



SANLAM UMBRELLA FUND

ANNUAL TRUSTEE REPORT **2024**



Live with confidence

Contents

Perspectives from the Principal Officer	3
Fund Snapshot as at 30 June 2024	6
Fund Governance and Management Structure	8
Board of Trustees overview	10
Reflections on the year that was...	12
A new dawn for the retirement landscape and working South Africans	14
Committee Feedback Reports	17
Administration Committee	17
Allocation of Death Benefits Committee	19
Audit Committee	23
Communication Committee	25
Complaints Committee	28
Governance & Risks Committee	33
Individual Member Products & Services Committee	36
Insured Benefits Management Committee	37
Remuneration Committee	39
Transformation Committee	40
Investment Committee	42
Investment returns for the Trustee approved default strategies	44
Performance of the Trustee approved member choice portfolios	45
Rule Amendments	47
General Fund information	48

Perspectives from the Principal Officer

Joelene Moodley



Monumental growth and success occur gradually and deliberately. Upon achieving R100 billion assets in 2024, I realised that it is an opportune time to reflect on not only on the building blocks and successes in the current reporting period but also on prior years, which serve as a solid foundation and springboard for further growth in the years to come.

R100 Billion milestone

I strongly believe it has been through ethical leadership by the Board, good corporate governance practices and strong stakeholder partnerships that the Fund has been able to achieve this milestone as quickly and efficiently as it has.

In 2018 the Fund reported R29 billion in assets and approximately 200 000 members. Just two years later, in 2020, the Fund reported 250 000 members and R50 billion in assets. Four years later the Fund has grown to over 350 000 members and over R100 billion in assets, showing an acceleration in the pace of growth. This exponential growth is testament to achieving synergy between all aspects of fund management.

Clean governance sheet and audit

A retirement fund has many interconnected and interdependent moving parts and is a relatively complex entity to manage effectively. The Fund has, however, been able to do so successfully, as attested to by the clean governance and audit reports it has received over the years. This year is no different, with the Fund receiving an unqualified audit report for the 2023 financial year. Since the Fund's inception in 2008, its principal mission and purpose has been to grow and provide good retirement outcomes to members. It is now sixteen years later, and I am proud to see that the Fund is continuing with achieving its objective for the benefit of members.

Investment returns

Good governance within the Fund extends to the continued monitoring of our investments. In recent times there has been an increase in negative macro-economic factors that have had an effect on global and local investments, such as the Covid-19 pandemic, wars in Ukraine and the Middle East, and other geopolitical issues. Despite these challenges, the Fund has seen positive returns on its investments, which has been the trend over the years.

ESG investing

In the previous reporting period, I reported that the Fund had embarked on an Environmental, Social and Governance (ESG) ratings process, carried out in respect of Fund managers and investment portfolios on its institutional investor platform. These ratings have since been published in the [Fund's ESG and B-BBEE ratings report](#) and have been well received by intermediaries and joint forum members. I believe that in the upcoming year these ratings reports will be better utilised by our joint forums and intermediaries as they become more aware of their value. In recent years, the Board has re-affirmed its commitment to the principles of ESG and B-BBEE, as evident in its investment strategy. To this end, I wish to highlight some of the successes we have seen in the area of impact investing despite the challenging economic environment.





Impact investing

The Fund has made considerable strides over the years, through the integration of ESG factors across our Trustee-approved default investment strategies (the lifestage and protection strategies). Within these strategies, impact investment opportunities have been sought through portfolios that also target impact as measured by United Nations Sustainable Development Goals (SDGs).

The Fund has made impactful investments through infrastructure, private equity, and private debt investments. Its investment in the Sanlam Sustainable Infrastructure Fund ensures the Fund participates in energy, transportation, communication, water and waste-related infrastructure investments. Our private equity investment is through the Sanlam Private Equity Mid-Market Fund, which invests in opportunities that seek to create and/or preserve employment in South Africa. Our private debt exposure through the Sanlam Small Medium Enterprise Debt Fund has helped with the preservation and creation of jobs during and post the Covid-19 pandemic.

Transformation

In previous years, transformation as a business imperative did not feature as strongly as it should have within the financial sector. However, this has not been the case for the Fund. Since 2019, the Fund has produced voluntary B-BBEE scorecards which have been submitted to the Financial Sector Transformation Council as a sign of its commitment to transformation. In addition, in 2023 the Board established a committee to ensure the principles of transformation are integrated across the Fund's operations. In 2024 the Transformation Committee developed a clearly defined strategy, which includes initiatives to enhance the Fund's B-BBEE scores. I am encouraged by the many plans of the Board to take the agenda of transformation forward.

Member feedback drives our approach

The Fund strives to empower members to be confident about their financial futures. To this end, we aim to partner with our employers, retirement funds and consultants to provide peace of mind for members. The Board endeavours to promote the principles of treating customers fairly (TCF) across all operations of the Fund. Having access to accurate data is thus important to understand member needs, and the 2024 Sanlam Benchmark research together with the previous year's research undertaken by the Sponsor, assisted by providing valuable insights, especially with regard to the financial challenges faced by members. This feedback was incorporated into our communication and training initiatives to members. Initiatives like the Imali Zam webinars and the Prosper newsletters distributed to members were tailored to cover the various topics which members have raised as areas of concern. It is critical that we provide our members with information in a way that is easy to understand, to empower them to make the right choices when it comes to their retirement savings.

Two-Pot System success

A prime example of a governance success during the current reporting period, and the biggest mountain to climb for the Board and the Fund, has been the implementation of the Two-Pot System and making payments of savings withdrawal benefits to members. The required rule amendments across the Funds have been approved and registered by the FSCA. In addition, the Fund had to ensure the amendments to the provisions of the Pension Funds Act and Income Tax Act were complied with, which included effective communication to and education of members and participating employers. The Administrator's systems and processes were also successfully enhanced to accommodate the new Two-Pot System. The Two-Pot System has brought with it some administration challenges, which are temporary frustrations and certainly not on a scale that will undermine the progress made over the years in the administration space. At the time of writing, the Fund has paid a total of almost R948 million in savings withdrawal benefit claims and has successfully processed over 61 000 claims. Vast amounts of time, effort and financial resources have gone into the preparation, supervision and monitoring of the Two-Pot implementation, which has seen the Fund being one of the few funds that were ready on 3 September to receive and process Two-Pot claims. This is testament to the effective and robust governance and administration processes within the Fund.

Appreciation

I am sincerely grateful to the Chairman and Trustees of the Board for the invaluable direction and support I have received over the year, which have ensured success in my role as Principal Officer. The exemplary performance of the Fund over the years has been largely thanks to the professionalism and strong calibre of former and current Trustees and Fund officials. A special thank you to the Deputy Principal Officer and the Head of Fund Secretariat who both joined the team over the last year, for their dedication and commitment.

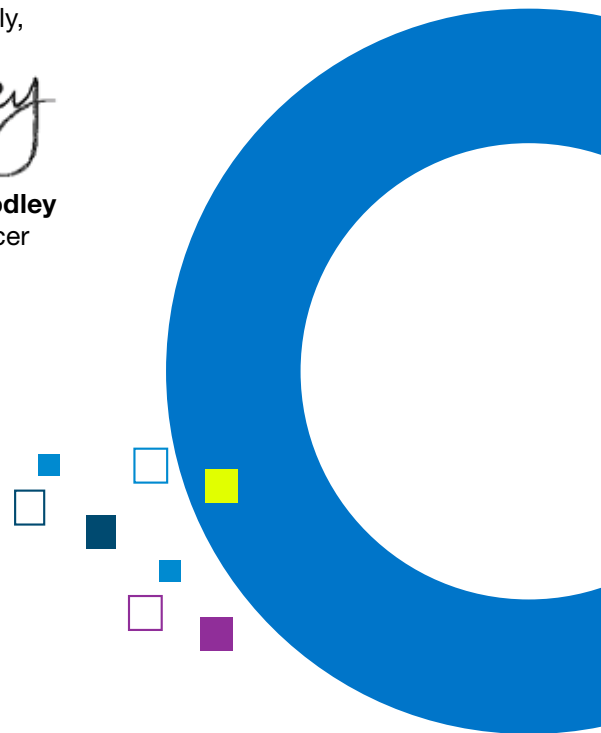
I would also like to thank the Sponsor and the Administrator for their tireless efforts, support and commitment, especially with respect to the success of the implementation of the Two-Pot System.

A special word of thanks to our members for holding us accountable and for allowing us to be their preferred fund and for their continued vote of confidence for so many years. Finally, to all our wider stakeholders, thank you for your engagement and contribution toward the betterment of this Fund and the industry at large.

Yours sincerely,



Joelene Moodley
Principal Officer



Fund snapshot as at 30 June 2024


Active members

4 038

Participating Employers


Sanlam Umbrella Provident Fund **1 817**
(2023: 1 815)

Sanlam Umbrella Pension Fund **1 184**
(2023: 1 167)


Sanlam Unity Umbrella Fund **1 037**  **6%**
(2023: 1 107)

353 511

Members


Sanlam Umbrella Provident Fund **229 283**  **13%**
(2023: 201 874)


Sanlam Umbrella Pension Fund **100 756**
(2023: 100 020)

Sanlam Unity Umbrella Fund **23 472**  **3%**
(2023: 24 219)

R103.7bn

Assets under management

Sanlam Umbrella Provident Fund **R64bn**  **21%**
(2023: R53bn)

Sanlam Umbrella Pension Fund **R39bn**  **11%**
(2023: R35bn)


Sanlam Unity Umbrella Fund **R703mn**  **6%**
(2023: R664mn)


Individual membership

(paid-up, phased retirees, in-fund annuitants)

16 820

Members


Sanlam Umbrella Provident Fund **10 942**  **28%**
(2023: 8 524)


Sanlam Umbrella Pension Fund **4 241**  **6%**
(2023: 4 001)

Sanlam Unity Umbrella Fund **1 637**

R3.6bn

Assets under management

Sanlam Umbrella Provident Fund **R2.1bn**  **90%**
(2023: R1.1bn)

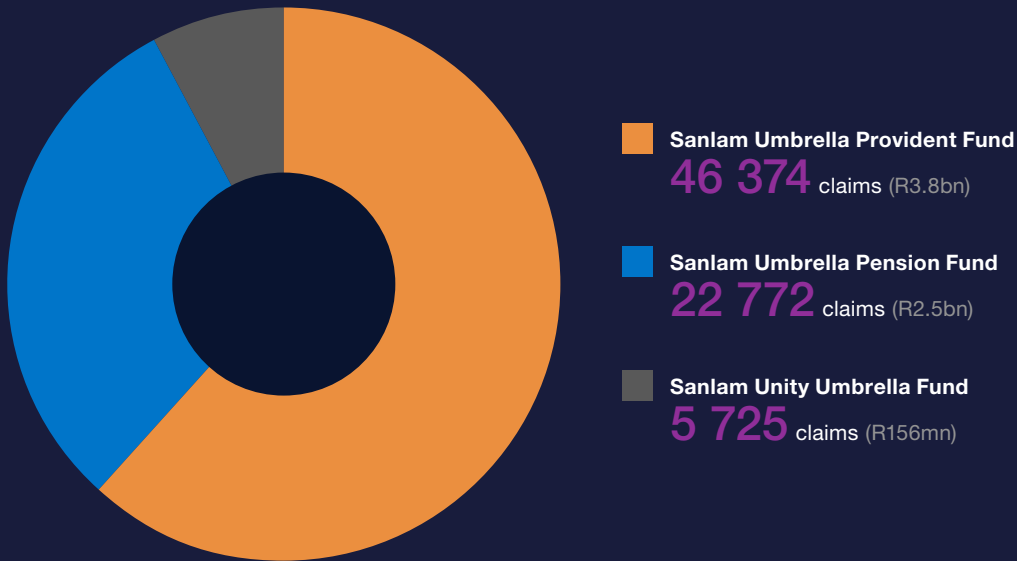
Sanlam Umbrella Pension Fund **R1.4bn**  **20%**
(2023: R1.2bn)

Sanlam Unity Umbrella Fund **R12 562 771**

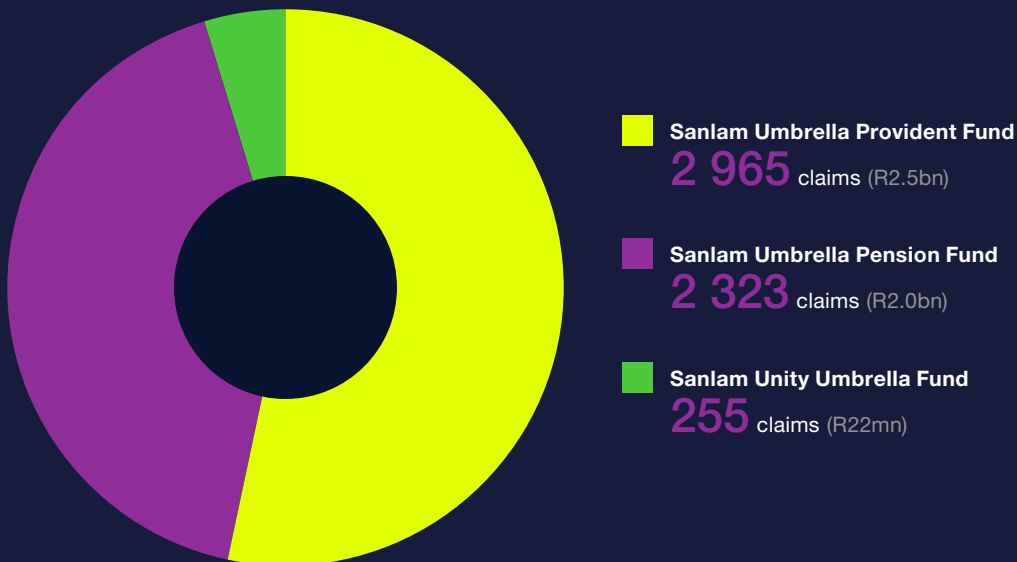
Fund snapshot as at 30 June 2024

(continued)

Withdrawal claims paid July 2023 to 30 June 2024



Retirement claims paid July 2023 to 30 June 2024



Fund Governance and Management Structure



The Board of Trustees and Fund Officers

The Board of Trustees and Fund Officers are supported by eleven committees that

- take care of specific day-to-day issues, and
- formally report to the full Board which remains responsible for taking final decisions.

