.

The Fund also introduced targeted member engagements through digital channels, providing guidance to members considering Savings Pot withdrawals and other important retirement decisions.

Together, these initiatives helped ensure that members received support when they needed it most.

Protecting and Growing Retirement Savings

Confidence depends not only on access to retirement savings, but also on the ability of those savings to deliver long-term financial security.

Despite significant Savings Pot withdrawals across the industry, the Fund continued to deliver strong investment outcomes for members. The Fund's default investment portfolios generated real returns of approximately 6% to 12% over the year ended 30 June 2026, reflecting robust growth in members' retirement savings after inflation. This performance is supported by the long-term results of the Fund's default and member choice portfolios, presented in Section 12, which delivered strong returns across the 1-, 3-, 5- and 10-year periods ended 30 June 2026.

Investment governance remained a major area of focus, supported by ongoing portfolio reviews, monitoring of investment managers and continued refinement of default strategies. The year also saw enhancements to the investment menu, further development of responsible investing practices and continued consideration of infrastructure, impact and sustainable investing opportunities. These efforts were supported by rigorous oversight of investment risks and costs.

The result was continued growth in members' retirement savings despite a challenging environment.

Supporting Better Decisions

Retirement outcomes improve when members understand their options and can make informed financial decisions. The Fund therefore continues to invest in education, guidance and engagement initiatives designed to support members throughout their retirement savings journey.

During the year, the Fund engaged members through multiple channels. The Imali Zam webinar programme continued to attract strong member participation, with thousands of members engaging through live sessions and recorded content. Members also received ongoing support through the Prosper Newsletter, which received a Silver Award at Everlytic's 2026 You Mailed It Awards in recognition of its ability to communicate complex financial concepts in a clear, relevant and engaging manner while maintaining credibility.

In addition to these educational initiatives, members had access to a range of digital tools and resources, including the Sanlam Member Portal and personalised retirement benefits counselling, enabling them to better understand their benefits, model retirement outcomes and make informed decisions regarding their retirement savings.

The annual Symposium and Centralised Joint Forum remained important platforms for dialogue, learning and stakeholder engagement. These forums enabled the Fund to gather feedback, share insights and strengthen relationships with participating employers, consultants and other stakeholders.

The Fund also launched initiatives to encourage members to review and update beneficiary information, engage with retirement planning resources and take an active interest in their long-term financial wellbeing. These actions may appear small individually, but together they help members make better-informed decisions about their financial futures.

Through these initiatives, the Fund remains committed to empowering members with the knowledge, tools and support needed to make informed financial decisions. By promoting greater engagement, improving financial literacy and encouraging proactive retirement planning, the Fund seeks to enhance long-term retirement outcomes and help members achieve greater financial security in retirement.

Strengthening Governance and Accountability

Confidence is built when members know their Fund is well governed.

During the year, governance frameworks continued to mature in response to changing regulatory requirements and the increasing scale of the Fund. Particular focus was placed on governance effectiveness, risk oversight, cyber resilience, ethics and accountability. The Fund strengthened its governance structures through policy reviews, expanded oversight arrangements and preparation for evolving governance frameworks such as the King V Code of Good Practice.

Cybersecurity, information governance and risk management remained priority areas, while oversight of service providers, operational controls and financial reporting continued to provide assurance to the Board. The Funds again received unqualified audit opinions across all Funds, reinforcing confidence in its financial reporting and governance processes.

Life does happen and things don't always go to plan. One of the Fund's providers was subject to a cyber incident and part of good governance is standing to account for this and letting impacted members know. The processes in place helped guide the action taken around this to resolve this in an efficient manner.

Supporting Families When They Need It Most

Some of the most important decisions made by the Fund are those that affect families after the death of a member.

During the year, the Fund finalised approximately 1 200 death benefit claims, many of which involved complex family circumstances and competing dependency claims. The Fund continued to prioritise fairness, consistency and legal compliance in the allocation of benefits, supported by strong governance processes and detailed investigations.

A significant achievement during the year was the continued reduction of older death benefit cases, improving outcomes for beneficiaries and reducing one of the most challenging areas of retirement fund administration. The Fund also maintained a strong record in relation to complaints and dispute resolution processes, with no determinations received during the reporting period in respect of death benefit allocation complaints being made against the Fund. This outcome reflects the Board's commitment to fair, thorough and legally compliant decision-making.

For members and their families, this provides assurance that benefits will be managed fairly and responsibly when they are most needed.

08

How the Fund **Supports Members** Today

The Fund's support for members extends far beyond the provision of retirement savings benefits. Through strong governance, sound investment management, efficient administration, risk protection, ongoing communication, financial education and personalised support initiatives, the Fund aims to provide members with the tools, information and support they need to navigate their retirement journey with confidence.

Governance

Strong oversight structures ensure that decisions are made in members' best interests and that risks are actively managed.

Investments

Members have access to a wide range of investment options supported by rigorous governance, ongoing monitoring and inflation-beating, long-term performance objectives.