The individuals who chair and make up these committees, have extensive experience in the retirement fund industry and manage the committees. Members of the Board of Trustees serve on each of these committees.

The committees are



Legal entities in the Sanlam Umbrella Fund

This reporting encompasses the three separate legal entities that make up the Sanlam Umbrella Fund:



Joint Forum

Joint Forum committees provide the platform for members and employers to consult and make decisions regarding the appropriateness of their group retirement benefits. Every participating employer within the Sanlam Umbrella Fund is strongly encouraged to establish a Joint Forum and this forum should meet at least once a year. For smaller sub-funds, it might be cost-effective to meet every two years, or attend a Centralised Joint Forum meeting, organised by the Board of Trustees, for multiple sub-funds.

Fund Governance and Management Structure



The member-elected independent trustees who serve on the Board are:



Grant Base
Independent Trustee



Cheryl Mestern
Independent Trustee



Caron Harris
Independent Trustee



Jolly Mokorosi
Independent alternate Trustee

The sponsor-appointed trustees who serve on the Board are:



David Gluckman
Sponsor-appointed Trustee and Chairman of the Board (Sanlam Executive)



Yvette Harris
Sponsor-appointed Trustee (Retired)



Mkuseli Mbomvu
Sponsor-appointed Trustee (Sanlam Executive)

The Fund Officers who manage the day-to-day operations of the Fund are:



Joelene Moodley
Independent Principal Officer



Blake Beilings
Independent Deputy Principal Officer



Gabriella Manuel
Head: Fund Secretariat

Board of Trustees overview



The Board of Trustees is composed of three member-elected independent trustees and three Sponsor-appointed trustees. All trustee terms will conclude on 31 December 2026.

Trustee training and compliance

All trustees are fully compliant with the PF130 governance procedures of the Fund. All have also fully complied with the Fund’s trustee training protocol which includes completing the 22 modules of the FSCA Trustee Training Toolkit within the respective timeframes.

Board appraisal and performance assessments

The Board has conducted the Fund’s annual performance assessment in accordance with PF130 requirements. All trustees actively participated in the annual appraisal exercise and are committed to maintaining high standards of governance.

As was the case previously, the 2024 appraisal process was carried out by an external service provider to allow the Board to freely express its opinion on the functioning of the Board and its committees. The process was fully digital and quantitative in nature. It included open-ended questions, which provided insightful feedback for Board performance going forward.

The process assessed the performance of the Board as well as the various committees, and included assessing the performance of the Fund Officers, the Administrator, Investment Consultant, and Secretariat.

The results revealed that the Board and its committees are competent, functional and highly effective. Board members were acknowledged as professionals contributing positively to member outcomes. The Board has been in office for a year and it was pleasing to note that the transition has been smooth given that the Trustees affirmed that they were successful in carrying out their responsibility without many challenges.

Remuneration

Trustee remuneration is structured such that all Trustees, with the exception of the two Sanlam employees, are compensated by the Fund. This structure reflects our commitment to fair and equitable remuneration practices.

With effect from 1 January 2024, the fees are as follows:



Board meetings of the related funds, including the Pre-Board meeting = R42 400 excluding VAT.



Committee meetings = R2 120 per hour excluding VAT.



Fees for attendance of the Sanlam Umbrella Fund Symposium Symposium is R2 120 per hour excluding VAT.



Any other additional work = R2 120 per hour excluding VAT.



Meeting attendance

Trustee Board meetings were held on 15 and 16 November 2023, 5 and 6 March 2024 and 25 and 26 June 2024.

All Trustees attended all scheduled meetings during the reporting period, with the exception of the alternate trustee who only attended day 1 of the March meeting. This demonstrates the commitment of the Board to remain engaged and informed on all matters affecting the Fund.

Special Board meetings were held on 14 August 2024 to assess the status of the Fund's Two-Pot readiness, with a follow-up Special Trustee Board meeting on 11 October to review the implementation of the Two-Pot System and assess the impact.

A special Board meeting was also held on 26 September 2024 to approve the Sanlam Umbrella Pension and Provident Funds' Annual Financial Statements for the year ending 31 December 2023.



Reflections on the year that was

David Gluckman, Chairman: Sanlam Umbrella Fund



"A leader is best when people barely know he exists, when his work is done, his aim fulfilled, they will say: we did it ourselves." — Lao Tzu

"Great leaders are almost always great simplifiers, who can cut through argument, debate, and doubt to offer a solution everybody can understand." — General Colin Powell

"The best executive is the one who has sense enough to pick good men to do what he wants done, and self-restraint enough to keep from meddling with them while they do it." — Theodore Roosevelt

"The final test of a leader is that he leaves behind him in other men, the conviction and the will to carry on." — Walter Lippman

There are many quotations about leadership, and I show above a few of my favourites.

The reason I start with these quotations is that I believe the Sanlam Umbrella Fund has evolved to that mature phase where my key role is arguably preparing my own succession!

This annual report includes comprehensive feedback from the Sponsor, Principal Officer and the Fund's eleven committees. If one studies that feedback, it is difficult to come to any conclusion other than that the governance of the Sanlam Umbrella Fund works extremely well, and that our members' interests are being very well served.

.....

Last year I highlighted that succession planning and transformation were two of my highest priorities as Chairman, and the observant might recall that I added *"Succession planning includes myself. The Sponsor requested, and I agreed, that for the sake of continuity, and to ensure a smooth transition, it would be best if I remain Chairman during this transition phase. Once all has settled, it is an issue that the Board and Sponsor will revisit. This might well be my final term as Chairman"*.

.....



I do believe we have reached that point where the succession planning initiatives of the past few years can be regarded as hugely successful. Joelene Moodley has proved an inspiring choice as Principal Officer (it's not easy to replace an industry stalwart such as Kobus Hanekom). Blake Beilings has come on board as Deputy Principal Officer and is doing some outstanding work. The new Board has been in place for a year since the mid-2023 independent trustee elections, and we have brought in an excellent mix of new skills and experience. I am firmly of the opinion that we currently have the strongest Board in the entire history of the Sanlam Umbrella Fund.

When recently formally signing the 42-page (!) June 2024 Board minutes, and not spotting anything therein that I regard as overly worrying, I was reminded firstly of how many challenges are being worked on by the Sanlam Umbrella Fund to try to protect and enhance the financial security of our ±350 000 members, and secondly how far we have progressed since first enunciating our vision upon launching the Sanlam Umbrella Fund in early 2008, to use all of Sanlam's scale and intellectual capital serve to improve the lives of our members.

Of course there are, and will always be risks to manage, and one of the key initiatives over the first half of 2024 was conducting a comprehensive clean-slate review of the Sanlam Umbrella Fund's Risk Reporting. The results are quite pleasing and have been spoken to under the relevant committee sections in this report.

The highest-rated risk, and probably our greatest short-term challenge, relates to the impending introduction of the new Two-Pot System as from 1 September 2024. This though is a risk for the entire financial services industry and is not specific to the Sanlam Umbrella Fund. I do believe that the Sanlam Umbrella Fund and our Administrator, being Sanlam Corporate, have done an outstanding job in getting ready for this new system though no doubt many new challenges lie ahead.

As regards my own succession, I expect we will make an announcement during 2025 on who will succeed me as Chairman. This will include our plans to ensure continuity, to protect against any loss of institutional knowledge, and regarding my future involvement even after a new Chairman is in place.

The Sanlam Umbrella Fund can look forward to the future with confidence!

Yours sincerely

David Gluckman
August 2024

A new dawn for the retirement landscape and working South Africans

Nzwa Shoniwa, Managing Executive: Sanlam Umbrella Solutions



Valued clients, as I reflect on the past year, I am reminded of the profound importance of partnership in achieving success, especially in the face of South Africa's complex and evolving landscape. Your continued support and collaboration have been invaluable in helping us not only deliver exceptional value to our members but also empower them to navigate an uncertain financial future. In a time when trust and confidence are at a premium, your trust and partnership have been essential in upholding our shared vision – to accelerate a better working South Africa where every worker, every family, and every community can be healthy and financially confident.

Your dedication, expertise, and commitment have strengthened our collective efforts, allowing us to achieve remarkable milestones despite the challenges we face. Together, we are not just managing the present; we are also shaping a future of financial confidence for all. I look forward to continuing this journey of mutual growth and success, building on the strong foundations we have laid.

The Two-Pot System: Building financial confidence through empowerment

In an era of deep uncertainty and declining trust, financial security has never been more important for South Africans. One of the most alarming indicators

of this trust crisis is the declining confidence in the future of the country. The persistent economic struggles – sluggish growth, high unemployment, and widespread poverty – continue to weigh heavily on the minds of citizens. Business closures, job losses, and increased inequality have compounded these issues. Political instability, marked by frequent leadership changes and corruption scandals, has further eroded public trust in the government's ability to lead effectively.

Recently, however, there has been a glimmer of optimism as the South African Reserve Bank announced a 25-basis-point reduction in the repo rate, the first rate cut since 2020. While the rate cut signals some relief for consumers, many still find themselves trapped in a web of financial challenges. Lower borrowing costs may offer short-term relief, but long-term solutions are needed to restore confidence and address structural economic issues.

Public sentiment remains overwhelmingly pessimistic, as seen in responses in the 2024 Sanlam Benchmark research, where over 60% of pensioners said they do not believe South Africa's challenges will be resolved within their lifetime. Respondents cited corruption as the root cause of the country's problems and emphasized the need for new leadership, job creation, crime reduction, and the provision of essential services like electricity and water.

In this challenging landscape, the introduction of the Two-Pot System offers a much-needed opportunity for financial empowerment. While broader economic recovery remains uncertain, this system allows workers to divide their savings into two parts: one dedicated to long-term retirement and the other for emergency financial needs. This flexibility is crucial in giving workers the means to manage financial crises without jeopardising their future.

Preparing our systems for the implementation of the new regime was no easy task since the final legislation had not yet been released for a large part of the year, and our administrators were building systems based on draft proposals. Even more important was to ensure we implement strong security measures to prevent fraud in the Two-Pot System, ensuring that members' funds are protected

even as they access emergency savings. From secure logins to rigorous bank verification, these protections are vital in maintaining trust and ensuring the system runs smoothly. The ability to withdraw emergency funds in a secure way is especially important in light of South Africa's ongoing economic struggles, and this system offers workers a financial lifeline in times of need.

Wealth Bonus Lifestyle Benefits for Sanlam Corporate

Financial well-being is not just about saving for retirement. Many South Africans are grappling with the immediate pressures of daily expenses, which is where the Wealth Bonus Lifestyle Benefits for Sanlam Corporate initiative steps in. Launched in 2023, this initiative offers our members discounts on essential services such as groceries, transport, and credit reports. The programme is designed to help employees stretch their income further.