Administration

Members benefit from increasingly automated and digitally-enabled administration processes designed to improve efficiency, accuracy and service delivery.

Risk benefits

The Fund continues to enhance insured benefits, improve pricing outcomes and strengthen protection for members and their families.

Communication and education

Webinars, newsletters, digital engagement and stakeholder platforms help members understand their benefits and make informed decisions.

Personalised member support

Members receive targeted support at important decision-making points through engagement campaigns, preservation initiatives, beneficiary nomination campaigns and enhanced member servicing, helping them navigate their retirement journey with greater confidence.

Collectively, these efforts reflect the Fund's commitment to creating an environment in which members are supported to achieve better retirement outcomes. The Board remains focused on ensuring that the Fund continues to evolve in response to changing member needs, industry developments and regulatory requirements, while maintaining its commitment to acting in members' best interests.

09

Confidence **through inclusion**

The Board believes that confidence in retirement can only be achieved when all members have a meaningful opportunity to participate, understand and benefit from the services, support and opportunities available to them.

The Fund therefore views inclusion as an important enabler of better member outcomes. Its approach extends beyond legislative requirements to promoting accessibility, strengthening financial literacy and reducing barriers to participation.

During the year, the Fund maintained initiatives to build a deeper understanding of the needs of its diverse membership. These included efforts to improve the quality and completeness of member data, enhancing language accessibility and ensuring that communication and engagement initiatives remain relevant.

The Fund also actively engaged with regulators and industry bodies on matters affecting transformation and inclusion within the retirement industry.

These efforts are reflected in practical initiatives such as expanding member education through webinars and digital channels, exploring solutions to better understand the Fund's diverse membership, improving access to member communication through language translation initiatives, and strengthening engagement at key decision-making points throughout the retirement journey. Together, these initiatives support the Fund's objective of ensuring that more members are informed, engaged and empowered to make decisions that contribute to improved retirement outcomes.

10

Strengthening confidence **for the future**

Confidence is strengthened when members know their Fund is not only meeting today's needs but actively preparing for tomorrow's challenges and opportunities.

Guided by its vision of being the Fund of Choice for employers, members and intermediaries, the Board has adopted a long-term strategy focused on improving member outcomes, enhancing engagement, driving innovation, strengthening governance and ensuring the Fund remains sustainable, accessible and relevant in a changing retirement landscape. The following priorities will shape the Fund's strategic agenda over the coming years.

- **A more personalised member experience**

  As the number of individual members (paid-up, deferred, in-fund living annuitants) continues to grow, the Fund is placing greater emphasis on direct member engagement. This includes the development of a retailisation strategy, enhanced member segmentation, more personalised communication and better use of data and analytics to provide information that is relevant to members at different stages of their retirement journey. The Fund will also explore new digital engagement tools and approaches to improve interaction and participation.

- **Smarter and more efficient administration**

  The Sponsor will continue to invest in automation, artificial intelligence and platform modernisation to improve service delivery, reduce manual processes and enhance operational efficiency. A key focus area will be the continued evolution of administration systems and the strengthening of accountability frameworks between the Fund, the Administrator and other key service providers.

- **Better member outcomes and value for money**

  The Board remains focused on helping members achieve better retirement outcomes. Work planned for the coming period includes the development of value-for-money measures, ongoing member education initiatives and further exploration of member support services to improve retirement readiness, financial literacy and member decision-making.

- **Greater accessibility and inclusion**

  The Fund will continue to address barriers that may limit member engagement and understanding. This includes language translation projects, targeted communication campaigns, broader financial inclusion initiatives and a stronger focus on understanding the diverse needs of the Fund's membership through enhanced demographic insights and member research.

- **A stronger and more trusted brand**

  The Board is committed to reinforcing the Fund's reputation as a trusted, ethical and member-centric retirement fund. This includes strengthening governance frameworks, enhancing transparency, embedding transformation and ESG considerations across Fund activities, and ensuring that the Fund's actions consistently reflect its values of member-centricity, integrity, accountability and ethical leadership.

- **Greater industry influence and collaboration**

  The Fund intends to play an increasingly active role in shaping the future of the retirement industry through engagement with regulators, industry bodies and other stakeholders. The aim is not only to respond to change, but to contribute to better governance practices, improved member outcomes and more inclusive participation across the retirement savings landscape.

- **Investing in initiatives that create member value**

  Effective governance and prudent financial management have enabled the Fund to build financial capacity beyond what is required for its immediate operational needs. These additional resources are the result of disciplined budgeting, active cost management and ongoing oversight of Fund expenditure, ensuring that member assets are utilised responsibly and efficiently.

  The Board is considering how these resources can be deployed to not only provide competitive returns, but also to deliver meaningful and measurable value to members. Priority is being given to initiatives that enhance retirement outcomes, strengthen financial literacy, improve retirement planning and decision-making support, expand member education and guidance services, and provide more personalised assistance at important life and retirement milestones. The Board is also exploring opportunities to develop enhanced member support services and other innovative initiatives designed to improve financial wellbeing, retirement confidence and long-term member outcomes.

All proposed initiatives will be subject to robust assessment and governance processes, with a focus on strategic alignment, measurable impact, sustainability and demonstrable benefit to members and their beneficiaries.

Building confidence for the long term

At its core, the Fund's strategy is centred on a simple objective: helping more members achieve better retirement outcomes.

Through stronger engagement, greater accessibility, smarter administration, innovation, financial inclusion and sound governance, the Fund aims to build lasting confidence in retirement for current and future generations of members.

11

Investment **Highlights**

Default Investment Strategy Performance as at 30 June 2026

For most members, confidence in retirement is built on the knowledge that their retirement savings are being managed responsibly, prudently and with a long-term perspective.

The Board has approved a range of default investment strategies designed to accommodate the diverse needs, risk profiles and retirement objectives of participating employers and members. These strategies are subject to ongoing review and oversight and are aligned with the Pension Funds Act's Default Regulations.

The Board recognises that no single investment strategy is appropriate for every member. The Fund therefore offers a range of carefully governed default solutions that seek to balance growth, affordability, diversification, capital preservation and retirement readiness.

The Sanlam Lifestage Strategy remains the Fund's flagship default strategy, automatically adjusting investment risk as members approach retirement to support improved retirement outcomes and greater confidence in retirement.

The Fund's Board-approved default strategies comprise:

Lifestage Strategies

- Sanlam Lifestage Strategy
- Sanlam Blue Lifestage Strategy
- Sanlam Passive Lifestage Strategy
- Sanlam Wealth Creation Lifestage Strategy

Protection Strategies

- Volatility Protection Strategy
- Sanlam Secure Strategy
- Sanlam Stable Strategy

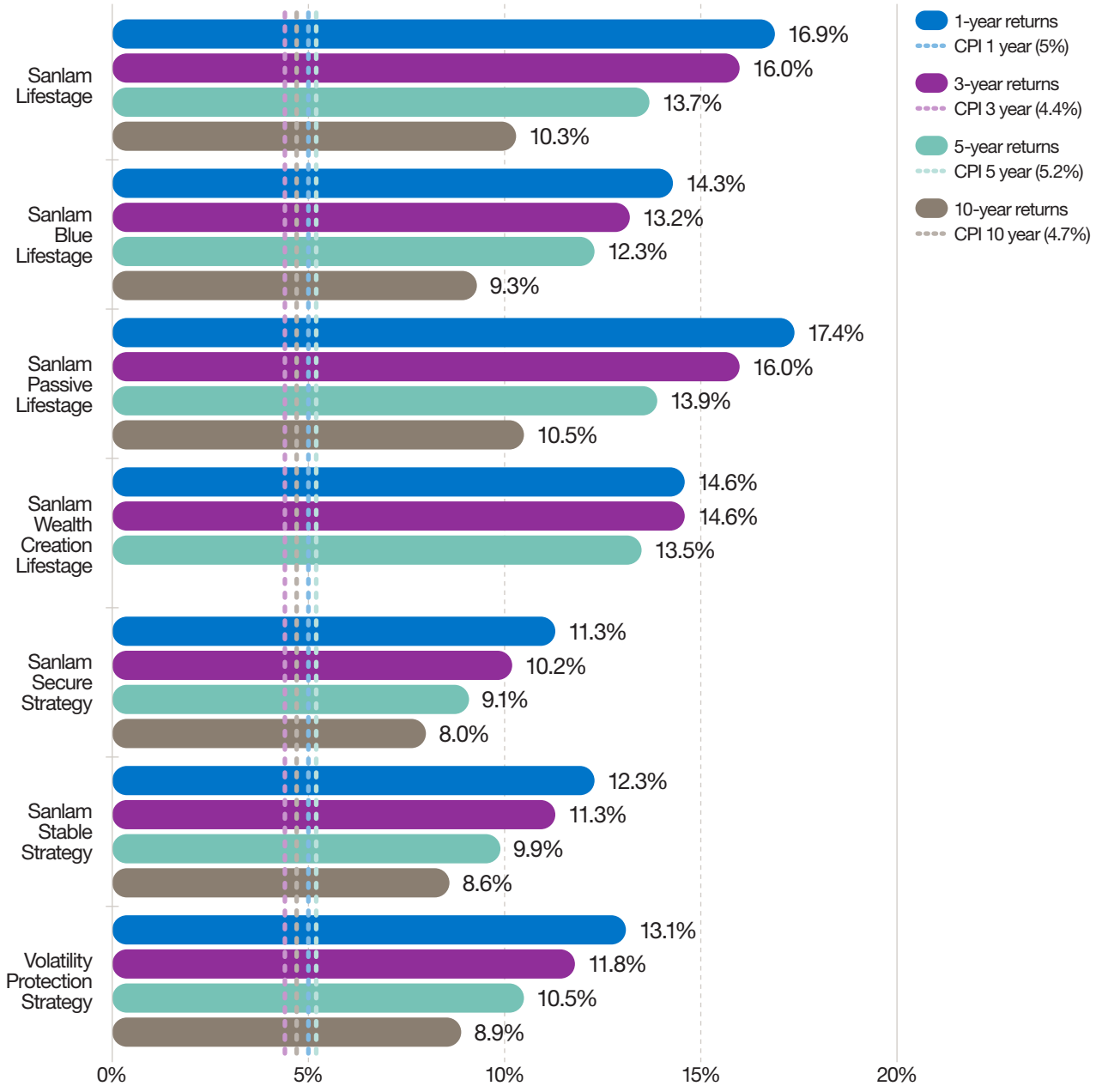
Together, these strategies provide members with investment solutions suited to different stages of their retirement journey and varying levels of investment risk. The Lifestage and Wealth Creation strategies focus on long-term capital growth, the Passive Lifestage Strategy provides a lower-cost index-tracking approach, while the Protection Strategies are designed for members who place greater emphasis on capital preservation and reduced volatility.