As a reminder, the benefits our members have free access to include:

	Get 10% off fibre to your home, each month.
	Enjoy 2D blockbusters at R39 each (Mon-Wed) with refreshments at R40 each. Not on public and school holidays.
	Get 10% discount (4 tickets per year; standard and business class only).
	Save 5% on over 25 000 LekkeSlaap accommodation options across South Africa and Namibia.
	Enjoy 5% off accommodation.
	Get 20% off UberGo and UberX with after-hours trips (up to R150), 10pm-4am.
	Get fit the fun and affordable way with Planet Fitness and JustGym by getting 20% off your monthly gym fees.
	Access discounted Cambridge homeschooling for Grades 10-12 or free supplementary support, based on the CAPS curriculum for Grades 8-12. Children and adults get free access to a Social and Emotional Learning platform.
	Get 20% (up to R150) off your trips for up to two trips per year.
	Make your money go further with a large variety of grocery coupons redeemable at Shoprite and Checkers.
 Online Will	Get telephonic consultations, safe storage, and assistance with updating your beneficiary nomination forms – all for free.
 Sanlam Virtual Doctor	GP, and nurse consultations – no medical aid required. Note: This benefit is only available to Sanlam Umbrella Solutions members (SUS).
 Credit Report	A free tool to help you understand your credit profile, so you can gain an accurate, holistic view of your financial position.
 Emergency Medical Response	Around-the-clock emergency medical support for you, your spouse and children.
 Burial Repatriation & Funeral Support	Assistance with the arrangement of the burial of a loved one by way of providing transport, assisting with claims processes, advice on matters like death certificates and more .
 Legal Assist	You have access to legal help via our 24-hour helpline, operated by experts ready to answer your legal queries.
 Trauma, Assault & HIV Assist	Get 24-hour assistance with trauma and assault, as well as HIV support for you, your spouse and children.
 Wealth Sense	You have access to our online content portal packed with information, tools and calculators to empower you to live your best financial life.

Analysing the usage of these benefits in the first half of the year, we note that the three most popular benefits are the Sanlam Credit Report, Shoprite Checkers discount coupons and Uber discounts. Over 95 000 members have requested a credit profile report to better understand their financial circumstances. The large number of grocery coupons – claimed through Shoprite Checkers – highlights the tough economic realities facing many workers today. Our members saved over R850 000 in the first half of the year with the Shoprite Checkers grocery coupons.



Rank	Benefit Description	Total usage in H1 2024
1 st	Sanlam Credit Report	95,323
2 nd	Discount Coupons	22,734
3 rd	20% off Uber after hours	18,496

As the cost of living continues to climb, programmes like these provide much-needed relief, helping employees make smarter financial decisions while boosting their overall financial confidence. By offering these free benefits, Sanlam Corporate is not only providing immediate financial relief but also empowering members to take control of their financial futures. This aligns with our broader vision to **accelerate a better working South Africa**, where every worker, every family, and every community can be **healthy and financially confident**.

Strengthening financial confidence with comprehensive health solutions

Access to healthcare is an area of critical importance to Sanlam Umbrella Solutions and a key ingredient for empowering our members to live with confidence. Given the country’s history of inequality, many of our members, particularly in rural and underserved areas, still face barriers to receiving adequate medical care. We understand that access to healthcare benefits helps reduce poverty by enabling individuals to lead healthier, more productive lives, thus contributing to economic stability and improving retirement outcomes.

In addition to the free virtual doctor and psychologist consultations available via the [Member Portal](#) and Sanlam Portfolio App, Sanlam Umbrella Fund also launched the Sanlam Staff Care benefit with effect from 1 April 2024. Sanlam Staff Care’s primary objective is to provide private primary healthcare services at affordable rates. By doing so, Sanlam aims to bridge the gap in healthcare access, ensuring employees receive timely care to support

their well-being and productivity. Employees who belong to an employer that has signed up for the Sanlam Staff Care benefit offering, can also book in-person consultations with Pharmacy Clinic Nurses for face-to-face care. If required, the virtual doctor will issue referral letters for in-person consultations with pharmacy nurses and doctors, ensuring continuity of care.

Restoring trust and confidence to accelerate a better working South Africa

Our mission remains focused on empowering our members to navigate financial hardships today without sacrificing their future. The Two-Pot System, Wealth Bonus Lifestyle Benefits, and Sanlam’s healthcare initiatives are a few examples of how Sanlam Umbrella Solutions is playing a part in contributing to a secure and confident workforce. These initiatives are not just about managing retirement savings – they represent a broader commitment to improving the overall well-being of South Africans.

While the country continues to grapple with deep-seated economic and political challenges, the importance of financial confidence cannot be overstated. The recent rate cut is a positive signal, but we need more systemic solutions that empower workers to take control of their financial futures. Through financial innovation and partnerships between businesses and employees we can begin to restore confidence.

As we look ahead, South Africa is entering a new age of financial empowerment, or what we call an Age of Confidence. By supporting workers in their daily lives and their long-term goals, we can accelerate a better working South Africa for all.

Yours sincerely,

Nzwa Shoniwa
Managing Executive: Sanlam Umbrella Solutions

Committee Feedback Reports



Administration Committee

Mandate

The Administration Committee has oversight of all aspects of the Fund administration and service delivery. It also monitors and reports on the performance of the Administrator against the formal service level agreement between the Fund and the Administrator, approaches and responses to regulatory changes and emerging risks, responses to administration complaints and queries, as well as monitoring the Fund expenses against the approved budgets.

Meetings

Meetings are held every four months, with each meeting lasting four hours. Developments during the year are dealt with as they occur, and decisions between meetings are taken by way of round robin and/or ad hoc meetings are scheduled.

Members of the Committee



Cheryl Mestern - Chair
Independent Trustee



David Gluckman
Sponsor-appointed Trustee and Chairman of the Board



Grant Base
Independent Trustee



Anna Siwiak
Sponsor Representative

Chaired by

Cheryl Mestern, Independent trustee

Overview

The regulatory governance and compliance of the Fund are sound. This is evidenced by the measurement and monitoring of our service level agreements and external audit comments received as part of the Fund's annual audit, as well as the general feedback received from our participating employers and their consultants. The Administrator has continued with its annual ISAE Type II external audit, with the latest being completed for the period ended September 2023. The Administrator reports findings to the Board on processes directly impacting the Fund, which provides the Fund with the comfort of sound internal controls, administration processes and governance. There were no findings in the last report that caused concern or required Board intervention.

The Fund, the fastest-growing commercial umbrella fund in South Africa, had collectively grown in members to 353 511 at the end of June 2024, with over R100bn in assets.

In the past year the Committee has placed additional focus on:

- Bedding down and further refining the reporting requirements and metrics required by the Committee.
- Continued monitoring and active management of non-contributing members, specifically Section 27 and Section 28 terminations, deregistration of sub-funds, and finalising the transfer of outstanding unclaimed benefits to the unclaimed benefits fund.
- Investment pricing administration controls with quarterly audits by a contracted actuary, who provided deeper Committee insights and reassurance.
- Member and intermediary feedback via complaints monitoring and analysis, identifying root causes and implementing corrective measures.



- The increasing regulatory burden and oversight requiring a significant increase in reporting to the Regulator are continuing to put pressure on the cost of administration and on workloads.

The Administrator continues to deliver services within the agreed service level standards.

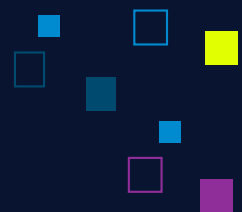
The Administrator has also delivered on its commitment to invest in technology with a view to further modernisation of the administration environment for improved digitisation, automation with third-party integration, easy access to information, and online engagement for members, employers and consultants. This has enabled employers who utilise the online digital channels to provide the greatest value for their employees.

Two-pot System

Significant focus was placed on understanding the state of readiness of the Administrator for go-live of the Two-Pot System on 1 September 2024. Despite the late promulgation of the Revenue Laws Amendment Act, the delayed promulgation of the Revenue Laws Amendment Bill and delays by SARS in the implementation of the automated tax application system, the processing of emergency savings pot withdrawals commenced on time.

We welcome the objectives linked to the Two-Pot System but have noted the concerns regarding the potential abuse of the system, with members accessing their emergency savings pots for day-to-day expenses and luxury items, which will negatively impact retirement savings and ultimately result in poorer retirement outcomes. Potential fraud is also a concern, so the Committee has been working closely with the Administrator to implement measures that will reduce the likelihood thereof. It is for this reason that all emergency savings pot withdrawals should be submitted online via the SC Member Portal and payments will only be made into verified bank accounts into which members' salaries are paid.

In response to the queries relating to two-pot and emergency savings pot withdrawals, the Administrator has bolstered its resourcing for the call centres and walk-in centres and has initiated back-up plans to deal with bottlenecks.





Allocation of Death Benefits Committee

Mandate

The Committee's key responsibility is to consider and determine the allocation of the death benefits in terms of Section 37C of the Pension Funds Act to a member's dependants and/or nominees following his/her death. Secondary to that, the Committee monitors the claims progress to ensure all claims are dealt with timeously.

Meetings

The Committee schedules 17 meetings per year, stretching over about three and a half days per meeting. The claims for each meeting are divided into four categories based mainly on the size of the total benefit to be allocated, but other factors such as completeness of information are also considered. The number of attendees depends on the category, with the smallest being two Committee members and the largest four Committee members.

Members of the Committee



Marius Saayman - Chair
Retired former Sponsor-appointed
alternate Trustee and Section 37C Expert



Jolly Mokorosi
Independent
alternate Trustee



Cheryl Mestern
Independent
Trustee



Thabile Nekile
Section 37C Expert



Vuyelwa Sishuba
Fund Secretariat
Representative



Erina le Grange
Section 37C Expert



Blake Beilings
Deputy Principal
Officer

Chaired by

Marius Saayman, Retired former Sponsor-appointed alternate trustee.

Overview

The Committee is satisfied that the processes at Administrator and Committee level are of a high standard and that the death claims are handled effectively in terms of completion time, cost and high-quality decisions. The Administrator and the Committee regularly implement process improvements and the upskilling of the staff is an ongoing priority. Committee members receive training and study both the determinations by the Pension Fund Adjudicator and Court rulings. Management of information is of a high standard and assists the Committee in effectively exercising

oversight over the allocation and complaints processes. The Administrator and the Committee work together to improve the quality and user-friendliness of the documentation used in the claims process.

The primary focus of Section 37C of the Act is to provide for the financial dependants of the deceased so that they are not left destitute and dependent on the State for their welfare. When allocating the benefit, the Committee considers the financial needs of those dependants who were financially dependent on the deceased, but also consider the wishes of the deceased, if known. One of the observations of the Committee is that in the majority of cases the benefit available is simply too little to cover the dependency needs of the beneficiaries. A group life assurance benefit, when it is in place, makes a

significant difference in meeting the needs of loved ones left behind.

Sanlam Umbrella Pension and Provident Funds received 981 death claims to the value of R777 million (for the financial year 1 January 2023 to 31 December 2023) and Sanlam Unity Umbrella Fund received 102 claims (for the financial year 1 June 2022 to 31 May 2023) to the value of R12.3 million in their respective 2023 financial year. Claims are not necessarily paid during the same year as when the claim is received due to the time required for investigation and collecting all the information needed by the Committee to make an informed and equitable allocation. The Committee needs to identify and trace all beneficiaries and nominees (if there is a valid nomination form) and determine their dependency with reasonable certainty before it can consider any allocation.

The first task of the Section 37C investigators and the Committee is to identify the dependants of the deceased member and then to establish the extent of their dependency on the deceased and obtain proof thereof. The employers and senior family members of the deceased play a vital role in this regard. In many instances contact information is either not available or outdated and the potential beneficiaries do not respond to phone calls or emails. Conflicting information also constitutes a big challenge, as does proof of dependency, and sometimes even proof of the relationship to the deceased member is lacking. Where necessary, the Committee appoints tracing agents and/or private investigators when the Administrator is unsuccessful in tracing potential beneficiaries, to obtain the required information regarding relationship,

dependency and to provide clarity on conflicting information provided by the family.

During 2023, the Administrator presented 1 241 claims (Sanlam Umbrella Pension and Provident Funds) to the Committee for finalisation which represented 9% less than what had been presented during 2022 that still included some Covid volumes. 140 claims (Sanlam Unity Umbrella Fund) were presented which was 28% more than during 2022 due to a big focus on reducing outstanding claims which were lacking information. Some claims were presented more than once due to the Committee requesting further investigation or due to objections received.