Guiding principles of the default strategy framework

In approving and overseeing the default investment strategies, the Board seeks to:

- Act in the best interests of members.
- Improve retirement outcomes.
- Provide professionally governed investment solutions.
- Comply with regulatory requirements.
- Cater for varying member risk profiles.
- Promote diversification across asset classes and investment managers.
- Simplify investment decision-making.
- Protect retirement savings as members approach retirement.

Investment returns for the trustee-approved default strategies as at 30 June 2026



Performance of the Member Choice Portfolios as at 30 June 2026

In addition to the default investment strategies, members may elect to invest in a range of member choice portfolios designed to accommodate different investment objectives, risk appetites and retirement planning needs.

	1-year returns (CPI: 5.0%)	3-year returns (CPI: 4.4%)	5-year returns (CPI: 5.2%)	10-year returns (CPI: 4.7%)
SMM 70 Portfolio	16.4%	15.5%	13.4%	10.2%
SMM 50 Portfolio	17.6%	15.6%	12.9%	10.2%
SMM 30 Portfolio	17.9%	15.0%	12.2%	10.2%
SMM Moderate Absolute Fund	15.3%	13.8%	12.7%	11.1%
SMM NUR Balanced Fund	18.8%	12.8%	11.2%	9.6%
Sanlam The Most Aggressive Portfolio	15.9%	15.4%	13.5%	–
Sanlam Accumulation Portfolio	16.8%	16.1%	13.7%	10.3%
SMM Select Balanced Fund	13.9%	14.5%	13.2%	–
Sanlam Wealth Creation Portfolio	14.7%	14.7%	13.6%	–
Sanlam Living Planet	12.9%	11.7%	11.2%	10.0%
Sanlam Multi Asset Growth	15.2%	–	–	–
SIM Moderate Absolute Fund	8.2%	10.6%	9.7%	8.7%
SIM Enhanced Cash Fund	8.3%	9.3%	8.2%	8.1%
SIM Temperance Balanced Fund	17.2%	15.5%	13.8%	11.2%
SPW Balanced Fund *	13.5%	12.0%	12.3%	–
SATRIX Enhanced Balanced Tracker Fund	17.6%	15.9%	13.8%	10.5%
SATRIX Global Achiever	17.7%	16.2%	–	–
Sanlam Monthly Bonus Fund	11.2%	10.2%	9.1%	8.0%
Sanlam Stable Bonus Portfolio	12.1%	11.3%	10.0%	8.6%
Allan Gray Global Balance	14.2%	14.5%	14.2%	10.2%
Camissa Balanced Fund	10.6%	15.6%	13.0%	11.6%
Coronation Houseview Portfolio	8.9%	15.2%	13.2%	11.2%
Foord Balanced Fund	8.8%	10.5%	10.5%	8.2%
M&G Balanced Fund	13.4%	14.0%	13.4%	10.6%
Ninety One Balanced Fund	12.7%	13.3%	11.2%	9.7%
PSG Balanced Fund	21.4%	18.5%	18.2%	12.8%
Truffle Balanced Fund	15.3%	15.8%	13.4%	11.2%
Denker SCI Balanced	9.3%	12.6%	13.7%	–

** The SPW Balanced Fund has been terminated effective 1 August 2026.*

12

Financial Highlights

Sanlam Umbrella Pension and Provident Funds: Summary of Financial Position as at 31 December 2025

The Fund remained financially sound. As at 31 December 2025, total assets amounted to R145.8 billion, while Member Fund Credits amounted to R142.3 billion. Growth in the Fund's assets reflects a combination of positive investment performance, continued confidence from participating employers and the Fund's ability to retain and support its membership base. A summary of the Fund's financial position is provided below.

	1 January to 31 December 2025			Prior year
Amounts in R'm	**Total**	**Pension**	**Provident**	**Total**
Assets	**145,776**	**52,264**	**93,512**	**121,591**
Investments	143,923	51,614	92,309	119,544
Current assets	1,853	650	1,203	2,047
Liabilities	**145,776**	**52,264**	**93,512**	**121,591**
Member Fund Credits (incl. amounts to be allocated)	142,337	51,031	91,306	118,496
Employer Reserve Accounts	22	-	22	13
Central Contingency Reserve Account	84	35	49	63
Employer surplus account	25	5	20	6
Unclaimed benefits	241	134	107	225
Benefits payable	2,167	805	1,362	2,370
Current liabilities (excl Benefits payable)	900	254	646	418

As the Fund has grown, most balance sheet items have increased accordingly. The Fund continued to actively manage and monitor unclaimed benefits during the year, including the payment of approximately R51 million to beneficiaries. While progress was made, delays associated with tax processes, beneficiary tracing and outstanding documentation continue to affect the timing of some benefit payments and contribute to the level of unclaimed benefits reflected above.

Sanlam Umbrella Pension and Provident Funds: Summary of Financial Performance for the year ended 31 December 2025

The Fund continued to benefit from the confidence placed in it by members and participating employers. During the year ended 31 December 2025, net income amounted to R23.9 billion. Approximately R1.8 billion of this increase was attributable to positive net cash flows, including contributions and transfers into the Fund, while the balance reflected strong investment performance achieved on behalf of members. A summary of the Fund's financial performance is provided below.

	1 January to 31 December 2025			Prior year
Amounts in R'm	**Total**	**Pension**	**Provident**	**Total**
Net dealings with members	**1,804**	**744**	**1,060**	**6,460**
Contributions	12,679	4,603	8,076	11,241
Transfers in	4,606	1,799	2,807	9,723
Transfers out	(1,024)	(255)	(769)	(1,446)
Benefits	(14,213)	(5,320)	(8,893)	(12,912)
Reinsurance income	466	136	330	540
Reinsurance premiums	(710)	(219)	(491)	(686)
Net investment income	**22,536**	**8,044**	**14,492**	**13,758**
Expenses	**(449)**	**(176)**	**(273)**	**(396)**
Broker consultation fees	(211)	(93)	(118)	(190)
Administrator fees	(196)	(69)	(127)	(170)
Administration expenses	(42)	(14)	(28)	(36)
Net income	**23,891**	**8,612**	**15,279**	**19,822**

Included in the benefits paid during the year were Savings Pot withdrawals of approximately R1.2 billion under the Two-Pot Retirement System. The effects of the new system are evident across the Fund. While members accessed a portion of their retirement savings through Savings Pot withdrawals, the Fund also experienced a significant increase in paid-up membership as Retirement Pot balances were preserved when members left employment. This preservation outcome supports improved long-term retirement savings, although it has also resulted in a growing number of small paid-up accounts. The Board encourages members to consider consolidating retirement savings where appropriate, as this can assist with retirement planning, reduce fragmentation and provide a clearer view of their overall retirement position.

Financial Highlights: Sanlam Unity Umbrella Fund

The Sanlam Unity Umbrella Fund received an unqualified audit for the 31 May 2025 audit, with the 31 May 2026 audit currently under way. The Fund continued to provide retirement and risk benefit solutions to participating employers and members across the sectors it serves.

As at 31 May 2025, the Fund had total assets of approximately R774 million.

During the year ended 31 May 2025, the Fund received more than R132 million in contributions and transfers, paid benefits and transfers exceeding R124 million and generated investment returns of approximately R76 million. The level of contribution, withdrawal and transfer activity remains reflective of the workforce dynamics and employee mobility characteristic of the industries served by the Fund.

13

Governance and Oversight

1

Board Perspective

The Foundation of Member Confidence

Strong governance is fundamental to retirement confidence. Members entrust the Fund with their retirement savings over many years, and the Board is committed to ensuring that this responsibility is exercised with integrity, sound judgement and a clear focus on member outcomes.

The Board provides strategic direction and oversight to the Fund, ensuring that risks are appropriately managed, service providers are effectively monitored and that the Fund remains resilient in a changing environment. The Board promotes robust decision-making, accountability and effective corporate governance across all areas of the Fund.

During the year under review, the Board continued to strengthen its governance framework through ongoing oversight of Fund operations, enhanced Board development, pro-active stakeholder engagement and continued readiness for evolving regulatory requirements. These efforts support the Fund's long-term sustainability while maintaining a strong focus on delivering value to members.

2

Governance Structure and Board Composition

The Fund is governed by a Board comprising Sponsor-appointed and independent Member-representative Board Members.

The Board is supported by the Principal Officer, Deputy Principal Officer and Fund Secretariat.

To support its oversight responsibilities, the Board has established specialist committees with defined mandates and terms of reference. These committees report to the Board, given that overall accountability for the governance of the Fund rests with the Board.