About two-and-a-half years ago, the Committee started a project to gradually attend to older claims where information is still outstanding or beneficiaries could not be traced. The number of claims received for which the allocation to beneficiaries was not finalised, decreased by more than 13% compared with membership growth of about 14%. This clearly shows that the Committee not only effectively attends to the more recent claims received, but also to the older more challenging ones.

After approval, the potential beneficiaries are given 30 days in which to provide more information should they not agree with the information on which the allocation was based. Objections to allocations constitute a very small percentage of the total allocations made. Valuable new information often stems from the objections and the Committee may then effect a reallocation based on the new and old information. Of the 10 objections received during 2023 via the Pension Fund Adjudicator, only 1 determination was against the Fund.

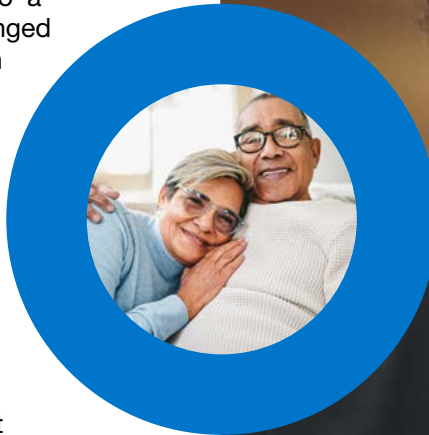


Sanlam Umbrella Fund

Process that follows the death of a member



The member's wishes as indicated on the nomination form are a factor the Committee takes into account when allocating the benefit. The Pension Funds Act specifically states that the nomination must be addressed to the Fund in writing. The Committee therefore does not have the discretion to use a nomination form addressed to another fund when allocating a Sanlam Umbrella Fund benefit. It is therefore very important that members complete a Sanlam Umbrella Fund nomination form when joining the Fund or whenever the member's circumstances change. The Committee monitors nomination forms received and over the past year 76% of claims presented had nomination forms. Of these, 69% was valid (that is 58% of claims presented had valid nomination forms) and 31% was invalid. Forms which are not signed and dated or where the nominations do not have a percentage allocation or the allocations do not total 100%, are treated as invalid. A form which is addressed to a previous fund which the member belonged to, is also not valid. Members are often under the misapprehension that when transferring into the Fund in terms of S14 of the Act, their nomination form is transferred too. Even if this happened, the nomination is no longer valid. Members must complete a new Sanlam Umbrella Fund nomination form.



Risks

As part of the Funds' risk management process, the Committee identified a number of risks related to the allocation of death claims. Controls and mitigation actions are in place for all identified risks.

The biggest risk is that the Administrator does not perform in terms of the service level agreement i.e. that they provide incomplete and/or incorrect information on beneficiaries and/or nominees to the Committee and do not identify all dependants from the deceased. The Committee developed guidelines for the Administrator and provides formal and informal training on a continuous basis. The Committee developed and continuously update templates to guide the Administrator in what information is required and what should be presented at the allocation meetings. The Administrator must provide the Committee with the status of death claims where no allocation is made or where the Committee requested additional information and where tracing or private investigations were requested, on a monthly basis.





Audit Committee

Mandate

The Committee's key responsibility is to oversee the financial year-end process, including the production and submission of the annual financial statements (AFS) to ensure the Funds' compliance with laws and regulations. The Committee, in conjunction with the Administration Committee, also oversees the effectiveness of the internal controls implemented by the Administrator.

Meetings

The Committee meets once a year to consider the audited annual financial statements for recommendation to the Board of the Sanlam Umbrella Pension and Provident Funds and another meeting for the Sanlam Unity Umbrella Fund. These meetings are preceded by planning meetings for each of the funds. Internal controls and risks are discussed at least annually.

Members of the Committee

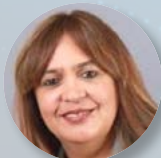


Marius Saayman - Chair

Retired former Sponsor-appointed alternate Trustee



Jolly Mokorosi
Independent
alternate Trustee



Yvette Harris
Sponsor-appointed
Trustee

The Board is considering the appointment of another committee member with a proven financial background.

Chaired by

Marius Saayman, Retired former Sponsor-appointed alternate trustee, CA(SA).

Overview

During the past year the Committee focused on:

- The planning of the year-end closure together with the financial management team and the auditor, considering the adequacy of the internal controls and the governance environment, with reference to the ISAE 3402 report, prepared by the independent external auditors of the Administrator, as well as the Governance, Risk Management & Internal Audit information report by the Sanlam Internal Audit Executive of the Administrator. The Committee also considered the draft AFS and draft Representation letter from the Board to the Auditor.
- A tender process was followed for appointing audit firms for the 2024 and 2025 audits for the Sanlam Umbrella Pension and Provident Funds and the Sanlam Unity Umbrella Fund. This was initiated as a voluntary audit firm rotation exercise for the Sanlam Umbrella Pension and Provident Funds and for good governance reasons for Sanlam Unity Umbrella Fund. PwC met all the requirements and was recommended to both Boards.

RSM's resignation

- RSM, the auditor of Sanlam Umbrella Pension and Provident Funds since the Funds' inception, resigned due to conflicts of interest following the take-over of another audit firm that was a participating employer in the Sanlam Umbrella Provident Fund. In view of this conflict, RSM could not continue doing the audit of the Sanlam Umbrella Provident Fund.
- At the February 2024 board meeting it was agreed that RSM should resign from both funds, which resulted in PricewaterhouseCoopers (PwC) being appointed to audit the 2023 financial year and not only from the 2024 financial year. Due to the timing of the appointment, PwC was not ready to start the audit on the planned date and an extension for submitting the 2023 annual financial statements, was obtained from the FSCA.
- The audited annual financial statements for both funds were submitted on 4 October 2024 following a special effort by both the financial accounting and audit teams.

Sanlam Umbrella Pension and Provident Funds

PwC is the independent external auditor of these funds and provided:

- An unqualified audit report for the AFS for the year ended 31 December 2023.
- An unqualified audit report for compliance with Regulation 28.
- The exceptional non-compliance issues identified in the Section 15 factual findings report will be addressed by the Administrator with report back to the Audit and Administration Committees.
- No deviations from Section B.2(H) Reserve Bank requirements were identified in the factual findings report.

The Board approved the AFS on 26 September 2024 and the AFS was submitted to the Financial Services Conduct Authority.

Sanlam Unity Umbrella Fund

- PwC is the independent external auditor of the fund and provided:
- An unqualified audit report for the AFS for the year ended 31 May 2023.
- An unqualified audit report for compliance with Regulation 28.
- The exceptional non-compliance issues identified in the Section 15 factual findings report were addressed by the Administrator.
- No deviations from Section B.2(H) Reserve Bank requirements were identified in the factual findings report.

The Board approved the AFS on 30 November 2023 and the AFS was submitted to the Financial Services Conduct Authority within the allowed extended period. The extension was due to the late publication of the new reporting requirements for the Regulation 28 report. The preparation and audit of AFS for the year ended 31 May 2024 are on track.

Financial manager and finance function

The Funds do not employ a chief financial officer and finance team. Instead, the Funds contracted a dedicated financial manager and team from the Administrator. The Audit Committee closely monitors the quality of their service relating to accounting, managing of ongoing internal controls, cash flow and related financial functions, as well the financial year-end closing process and preparation of the AFS.

Risks

As part of the Funds' risk management process, the Committee identified a number of risks. Controls and mitigation actions are in place for all identified risks. The biggest risk is the outsourced financial function and therefore the internal control functions. If something goes wrong it may leave the door open for fraud and misrepresentation of financial results in the annual financial statements.

The Committee receives assurance from the Administrator that all controls are designed to ensure correct accounting and prevent fraud. The Administration Committee monitors key operational indicators. The Internal Audit Executive of Sanlam as well as the External Auditor of Sanlam provides assurance that there are well designed and developed systems and processes in place in the Administration environment on an annual basis. That is reported in the Governance, Risk management and Internal Audit Trustee Information Pack and the ISAE 3402 type II report by KPMG. The Funds' external auditor follows a risk based audit approach and considers the adequacy of controls and performs substantive testing to confirm that the controls are applied as designed.

The progress with correcting all audit findings and control problems identified by the financial team are monitored by the Committee together with the Administration committee.

Independent external auditors

Following a tender process in 2023, PwC took over the audit responsibilities from RSM for the Sanlam Umbrella Pension and Provident Funds from the 2023-financial year. PwC was re-appointed as the auditor of Sanlam Unity Umbrella Fund. PwC performed the following non-audit services as required by regulation:

- The agreed upon procedures in accordance with Section 15(1) of the Pension Funds Act; and
- The agreed upon procedures in terms of section B.2(H) of the Currency and Exchange Manual for Authorised Dealers.

PwC did not do any non-audit consulting work and was not involved in preparing the AFS. To further ensure their independence and to mitigate the familiarity risk, lead partner rotation takes place on a regular basis and the Funds review the independence of the firms and the quality of their audit service on an annual basis.



Communication Committee

Mandate

To provide members with information on their benefits to empower them to make informed decisions. To achieve this, the Committee works with communication specialists to develop the communication strategy that provides members with access to appropriate information along their retirement journey, including target information at various decision points. The Committee also reviews and monitors the communication strategy and recommends solutions to comply with the communication responsibilities of the Fund.

Meetings

Quarterly committee meetings are held to plan and report on activities for the year. Additional ad hoc workgroup meetings are convened periodically if specific communication events require a greater focus to deal with the planning and implementation thereof.

This year a special Two-Pot work group held special meetings to review, deliberate on, monitor and report on Two-Pot member communications.

Members of the Committee



Yvette Harris - Chair
Sponsor-appointed Trustee



Grant Base
Independent Trustee



Caron Harris
Independent Trustee



Nzwa Shoniwa
Sponsor Representative



Anna Siwiak
Sponsor Representative



Gabriella Manuel
Fund Secretariat

The Committee is supported by communication specialists from within the Sponsor.

Chaired by

Yvette Harris, Sponsor-appointed trustee

Overview

Using the results of the client experience review by the Sponsor during 2023, input from the various Fund committees and the comprehensive research by the annual Sanlam Benchmark Survey, the Fund continues to revisit its communication strategy to ensure that the financial well-being of our members remains the Fund’s priority. Over the past year,

the Fund has gone back to basics and followed the guiding principle of ‘keeping it simple’. The Fund’s communication uses plain language, simple and easy to understand and not complicated or confusing. We are always finding ways to empower through education and learning in an entertaining way, with a focus on automating where possible to simplify our engagement with our members.

Our goal remains to improve member outcomes by empowering our members to understand their retirement benefits, financial legislation and the rules of the Fund so they can make informed decisions about their long-term financial well-being with confidence. We have also refined our

digital communication strategy by incorporating various multimedia channels. This is one of the many strategies that is being used to mitigate the Committee’s highest rated potential risk, “Failure to reach members”. In order to assist the Fund in learning to understand its member reach, the Administrator is in the process of building a tracker system to measure the membership reach on digital platforms.

The Two-Pot System

With the Two-Pot System being introduced from 1 September 2024, creating awareness and educating members about this were a core focus over the past year, in particular explaining in an easy-to-understand manner the significant changes to the structure and functioning of retirement funds and the impact this could have on members’ retirement benefits over the long term. Troubleshooting and reassuring members who struggle with some of the concepts and detail will remain a huge part of communication into the future.

Member education and communication

The member education and communication strategy for 2024 includes a number of initiatives. Some of the most important ones are outlined below.

Imali Zam webinars

These webinars are the cornerstone of the member education programme and continue to generate significant interest among members. This is evidenced by the increased number of online attendees and views of the recordings thereafter.



The recording of the most recent webinar held in August 2024 has been viewed over **7 800** times,

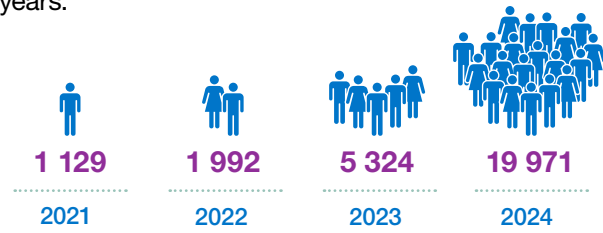


while the associated motion graphic video has been viewed more than **9 600** times.

These numbers are noteworthy given the increasing competition and associated costs for receiving attention online for educational content.

An addition, which will continue into the future, is the Q&A following each session whereby the answers to all the questions posed during the sessions are made available to everyone who participated. In addition to the four Imali Zam sessions planned for this year, a series of special [Two-Pot sessions](#) were held during August, two of which were in isiXhosa

and Setswana, respectively. Given the interest in the Two-Pot System, attendance at these sessions achieved record numbers compared to previous years:



The Prosper Newsletter

This is the quarterly digital member newsletter that includes the use of multimedia motion graphics that not only appeal to our diverse audience’s preferences but also break down complex financial concepts into easy and manageable pieces of information. The engagement rate on the newsletter, which consistently outperforms the industry rate, highlights its usefulness and value to our members.