3 Board Members

Jolly Mokorosi

Chairperson of the Board

Independent
Sponsor-appointed
Appointed 1 April 2025

- Admin Committee
- Individual Member Products & Servicing Committee
- Investment Committee
- Transformation Committee (Chair)

Cheryl Mestern

Lead Independent Trustee

Independent Member Representative
Elected 1 September 2023

- Admin Committee
- Complaints Committee
- Death Benefits Allocation Committee
- Governance, Risk & Ethics Committee

Grant Base

Independent Member Representative
Elected 1 September 2023

- Admin Committee
- Audit Committee (Chair)
- Communication Committee
- Insured Benefits Management Committee
- Investment Committee
- Transformation Committee

Caron Harris

Independent Member Representative
Elected 1 September 2023

- Communication Committee
- Death Benefits Allocation Committee
- Individual Member Products & Servicing Committee

Yvette Harris

Sponsor-appointed
Appointed 1 February 2023

- Audit Committee
- Communication Committee
- Individual Member Products & Servicing Committee
- Governance, Risk & Ethics Committee
- Transformation Committee

Nthabiseng Moleko

Independent
Sponsor-appointed
Appointed 1 April 2026

- Individual Member Products & Servicing Committee
- Investment Committee
- Governance, Risk & Ethics Committee

David Gluckman

Sponsor-appointed (Alternate)
Appointed 1 April 2025

- Admin Committee
- Individual Member Products & Servicing Committee
- Insured Benefits Management Committee
- Investment Committee (Chair)

Mkuseli Mbomvu

Sponsor-appointed
Appointed 1 January 2020
Resigned 31 March 2026

- Complaints Committee
- Transformation Committee

Board Changes During the Year

Mr Mkuseli Mbomvu, a Sponsor-appointed Board member, resigned from the Board with effect from 31 March 2026. Dr. Nthabiseng Moleko was appointed as a Sponsor-appointed Board Member with effect from 1 April 2026.

Board Tenure and Succession Planning

On 25 November 2025, the Board approved an extension of the terms of office of the current Independent Member Representatives to 31 December 2027. The reason for this extension is to support the implementation of a staggered and hybrid Member Representative appointment model. The aim of the proposed model is to allow the Board to promote independence, Board continuity, preserving institutional knowledge and supporting effective succession planning when it comes to Board appointments. The Board believes that these arrangements will strengthen the long-term stability and effectiveness of the Fund's governance structures.

4

Fund Officers and Leadership

Joelene Moodley

Independent Principal Officer

Appointed 1 April 2023

- Complaints Committee (Chair)
- Governance, Risk & Ethics Committee (Chair)

Blake Beilings

Independent Deputy Principal Officer

Appointed 15 April 2024

- Death Benefits Allocation Committee (Chair)
- Transformation Committee

Gabriella Manuel

Head: Fund Secretariat

Appointed 1 July 2024

- Audit Committee
- Communication Committee
- Complaints Committee
- Governance, Risk & Ethics Committee
- Remuneration & Nominations Committee
- Transformation Committee

5

Board and Committee Effectiveness

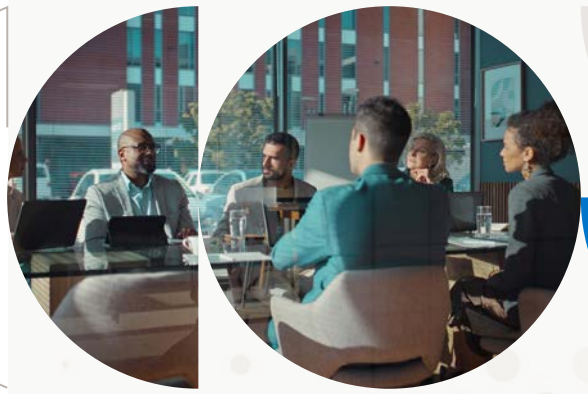
The Board is committed to maintaining high standards of governance and ensuring that its structures, processes and capabilities continue to support the Fund's strategic objectives, by focusing on ongoing Board development, committee re-evaluations and adequate succession planning. Board members also participated in continuous professional development covering governance, ethics and regulatory developments related to Joint Standard 2 of 2024, Conduct Standard 2 of 2025 and the requirements of the King V Code of Good Practice. Notably, the Board engaged with the Institute of Directors to obtain clarity and training around the expectations and reporting requirements as envisioned by the King V disclosure framework.

During the year, the Board also reviewed its collective skills, composition mix, experience and diversity to ensure that it remains appropriately positioned to provide effective oversight, constructive challenge and strategic guidance. The work performed included consideration of independence assessments, cumulative tenure, the nine-year tenure guideline contemplated by King V.

In addition, the Board and its committees considered several strategic governance priorities, including strengthening stakeholder engagement, enhancing cybersecurity and information governance oversight, embedding ethics within the governance framework, improving transformation outcomes, refining delegation arrangements and preparing for greater alignment with evolving governance and regulatory standards.

Cybersecurity and information governance oversight included focused cyber training in the areas of cyber threats and vulnerabilities, the role of Artificial Intelligence, social engineering and phishing threats, recognising malware types and attacks. This training adequately equips the Board to monitor cyber-assurance activities, service-provider arrangements and performance.

The Board believes that effective governance requires continuous learning, reflection and improvement. These initiatives support responsible stewardship, informed decision-making and the Fund's commitment to building confidence in retirement through effective governance and oversight.



6

Board Accountability

As part of its commitment to accountability, continuous improvement and governance excellence, the Board undertook an independent 360-degree Board and Committee effectiveness review during the year. The assessment confirmed a high level of governance maturity while identifying several opportunities to further strengthen the Fund's governance framework and oversight capabilities. Key focus areas include enhancing the Fund's governance operating model and accountability structures, strengthening Board capability in technology, cybersecurity and digital governance, and improving integration of governance information and combined assurance reporting. Examples of initiatives being considered include enhanced technology assurance reporting to the Board, the refinement of combined assurance practices, and the continued strengthening of governance oversight of key service providers.

The Board review also reinforced the importance of maintaining a strong focus on member outcomes by ensuring that governance, administration, investment, communication, and operational decisions remain aligned with the Fund's purpose of building confidence in retirement. Importantly, the review affirmed the Board's constructive and collegial governance culture, characterised by independent thinking, constructive challenge, ethical leadership, and a shared commitment to acting in the best interests of members.

As the Fund continues to evolve, the Board remains committed to preserving and strengthening this culture while implementing governance enhancements that support the Fund's long-term effectiveness, resilience and sustainability.

7 Board Member and Fund Officer Remuneration

In line with King V Principle 11, the Fund seeks to ensure that remuneration remains fair, transparent and aligned with the responsibilities entrusted to those serving the Fund.

Board member remuneration is structured to reflect the time, expertise and governance responsibilities required to oversee a retirement fund of the size and complexity of the Sanlam Umbrella Fund. The Remuneration and Nominations Committee periodically reviews remuneration arrangements and benchmarks these against relevant market information to ensure that they remain appropriate and competitive while reflecting responsible stewardship of member assets. In considering remuneration arrangements, the Committee also has regard to governance continuity, succession planning and the need to maintain an appropriate balance of skills and expertise across the Fund's governance structures.

Following its annual review, the Committee recommended, and the Board approved a 4.5% remuneration adjustment with effect from 1 January 2026, considering inflationary pressures, market practice and the need to maintain appropriately skilled governance structures.

Board members receive a fixed fee for attendance at Board meetings, with participation in committees and other approved governance activities remunerated on an hourly basis. This approach recognises the differing responsibilities and time commitments associated with the Fund's governance structures.

The Chairperson, Principal Officer and Deputy Principal Officer receive fixed remuneration reflecting the ongoing responsibilities associated with their respective roles. Remuneration arrangements are reviewed periodically to ensure alignment with market practice, governance responsibilities and the long-term interests of members.

The Remuneration and Nominations Committee is satisfied that the remuneration framework remains appropriate and supports the Fund's ability to attract and retain individuals with the skills, experience and commitment required to discharge their governance responsibilities effectively.

Approved Board Fee Structure (2026)

Governance Activity	Fee (Excl. VAT)
Board and pre-Board meeting preparation and attendance	R47,400 per meeting
Committee meeting preparation and attendance	R2,370 per hour
Attendance of Symposium (Annual General Meeting)	R2,370 per hour
Approved additional work	R2,370 per hour

8 Board and Committee Attendance

Active participation by Board members is essential for effective governance and oversight. Attendance at Board and committee meetings is monitored throughout the year and forms part of the Board's governance effectiveness framework.

During the reporting period from 1 July 2025 to 30 June 2026, the Board held three scheduled meetings on 24 and 25 November 2025, 17 and 18 March 2026, and 17 and 18 June 2026 with each meeting consisting of 2 days. Board committees were held approximately a month before each Board meeting, in October 2025, February 2026 and May 2026.

Attendance by Board members remained consistently high throughout the reporting period, demonstrating a strong commitment to the governance and oversight of the Fund. Board and committee meetings were well attended throughout the year, with only limited absences recorded across all meetings held.

9

Rule Amendments

During the reporting period, the Board continued to oversee the implementation of regulatory and operational rule changes to ensure that the Fund remains aligned with legislative requirements, governance standards and evolving member needs. Key amendments are summarised below.

Sanlam Umbrella Pension Fund and Sanlam Umbrella Provident Fund

Rule Amendment Number	Effective Date	Purpose
10	1 January 2026	To introduce a more flexible approach to the funding of dissolution fees by allowing the Board to determine the appropriate funding source for such fees when an employer exits the Fund, including provision for the fee to be met from the Contingency Reserve Account levy.

Sanlam Unity Umbrella Fund

There were **no rule amendments** made to the Rules of the Sanlam Unity Umbrella Fund.