Edition content theme

How your retirement savings work

Open rate	Industry open rate
45%	29%

The 5 essentials of a good financial plan

Open rate	Industry open rate
40%	29%

Two-Pot System: What you need to do next

Open rate	Industry open rate
33%	29%

Make this the year to get financially fit with these tips and insights

Open rate	Industry open rate
25%	31%

Are you Two-Pot ready?

Open rate	Industry open rate
35%	31%

On the understanding that there are language barriers which make legislative changes such as the Two-Pot legislation so much more difficult to understand, the June *Prosper* included a number of [Two-Pot infographics](#) translated into various languages.

WhatsApp dialogues

The Member Lifecycle Journey onboarding was rolled out mid-year. This is an initiative in which new members are welcomed via an interactive WhatsApp and encouraged to download the Sanlam Portfolio App and/or register on the Member Portal and engage with the Retirement Benefit Counsellors. The information shared is segmented according to the member's age so that it speaks to his/her expected needs in terms of his/her life stage.

The use of WhatsApp has become a game-changer in member engagement and education within the financial services industry. As a platform that offers real-time communication, it allows us to connect with our members in a way that is both accessible and convenient. Whether sharing important updates, providing financial education, or guiding members through complex processes, WhatsApp allows us to deliver personalised and timely interventions to our members.

Looking ahead, this platform will form a key part of our strategy, enabling us to enhance engagement, build stronger relationships, and empower members with the information they need to make confident financial decisions.

The Sanlam Portfolio App/ Member Portal

The Sanlam Portfolio App (available on Apple and Android) and [Member Portal](#) provide direct access to valuable information and insights, including member statements, retirement calculators and planning tools, the value-added benefits of the Fund, and other functions related to members' retirement information.

The Sanlam Knowledge Base

This is a Q&A-style platform on which members can [access](#) all educational and informative material, including links to recordings of webinars as well as various editions of newsletters, at their convenience. For the year to date, the content on the platform has received over **49 000** views. The platform also provides deeper analysis of content that is most and least engaged with, which is critical for planning our member communication strategy to ensure we serve content that is most wanted and useful to members.

Most viewed articles

Article name	Views
How long will it take for my withdrawal benefit to be paid / processed when I change jobs?	13 219
The Two-Pot System	6 889
How will retirement reforms (T-Day) affect your retirement fund savings?	5 932
What if my employer fails or refuses to process my withdrawal documentation?	2 001
What if payment of my withdrawal benefit is delayed?	1 642
What tax is payable on the approved death benefit from my retirement fund?	1 330
Imali Zam Two-pot system Q&As	1 233
Your Sanlam Benefit Statement explained	892
How to nominate or update beneficiaries on the Sanlam Member Portal	763
When and how can I get access to my benefits in the retirement fund?	628



Complaints Committee

Mandate

The Complaints Committee oversees formal complaints lodged against the Fund, in terms of the Fund's complaints protocol.

Meetings

Three meetings are scheduled per annum, each lasting two hours. Developments during the year are dealt with as they occur, and decisions are taken by way of round robin, and/or in ad hoc meetings.

Members of the Committee



Joelene Moodley - Chair
Principal Officer



Cheryl Mestern
Independent
Trustee



Mkuseli Mbomvu
Sponsor-appointed
Trustee



Gabriella Manuel
Fund Secretariat

Chaired by

Joelene Moodley, Independent Principal Officer

Overview

The committee considers all complaints made against the Fund. Most funds receive complaints; some may be legitimate, and some may be due to a lack of understanding of the fund rules, processes or legislation. The number of complaints received by a Fund is an important indicator of member-satisfaction and as such, management of complaints is always prioritised. The total number of formal and informal complaints handled by the Fund and the Administrator across the various categories of complaints received was 223 which is a small number in comparison to the total number of claims processed for the 12-month period ended

30 June 2024. The total number of complaints referred to the Office of the Pension Funds Adjudicator ("OPFA") by members and beneficiaries across all complaint categories was 31% of the total number of complaints received.

The remarkably low number of complaints received is a success indicator that can be attributable directly to the Fund's commitment, and strict adherence to the principles of Treating Customers Fairly (TCF). Many of the queries received were of an administrative nature and were successfully resolved by our Administrator. The remainder, which qualified as complaints in terms of the Pension Funds Act, was addressed by the Complaints Committee (the Committee) in line with the Funds' complaints policy and procedures. The OPFA's Refer to Fund (RTF) process affords the Fund and the complainant, an opportunity to resolve a complaint without undergoing a formal investigation by the OPFA.

- **OPFA determinations and matters at the Financial Services Tribunal**

In the 12-month period ended 30 June 2024 the Fund received 12 determinations from the OPFA. Nine of them were in respect of Section 37C death benefit allocations and in each case the OPFA upheld the Trustees' decision. The other 3 determinations were in respect of Section 37D withholdings and the decision by the Fund to withhold was upheld by the OPFA. There were no Financial Services Tribunal matters to report in respect of Section 37C of the Act.

Enhancements

The Fund has hosted training initiatives to raise awareness and ensure better management of complaints, to this end, a workshop for the Client Relationship Managers (CRM) within the Administrator was held. The purpose was to alert the CRM's to the Two-Pot System and all matters related thereto as set out in the Pension Funds Amendment Act and the Revenue Laws Amendment Acts. Furthermore, Committee members and fund officials remained informed and stayed abreast of industry developments by attending sessions such as the 37C presentation by the OPFA, the Section 13A workshop presented by the FSCA, the BATSETA conference, the Pension Lawyers Association Conference, and various webinars. With a focus on ongoing learning within the Fund, it is expected that complaints will remain low for the coming period. The Committee does, however, acknowledge that the number of complaints may increase in the short-term due to the implementation of the Two-Pot System.

Analysis of complaints received in this period

- Complaints received, inclusive of administrative inquiries, related broadly, to withdrawals, service delivery, liquidation processes and death claims. Analysis of the complaints received, revealed that reasons for the complaints were alleged delays in payment, lack of communication and sometimes beneficiaries' lack of understanding of the death claims process. The Committee has focused on the continuous improvement of communication to members on the progress of complaints lodged. In addition, continual enhancements to the administration system and processes make for better management of complaints and improved understanding by members and beneficiaries. The Committee has noted that good complaints management not only reduces expenses and time spent but also positively affects member satisfaction and experience.
- **Increase in liquidations complaints**
The Fund has noted an increase in liquidation applications for various reasons with the most notable reason being financial distress of certain employers who have no option

but to close their doors, causing uncertainty to members. In such cases, the employer-sub-fund needs to be liquidated by the Fund before any withdrawal payments can be made to members. Unfortunately, the liquidation process, as regulated by the FSCA, can take 6 - 12 months and sometimes longer to finalise, leaving many of these members without any support during this time.

- **Death claims complaints**

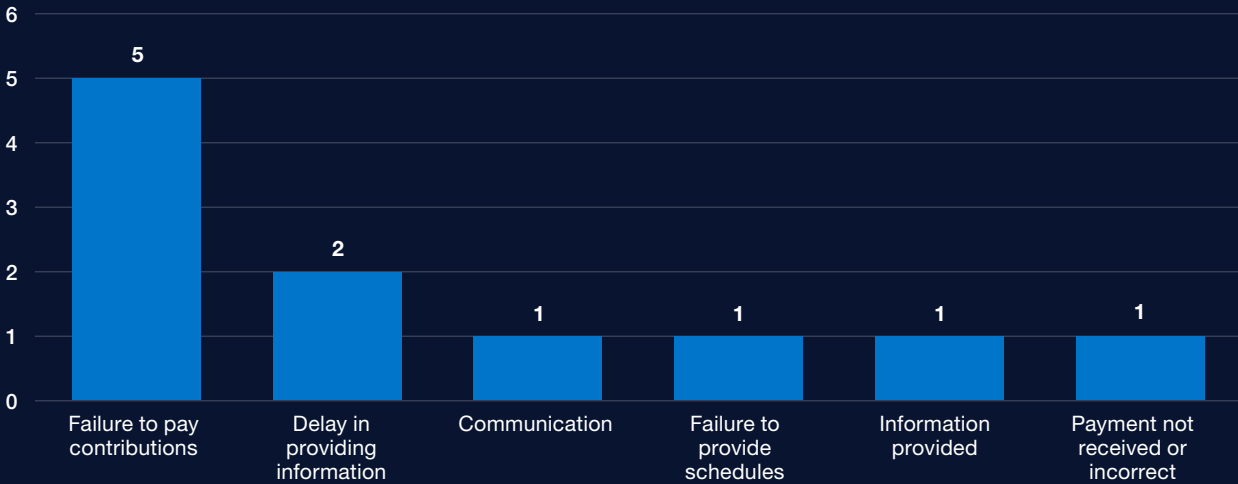
A dependant or potential beneficiary can lodge a complaint if they are not happy with the Fund's allocation of benefits on the death of a member. Section 37C prescribes how death benefits should be allocated and distributed. Despite appropriate communication, beneficiaries, who are not members of the Fund, may not fully understand this process and as a result may be dissatisfied with an allocation and lodge a complaint. The Administrator on behalf of the Fund processed a total of 1 321 death claims and received only 31 death claims complaints for the 12-month period ended 30 June 2024. Notably, death claims complaints have decreased from 105 as reported in the 2023 Annual Trustee Report to 31 in this reporting period, with only 9 of those complaints being referred to the OPFA.



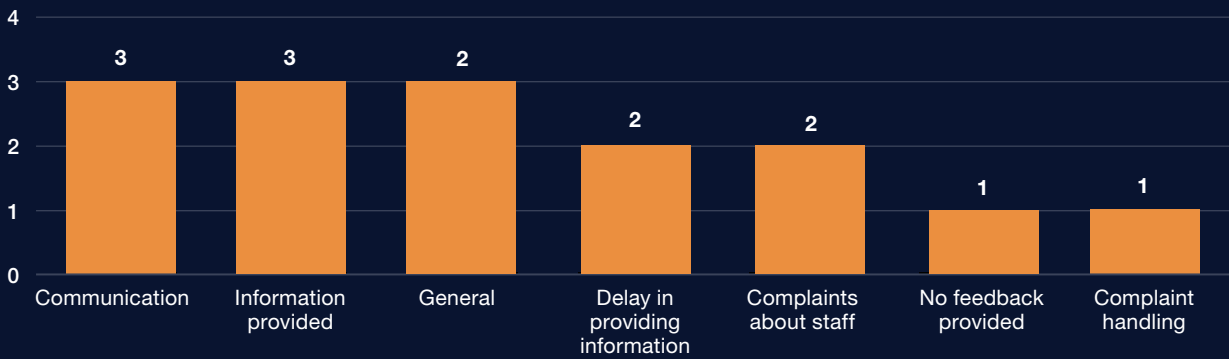
- Analysis of Complaints for the 12-month period ended 30 June 2024 (excluding death claims complaints and liquidation complaints)**

The number and types of complaints and complaint types, vary from year to year. It is therefore essential to categorise and quantify complaints to identify any trends and better understand how to manage and steer the complaint strategy. The graphs below provides an indication of the number of complaints received per complaint type, excluding death claims complaints and liquidations complaints.

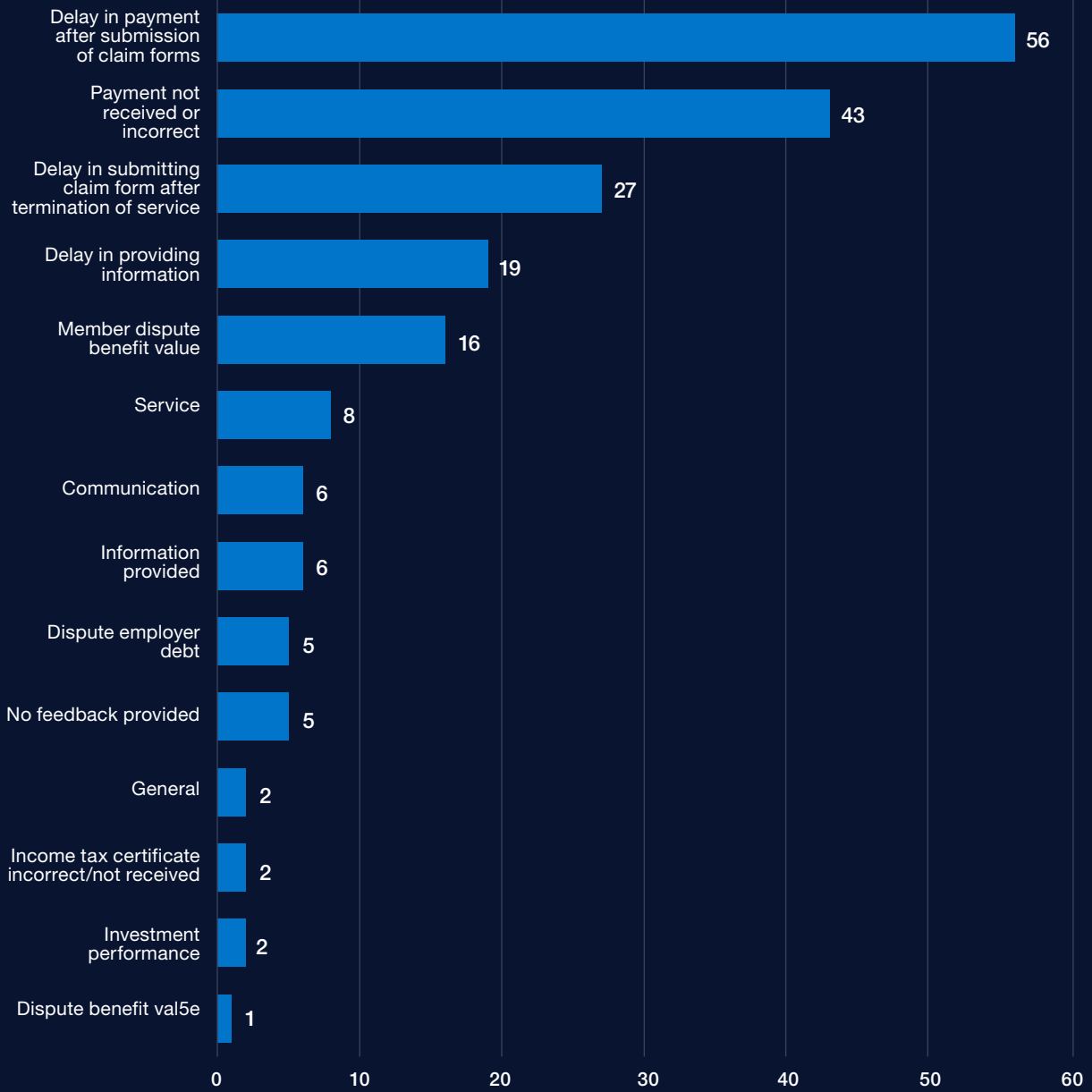
Contributions related complaints (11)



Service related complaints (14)

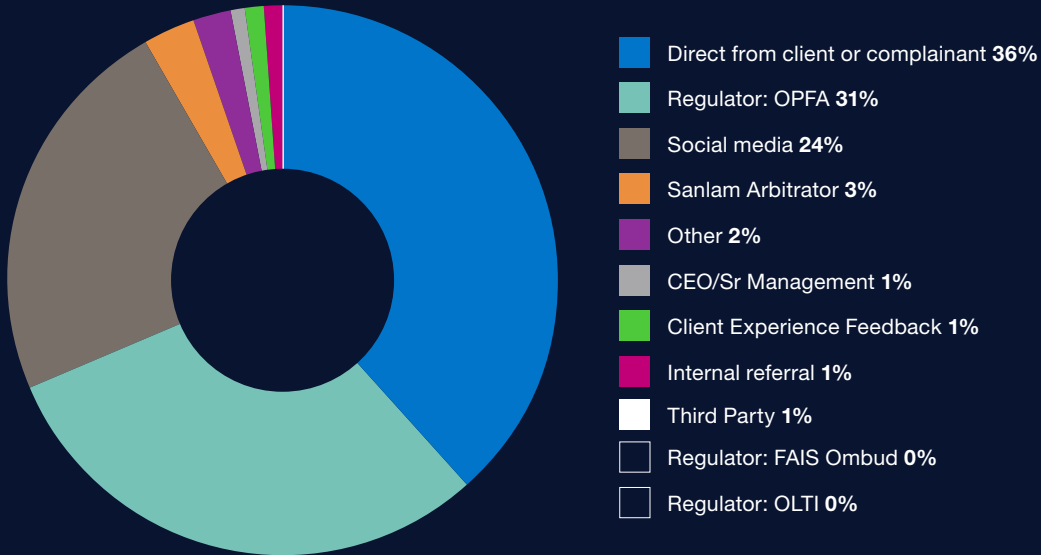


Withdrawal benefits complaints (198)

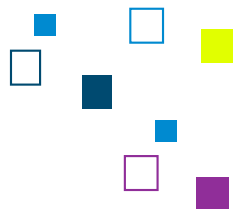


The source of complaints

In monitoring complaints it is also important to know where the complaints emanate from as this indicates the “comfort-level” that members have in directly approaching the Fund and its administrator for resolution of their complaints. Notably, the majority of complaints were received directly from the client or complainant which one could interpret as a show of confidence in the complaints process of the Fund and Administrator.



Finally, the Committee is pleased with the success in the management of both the formal complaints against the Fund and the administrative complaints, handled by the Administrator. The low number of complaints reflects stability in the Fund and member satisfaction with service delivery. The Committee intends to uphold the effective management of complaints and continued commitment to treating Fund members fairly.





Governance & Risks Committee

Mandate

The Governance & Risks Committee's ("GRC") mandate is to regularly review and monitor the Fund's risk management and governance framework and strategy, in compliance with the relevant legislation, Fund rules and codes of Good Practice, such as King IV, to support the Fund's business objectives. An integrated governance assurance approach is followed by the Fund to govern and manage governance, risk management and compliance processes.

Meetings

Three meetings are scheduled per annum, each lasting four hours. Developments during the year are dealt with as they occur, and decisions are taken by way of round robin and/or ad hoc meetings scheduled.

Members of the Committee



Joelene Moodley - Chair
Principal Officer



Yvette Harris
Sponsor-appointed Trustee



Mkuseli Mbomvu
Sponsor-appointed Trustee



Cheryl Mestern
Independent Trustee

The Committee is supported by professional governance and compliance consultants.

Chaired by

Joelene Moodley, Independent Principal Officer.

Overview

The Fund has fully complied with its regulatory and legislative obligations and has not received any penalties or fines during this reporting period nor have any notable concerns been raised by stakeholders, internally or externally. This, together with the various improvements and projects completed during this period, is testament to the success of the Committee.



Risk assessment and management

The Fund’s Risk Assessment and Management Policy was reviewed and updated as part of a broader project of reviewing and updating the terms of references of committees and Fund protocols and policies. The GRC spearheaded the risk management review, which culminated in the Board, supported by all the other Committees, identifying, reviewing and assessing its top 10 risks and identifying appropriate controls to ensure effective risk management within the Fund. Notably, the Fund did not identify risks that carried a high or ‘red’ rating, testament to the effective measures that had previously been put in place.

The top 10 risks that were identified are contained in the chart below.

A rating of 55 and above is considered high whereas the Fund’s top risk carried a rating of below 42 and all other risks were below 33.3.

Risk rating



* Refers to the lack of monitoring of administrator controls including the insured risk benefit exceptions.



The ongoing impact of the Two-Pot System implemented on 1 September 2024 remains a top risk for the Board and is to be actively monitored. The GRC is pleased to report that the relevant rule amendments in relation to the Two-Pot System were submitted to the FSCA and have been approved.

The Committee is confident that thanks to the immense amount of preparation and dedication put into the Two-Pot implementation, the Board, with the assistance of the Sponsor, will be able to successfully navigate and overcome any challenges that may arise.

Industry-wide risks that require ongoing surveillance, such as cybersecurity threats, are being monitored and the GRC is committed to improving its technical cybersecurity and resilience strategy as this area of compliance steadily evolves. The Committee will continue to assist the Board with the review of its current and emerging risks to ensure the appropriate risk mitigation actions, controls, and reporting are in place.

New appointment

Due to the significant growth of the Fund in recent times and the consequential relative increase in work, a Deputy Principal Officer was appointed on 15 April 2024. The incumbent is tasked to support the role and functioning of the Principal Officer in providing professional services to the Fund. The Deputy Principal Officer was also appointed as the new Deputy Information Officer who will provide support to the Principal Officer who also serves as the Fund’s Information Officer.

2024 board appraisals

The appraisal of the Board was conducted by an independent service provider, and the Trustees as respondents, participated by assessing the governance, functioning and effectiveness of each Committee they sit on and the Board as a whole. In total, 935 questions were posed and only 1% of the answers were rated as “Needs improvement”. The results revealed that the Fund’s professionalism, organisation, meetings management and overall effectiveness were of a high quality. Results also highlighted the Board’s confidence in both the Chair and Principal Officer’s performance. This favourable result was welcomed but not unexpected thanks to the calibre of the Trustees on the Board and the commitment to good governance within the Fund.

Areas of focus for the coming year will be transformation, succession planning, and communication to members. Succession planning in the context of an umbrella fund may be challenging; however, the Committee has already applied its mind with a view to finalising appropriate policy and protocols.

Ethical leadership and King IV assessment

The 2024 appraisal results are evidence of the Fund's approach to ethical leadership, which is echoed in the practices of our organisation. The Board is comprised of professional industry experts with a cumulative 167 years' experience in the retirement funds industry. They are deservedly entrusted with the management, governance and compliance responsibilities of the Fund. They have never had any negative publicity and maintain the fit and proper requirements expected of ethical leaders. To ensure sound corporate governance, the Sanlam Umbrella Fund is committed to greater and improved adherence to the principles of the King IV™ framework.

The Fund has adopted an objectives and key results (OKR) approach to drive alignment, performance and results, in setting and achieving its corporate governance goals. The rigorous risk rating and review process embarked upon included measuring the Fund's overall performance and internal controls against the King IV framework. The results of the review process were pleasing and revealed that the principles espoused by King IV have become seamlessly interwoven into the fabric of the Sanlam Umbrella Fund. The GRC assumes responsibility for monitoring and managing risks, while the Audit Committee maintains its primary focus on financial matters and system controls.

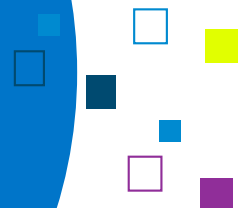
Responsible investing is always at the forefront of the Fund's objectives and through the work of the Committee on ethical leadership and adherence to the principles of good governance, the Fund not only strives to create an environment that fosters trust, fairness and responsible decision making, but achieves it.

Continuous learning and engagement

The Fund remains committed to constantly learning and adopting best-practice governance measures unique to retirement funds. The GRC, through the Fund officials, have regular interactions with industry bodies such as FSCA, Batseta, PLA and IRFA to assist in achieving this commitment. In this reporting period we reviewed our internal processes to ensure that any POPIA breaches are well handled. Being a Fund with over 300 000 members it is significant that no reportable POPIA breaches were identified and reported in our annual report to the Information Regulator for the June 2024 reporting deadline and that our systems and processes are sufficiently robust to prevent breaches.

Furthermore, there has been a flurry of legislation, regulations and guidance notices released by the FSCA in this reporting period and more seem to be in the pipeline. The GRC is committed to ensuring regulatory compliance within the Fund's practices and processes. To this end, the Fund has participated in numerous FSCA surveys and requests for information, the most recent being a presentation of the Fund risk management framework and risk register to the FSCA at a meeting between the FSCA and representatives of the Board in August 2024.

Finally, the GRC is also happy to report that all the Trustees, Principal Officer and Deputy Principal Officer of the Fund have successfully completed the 22 modules of the FSCA Trustees Training Toolkit. The Committee is extremely proud of the strides made over the years and is excited about maintaining and exceeding same in the coming years, being fully cognisant of the fact that the Fund must deliver on its value proposition to members.





Individual Member Products & Services Committee

Mandate

This Committee directs, controls and oversees the individual member products and servicing activities of the Fund. This is for active, contributing members of a participating employer, as well as members who have exited the Fund and have chosen, or defaulted to, individual membership via one of the in-fund options.

Meetings

The committee holds quarterly meetings.

Members of the Committee



Justin Jacobs – Chair
Sponsor Representative



Jolly Mokorosi
Independent alternate Trustee



David Gluckman
Sponsor-appointed Trustee and Chairman of the Board



Caron Harris
Independent Trustee



Yvette Harris
Sponsor-appointed Trustee



Koketso Mahlalela
Sponsor Representative



Anna Siwiak
Sponsor Representative

Chaired by

Justin Jacobs, Lead: Member Experience: Sanlam Umbrella Solutions.