14

General **Fund Information**

Sanlam Umbrella Pension Fund and Sanlam Umbrella Provident Fund: Regulatory Information

Registered name	Sanlam Umbrella Pension Fund	Sanlam Umbrella Provident Fund
Registered as an	Umbrella Pension Fund and Umbrella Provident Fund (identical benefit and management structures)	
Umbrella Sponsor	Sanlam Life Insurance Ltd	
	Pension Fund:	**Provident Fund:**
Registration date	19/09/2001	19/09/2001
Approval date	06/02/2002	06/02/2002
Registration number	12/8/36828	12/8/36813
Approval number	18/20/4/41146	18/20/4/41147
Funding model	Defined Contribution Funds	
Financial reporting period	1 January to 31 December	
Exemptions	Valuation exempt until 31 December 2028.	
Registered postal address	PO Box 1, Sanlamhof 7532	
Registered physical address	2 Strand Road, Bellville 7530, Cape Town	

Sanlam Unity Umbrella Fund: Regulatory Information

Registered name	Sanlam Unity Umbrella Fund
Registered as an	Umbrella Provident Fund
Umbrella Sponsor	Sanlam Life Insurance Ltd
Registration date	27/07/2010
Approval date	02/08/2010
Registration number	12/8/36634
Approval number	18/20/4/041148
Funding model	Defined Contribution Fund
Financial reporting period	1 June to 31 May
Exemptions	Valuation Exempt until 31 May 2027.
Registered postal address	PO Box 1, Sanlamhof 7532
Registered physical address	2 Strand Road, Bellville 7530, Cape Town

Fund Officers

	Principal Officer	**Deputy Principal Officer**	**Fund Secretariat**
Full name	Joelene Moodley	Blake Beilings	Gabriella Manuel*
Company	Independent	Independent	Sanlam Corporate: Umbrella Solutions
Postal address	PO Box 1, Sanlamhof 7532		
Physical address	2 Strand Road, Bellville 7530, Cape Town		
Telephone number	082 564 0341	071 296 0664	021 947 8323
Email address	joelene.moodley@sanlam.co.za	blake.beilings@sanlam.co.za	gabriella.manuel@sanlam.co.za

**Monitoring person for all three funds.*

Fund Officers (continued)

	Information Officer	Deputy Information Officer
Full name	Joelene Moodley	Blake Beilings
Company	Independent	Independent
Postal address	PO Box 1, Sanlamhof 7532	
Physical address	2 Strand Road, Bellville 7530, Cape Town	
Telephone number	082 564 0341	071 296 0664
Email address	joelene.moodley@sanlam.co.za	blake.beilings@sanlam.co.za

Appointments

	Administrator	Sponsor
Company	Sanlam Life Insurance Ltd Sanlam Corporate: Core Solutions	Sanlam Life Insurance Ltd Sanlam Corporate: Umbrella Solutions
Postal address	PO Box 1, Sanlamhof 7532	
Physical address	2 Strand Road, Bellville 7530, Cape Town	
Telephone number	021 947 9111	021 947 1125
Reg number S13B/FAIS	24/85	24/85
	Independent External Auditor	
Fund	**Sanlam Umbrella Pension and Provident Fund**	**Sanlam Unity Umbrella Fund**
Company	PricewaterhouseCoopers Inc.	PricewaterhouseCoopers Inc.
Postal address	Private Bag X36, Sunninghill 2157	PO Box 2799, Cape Town 8000
Physical address	4 Lisbon Lane, Waterfall City, Jukskei View 2090	No 1 Waterhouse Place, Century City 7441
Telephone number	011 797 4000	021 529 2000

Professional service providers

Governance and Compliance Consultant

Responsible person	Wynand Breytenbach
Company	Simeka Consultants & Actuaries
Postal address	PO Box 350, Sanlamhof 7532
Physical address	Simeka House, Farm 2, Vineyards Office Estate, 99 Jip de Jager, Bellville 7530
Telephone number	083 475 6395
Email address	wynand@simekaconsult.co.za

Specialist Investment Consulting

Responsible person	Nic du Toit
Company	Simeka Consultants & Actuaries
Postal address	PO Box 350, Sanlamhof 7532
Physical address	Simeka House, Farm 2, Vineyards Office Estate, 99 Jip de Jager, Bellville 7530
Telephone number	021 912 3324
Email address	nic@simekaconsult.co.za
Reg number FAIS	Simeka FAIS License No 13900

Risk Insurers

	Sanlam Umbrella Pension Fund and Sanlam Umbrella Provident Fund		**Sanlam Unity Umbrella Fund**
Company	Sanlam Life Insurance Ltd	ABSA Life	Sanlam Life Insurance Ltd
Postal address	PO Box 1 Sanlamhof 7532	PO Box 421 Jhb 2000	PO Box 1 Sanlamhof 7532
Physical address	2 Strand Road Bellville 7530 Cape Town	3rd Floor Absa Towers North 180 Commissioner Street Johannesburg 2001	2 Strand Road Bellville 7530 Cape Town
Telephone number	021 947 9111	0860 227 253	021 947 9111
FSCA approval number	24/185	36116	24/185
Type of risk	Group Life, Disability, Funeral, Accident, Spouse's and Critical Illness	Group Life, Disability, Funeral, Accident, Spouse's and Critical Illness	Group Life, Disability, Funeral and Accident Insurance

SCO1230 09/2026

Making contact

If you have any feedback, questions or comments on this report, please email umbrellasolutions@sanlam.co.za.

Alternatively, if you have any questions about your membership or benefits, please contact one of your employer Joint Forum members, access your member portal, or contact the Fund:

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Sanlam

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