Overview

Five years after its inception in 2020, the Individual Member Products and Servicing Committee continues to play a significant role in reaffirming the importance of focusing on the needs of our individual members and the products and services made available to them.

Over 16 000 members have opted in or been defaulted into the Fund's individual membership options with assets at approximately R3.5bn as at 30 June 2024. Individual membership has grown by 30% over the past year.

Over the past year, the Committee has focused on the following;

- Oversight of ongoing retirement benefit counselling engagements in the lead-up

to retirement and at pre-retirement exit. The Individual Member Support team has engaged more than 8 000 members directly across various communication channels in the 12 months to end June 2024. Ensuring that all members have equal access to this service and appropriate advice referral processes are in place which remains a priority for the Committee.

- Oversight of the annual income review process for In-fund Living Annuitants in the Trustee-endorsed and Extended Range options
- Introduction and implementation of the default investment strategy for elected paid-up preservation members
- Considering specific interventions and communication campaigns for the growing default paid-up member group

Oversight of the ongoing proactive WhatsApp engagement with new members and the expansion of the service to active members, which includes Two-Pot System education.



Insured Benefits Management Committee

Mandate

The Insured Benefits Management Committee is responsible for continually reviewing the management of the Fund's risk pool so that members' interests are protected through sound actuarial risk management practices. The Committee actively and continually reviews all aspects relating to risk management, underwriting, pricing and product enhancements.

Meetings

The Committee holds quarterly meetings.

Members of the Committee



Megan Esterhuysen - Chair
Sponsor Representative



Grant Base
Independent Trustee



David Gluckman
Sponsor-appointed Trustee and Chairman of the Board



Nzwa Shoniwa
Sponsor Representative



Elsie Swart
Sponsor Representative



Anna Siwiak
Sponsor Representative

Chaired by

Megan Esterhuysen, Head of Pricing: Sanlam Umbrella Solutions.

Annual revision process

The 2024 insurance premium revision for participating employers in the Sanlam Unity Umbrella Fund and Sanlam Umbrella Fund took place on 1 March 2024 and 1 April 2024, respectively.

Sanlam Umbrella Fund participating employers have the opportunity to form part of our "best of both" solution. For participating employers who elect to take part in this initiative, it means that as part of the annual revision process the Sanlam Umbrella Fund conducts its own, automatic pricing review. It is an attempt to ensure members benefit from market-related prices and the best terms on offer between the two competing trustee-approved insurers, being Sanlam and Absa Life.

The Sanlam Umbrella Fund is the only large umbrella fund that conducts its own auction process and we

believe this process has served our participating employers and members well over the years.

Legislative changes have increased the costs and risks of changing insurers and therefore the Committee is investigating whether a different process should apply for smaller participating employers.

Decrease in overall risk rates

Last year we reported that we remained optimistic that overall premium rates would decrease again in 2024 and we are pleased to announce that this has indeed transpired. It is therefore the second year in a row that overall risk rates have decreased for the Sanlam Umbrella Fund. While rates came down overall, individual participating employers may have experienced decreases, unchanged rates or even increases, depending on the change in their individual risk profile since the previous revision.

We hope to see further decreases in 2025.

Party Due Diligence screening

As reported last year, some participating employers were unable to switch insurers and benefit from the lower rates on offer by the alternative insurer. This was as a result of not providing the updated documents necessary for the alternative insurer to conduct the Party Due Diligence screening as required by the Financial Intelligence Centre Act for anti-money laundering purposes.

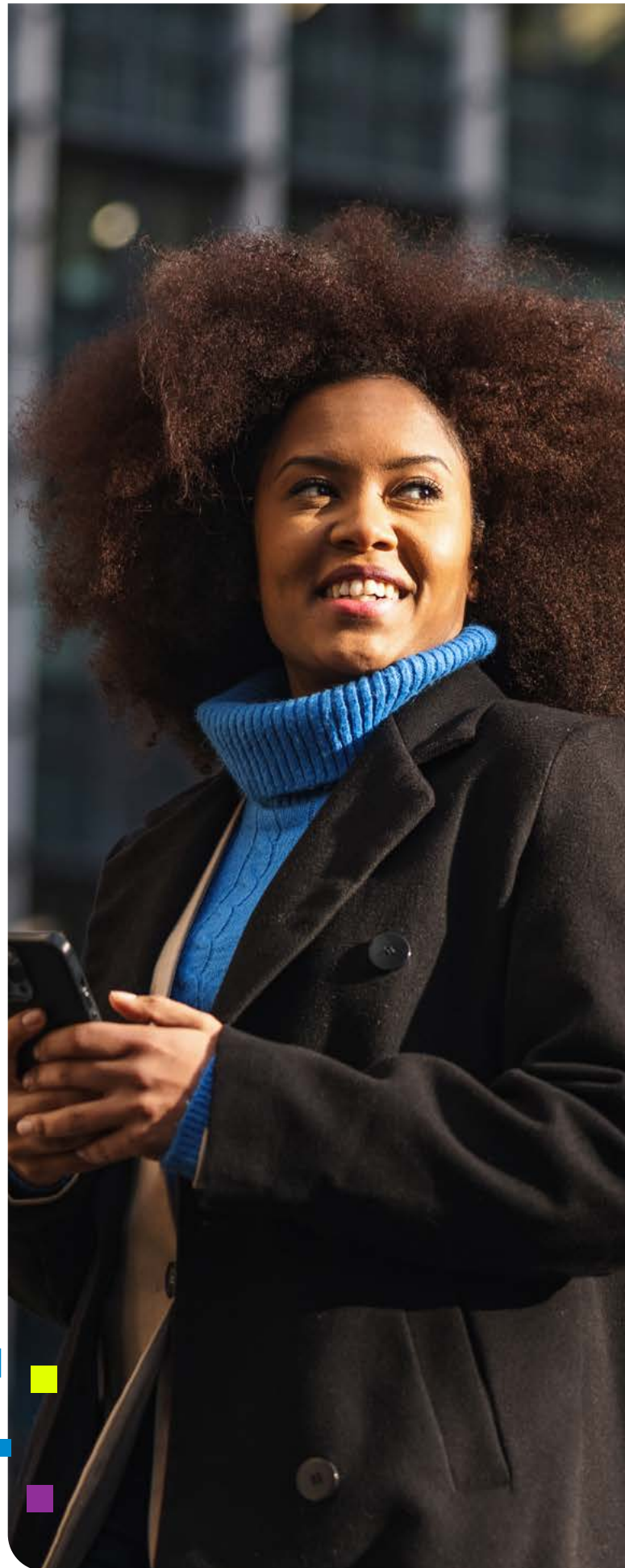
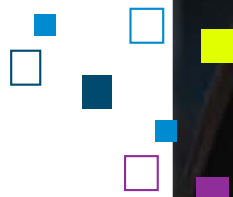
Unfortunately, this was again the case for 2024, with only a slight improvement in the percentage of participating employers providing the updated documents. The Committee will continue to monitor this during future revisions.

Product enhancements

The Sponsor, in consultation with the Committee, is currently reviewing the Critical Illness benefit and enhancements are planned for 2025.

Review of risk reporting to the Board

The Committee undertook a review of all the risks reported to the Board. We currently have no risks rated amber or higher and our top two risks relate to the management of the annual revision process and the oversight of risk product exceptions. The volume of requests for the latter has increased in recent years as larger clients join the Sanlam Umbrella Fund.





Remuneration Committee

Mandate

This committee ensures that the Fund strategy and approach comply with its governance duties in terms of the principles laid down in the King IV Report. This mandate entails regularly reviewing the Fund’s remuneration policies to ensure compliance with the Fund’s duties and responsibilities in terms of its own rules, the Pension Funds Act, the Financial Sector Regulation Act, the Conduct of Financial Institutions Act (once promulgated), the Income Tax Act, Treating Customers Fairly principles, and the King IV Report, and to actively support and enhance the Fund’s broader business objectives.

Meetings

Quarterly meetings are held, with each lasting approximately two hours.

Members of the Committee



Nzwa Shoniwa - Chair
Sponsor Representative



David Gluckman
Sponsor-appointed Trustee and Chairman of the Board



Jolly Mokorosi
Independent alternate Trustee

Chaired by

Nzwananai Shoniwa, Managing Executive: Sanlam Umbrella Solutions

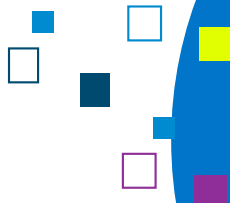
Overview

The Remuneration Committee was established in 2021 and has proven to be a useful addition to the Fund’s overall governance checklist to ensure the proper monitoring of all remuneration costs charged to the Fund, which are ultimately borne by the members.

The year under review was less busy for this Committee than the prior year, during which contracting, remuneration and associated protocols were significantly revamped, both for the incoming Board and Principal Officer, and involved:

- Recommending remuneration and contracting for the newly appointed Deputy Principal Officer.
- Recommending inflationary adjustments to remuneration of all Fund officers and preparing the remuneration component of the annual Contingency Reserve Account budget.
- Reviewing, where appropriate, the remuneration of all Fund officers.
- Reviewing and recommending to the Board some adjustments to the Fund’s travel policy.
- Updating the relevant protocols to reflect all such decisions.
- Participating in industry remuneration surveys on behalf of the Fund.

The Committee submits regular risk reports to the Board and the latest report, covering the period to 30 June 2024, reveals no significant concerns with regard to Fund remuneration matters.





Transformation Committee

Mandate

To lead the transformation journey as well as prepare and monitor the transformation strategy for the Fund in consultation with the Board and Sponsor. To prepare Financial Sector Code (FSC) scorecards and such additional reports and documents required by the Financial Sector Transformation Council (FSTC) and Financial Sector Conduct Authority (FSCA) and monitor the Fund's performance in terms of the scorecards. To guide the Board and its committees on the desired status of service providers that would enhance and contribute to the Fund's Broad-Based Black Economic Empowerment (B-BBEE) objectives agreed by the Board. To ensure the Fund's compliance with the Broad-Based Black Economic Empowerment (B-BBEE) Act.

Meetings

The Committee held three meetings to discharge its duties. However, ad hoc meetings will be convened to deal with additional developments should the need arise.

Members of the Committee



Jolly Mokorosi - Chair
Independent alternate Trustee



Yvette Harris
Sponsor-appointed
Trustee



Mkuseli Mbomvu
Sponsor-appointed
Trustee



Nzwa Shoniwa
Sponsor
Representative



Gabriella Manuel
Fund Secretariat

Chaired by

Jolly Mokorosi, independent alternate trustee.

Overview

The Sanlam Umbrella Pension and Provident Fund trustees started compiling voluntary B-BBEE scorecards since 2019. These scorecards have been submitted in accordance with the Financial Sector Transformation Council (FSTC) notices and in accordance with the FSC's voluntary requirements for the Top 100 retirement funds. The Sanlam Unity Umbrella Fund has not produced a scorecard at this stage.

During 2023 the Fund established a Transformation Committee, which was tasked with drafting a

transformation strategy for the Fund and specifically to focus on the compilation of the annual B-BBEE scorecards and other disclosure requirements recommended in the Financial Sector Code.

B-BBEE Scorecards for 2022: A baseline for improvement

The most recent B-BBEE scorecards for the period ended December 31, 2022, reveal that the overall scores fell below the 50% mark which were below the desired targets. These scores highlighted areas for improvement and also underscored the complexity of achieving transformation across various scorecard elements, some of which fall outside the Fund's direct control. This has resulted in two risks related to transformation forming part of

the top ten risks of the Fund. To proactively address these risks both in terms of market disadvantage and regulatory compliance, the Committee has considered a multi-faceted approach that takes into account:

- Diversifying management and leadership
- Client and Stakeholder engagement
- Ongoing FSC Scorecard Reporting
- Collaboration with key service providers
- Audit and feedback loops that foster accountability.

This has led to a focus on specific strategic areas.



Strategic focus areas for 2023/2024: Driving transformation forward

1 Strengthening management control

Since 2023, the Fund has placed significant emphasis on diversifying its management control. The appointments made since 1 January 2023 are expected to positively impact these scores for this element, which will reflect in the 2023 measurement period. The Transformation Committee will continue to closely monitor any changes in management that could affect the score, ensuring that the Fund's leadership reflects the broader transformation goals.

2 Enhancing preferential procurement

The Fund will continue to prioritise enterprise and supplier development. This strategy involves greater support for black-owned suppliers and service providers. Additionally, the Fund will support programmes that empower black entrepreneurs and small businesses, especially those operating within the Financial Services Sector. Given that most of the Fund's strategic services are sourced through Sanlam, maintaining a strong, collaborative relationship with Sanlam is crucial for meeting these scorecard requirements.

3 Ongoing reporting and score improvement

The Transformation Committee will ensure that the Fund continues to participate in the FSTC's reporting exercises, making voluntary submissions that align with the required measurement periods. The Fund plans to include detailed narratives on its B-BBEE scores and outline future strategies for improvement. Reporting on the Fund's exceptional member education initiatives, trustee and Principal Officer's training records, and monitoring fund liabilities attributable to black members, are currently a focus area of the Committee.

Despite these challenges, the Fund remains resolute in its pursuit of more meaningful transformation outcomes that will improve the score ratings. The scorecards serve as a baseline for the Fund's ongoing efforts to enhance its performance across all elements, particularly those directly within its influence.



Investment Committee

Mandate

To monitor the investment strategy, ensuring appropriate investment reporting to members, and to work with the Board's appointed investment consultants to review the entire investment offering from time to time.

Meetings

Quarterly meetings of 6 hours' duration each are held. Any recommendations arising from these meetings are tabled and discussed at the regular Board meetings where all formal decisions are taken. Additional ad hoc meetings are periodically convened if specific urgent recommendations to the Board are required.

Members of the Committee



David Gluckman
Sponsor-appointed Trustee
and Chairman of the Board



Grant Base
Independent
Trustee



Xolisa Dhlamini
Sponsor
Representative



Nzwa Shoniwa
Sponsor
Representative



Jolly Mokorosi
Independent
alternate Trustee

The Committee is supported by technical experts such as professional investment consultants.

Chaired by

Sponsor-appointed Trustee and Chairman of the Board.

Overview

The Sanlam Umbrella Fund continues to deliver real value to our members in terms of inflation-beating investment returns. This is evidenced by the investment returns of all the Fund's investment portfolios to 30 June 2024 over 1, 3, 5 and 10 years as shown in the graphs.

Last year we committed to undertaking a clean-slate review of all risk reporting by this Committee to the Board, and this has indeed been actioned. The results are fairly pleasing and indicate that

the Committee has been successful in managing risks within acceptable levels despite the turbulent environment. The highest-rated risks were as follows:

- The relative underperformance of the SIM Balanced Fund, which has a knock-on impact on the performance of the Sanlam Blue Accumulation Portfolio (being the smallest of the Fund's default investment strategies).
- Poor performance of default strategies in absolute terms, and also relative to peers and benchmarks. The risk is elevated in the case of those default investment strategies with significant client investments, being Sanlam Lifestage, Sanlam Wealth Creation Lifestage and Sanlam Passive Lifestage.
- Inappropriate member investment choices. A related risk is that some members might

incur unnecessarily high fees, particularly if inappropriate choices are made in respect of the Glacier Retirement Fund Solution, which is intended as a niche offering for affluent members operating under advice.

As regards the first-mentioned risk above (which was the only risk rated amber), the recommendation to the Board was to replace the SIM Balanced Fund both as a component of the Sanlam Blue Accumulation Portfolio and on the member investment choice menu. The Board accepted this recommendation at its June 2024 meeting, and this change will be made during October 2024 after a communication to affected investors.

The Committee also considered the impending Two-Pot System, and resolved to amend the investment strategy of the Sanlam Unity Umbrella Fund by allocating net contributions to a cash portfolio to bolster liquidity in anticipation of significant savings pot withdrawals.

The Committee focused its efforts as regards all facets of responsible and sustainable investing, including impact investing, infrastructure investing, climate change and transformation.

- The Committee introduced transformation and ESG ratings for all our investment managers and investment portfolios as a useful additional factor to assist our clients with investment decisions.
- The Sanlam Living Planet Fund was added to the member investment choice menu with effect from 1 March 2024. The World Wide Fund for Nature supports the Sanlam Living Planet Fund's aims to provide long-term investors with acceptable financial returns within a framework that enhances environmental sustainability by redirecting investment flows towards sustainable opportunities and away from unsustainable practices.

Other activities of the Investment Committee over the past year have been multi-faceted and included (in no particular order):

- Updating the Fund's Investment Policy Statement.
- Overseeing all aspects of governance, compliance and risk measurement as related to investment issues on behalf of the Board.
- Performance monitoring of all appointed investment managers and mandates.
- Specific additional monitoring of all special investment arrangements.
- Monitoring and suggesting refinements to the quarterly actuarial monitoring of the Administrator's daily investment portfolio unit prices as an extra reassurance check.
- Ongoing efforts to enhance our extensive investments communication material delivered

via multiple channels, and also to refine and improve cost disclosures.

- Ensuring delivery and monitoring content and client feedback in respect of the free investments feedback service available to Joint Forums for all sub-funds comprising more than R10 million assets.
- Engaging on behalf of the Fund as regards investment matters with industry bodies such as ASISA and Batseta, and to a lesser extent regulators and the media.
- Hosting investment webinars for our stakeholders such as consultants, employers and members.
- Participating, along with 7 other commercial umbrella funds, in the quarterly GraySwan Umbrella Fund Default Investments Survey – an important initiative aimed at enhancing market competition, transparency and appropriate disclosure.

In summary, the past year has once again been both challenging and rewarding from an Investment Committee perspective. We are clear on our mandate and will continue to focus our efforts within the sphere of investments to further improve retirement outcomes for our members.



Investment returns for the Trustee approved default strategies

Lifestage Strategies

Sanlam Lifestage	1 Year	3 Years	5 Years	10 Years
Sanlam Lifestage Accumulation Portfolio	13.0%	11.2%	10.5%	8.4%
Sanlam Capital Protection Portfolio	10.5%	8.7%	7.9%	8.7%
Sanlam Blue Lifestage	1 Year	3 Years	5 Years	10 Years
Sanlam Blue Lifestage Accumulation Portfolio	8.8%	10.2%	8.9%	7.7%
Sanlam Capital Protection Portfolio	10.5%	8.7%	7.9%	8.7%
Sanlam Passive Lifestage	1 Year	3 Years	5 Years	10 Years
Sanlam Passive Lifestage Accumulation Portfolio	12.2%	11.2%	10.6%	9.0%
Sanlam Capital Protection Portfolio	10.5%	8.7%	7.9%	8.7%
Sanlam Wealth Creation Lifestage	1 Year	3 Years	5 Years	10 Years
Sanlam Wealth Creation Accumulation Portfolio (note 8)	12.3%	12.0%	12.1%	n/a
Sanlam Capital Protection Portfolio	10.5%	8.7%	7.9%	8.7%
Sanlam Umbrella Fund Lifestage Solution (note 6)	1 Year	3 Years	5 Years	10 Years
Sanlam Umbrella Fund Lifestage	13.0%	11.2%	10.5%	8.4%

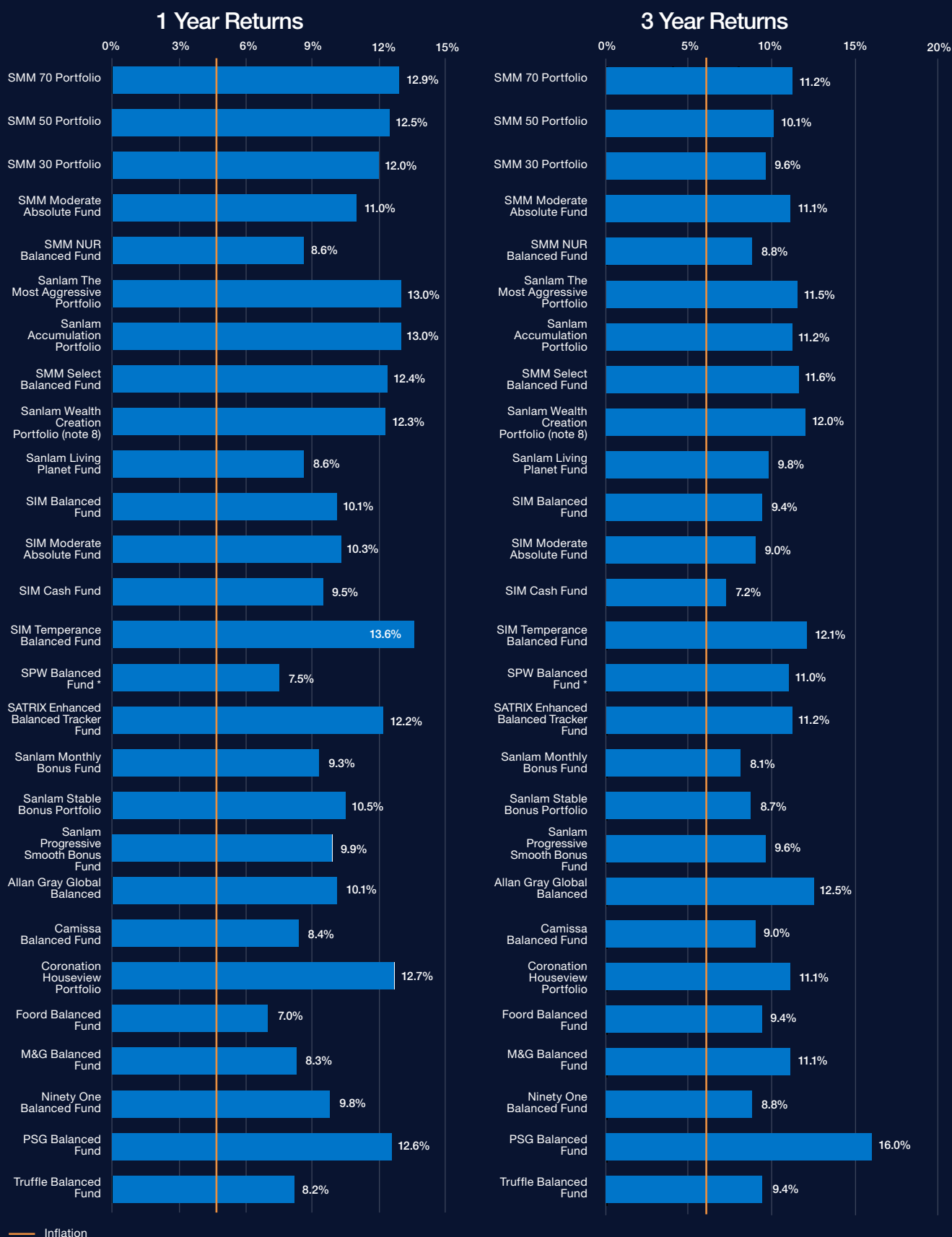
Protection Strategies

Sanlam Secure Strategy	1 Year	3 Years	5 Years	10 Years
Sanlam Monthly Bonus Fund	9.3%	8.1%	7.3%	8.2%
Sanlam Stable Strategy	1 Year	3 Years	5 Years	10 Years
Sanlam Stable Bonus Portfolio	10.5%	8.7%	7.9%	8.7%
Volatility Protection Strategy	1 Year	3 Years	5 Years	10 Years
75% Sanlam Monthly Bonus Fund and 25% Satrix Enhanced Balanced Tracker Fund	10.2%	9.1%	8.5%	8.7%

- Investment returns are quoted gross of investment management fees.
- The returns on the Protection Strategies and the Sanlam Capital Protection Portfolio are net of the guaranteed premium.
- The underlying portfolios to the Protection Strategies are subject to change.
- Investment returns for periods greater than 12 months are annualised.
- This summary sheet is prepared for the Sanlam Umbrella Fund by its investment consultants. Every effort has been made to ensure that the information in this summary is correct. However, the summary is for information purposes only and Sanlam, the Sanlam Umbrella Fund and its investment consultants cannot be held liable for any loss or damage suffered as a result of any inaccuracy.
- The previous investment strategy for the Sanlam Umbrella Fund lifestage solution (the Lifestage Programme) was changed effective 1 July 2013 and the assets were transitioned over the month of July 2013 to the Sanlam Lifestage solution.
- Prior to September 2019 the Sanlam Blue Lifestage Accumulation Portfolio was wholly invested in the SIM Balanced Fund. In September 2019 the strategy changed to an allocation of 75% SIM Balanced Fund and 25% SPW Balanced Fund. Then in April 2021 the strategy changed to 50% SIM Balanced Fund and 50% SPW Balanced Fund.
- Returns prior to 1 August 2022 are reflective of the Sanlam Wealth Creation portfolio structured on the AlexForbes life license
- Further information on our portfolios is available on our website <https://www.sanlamonline.co.za/corporate/umbrella-fund>.

Performance of the Trustee approved member choice portfolios

*As at 30 June 2024

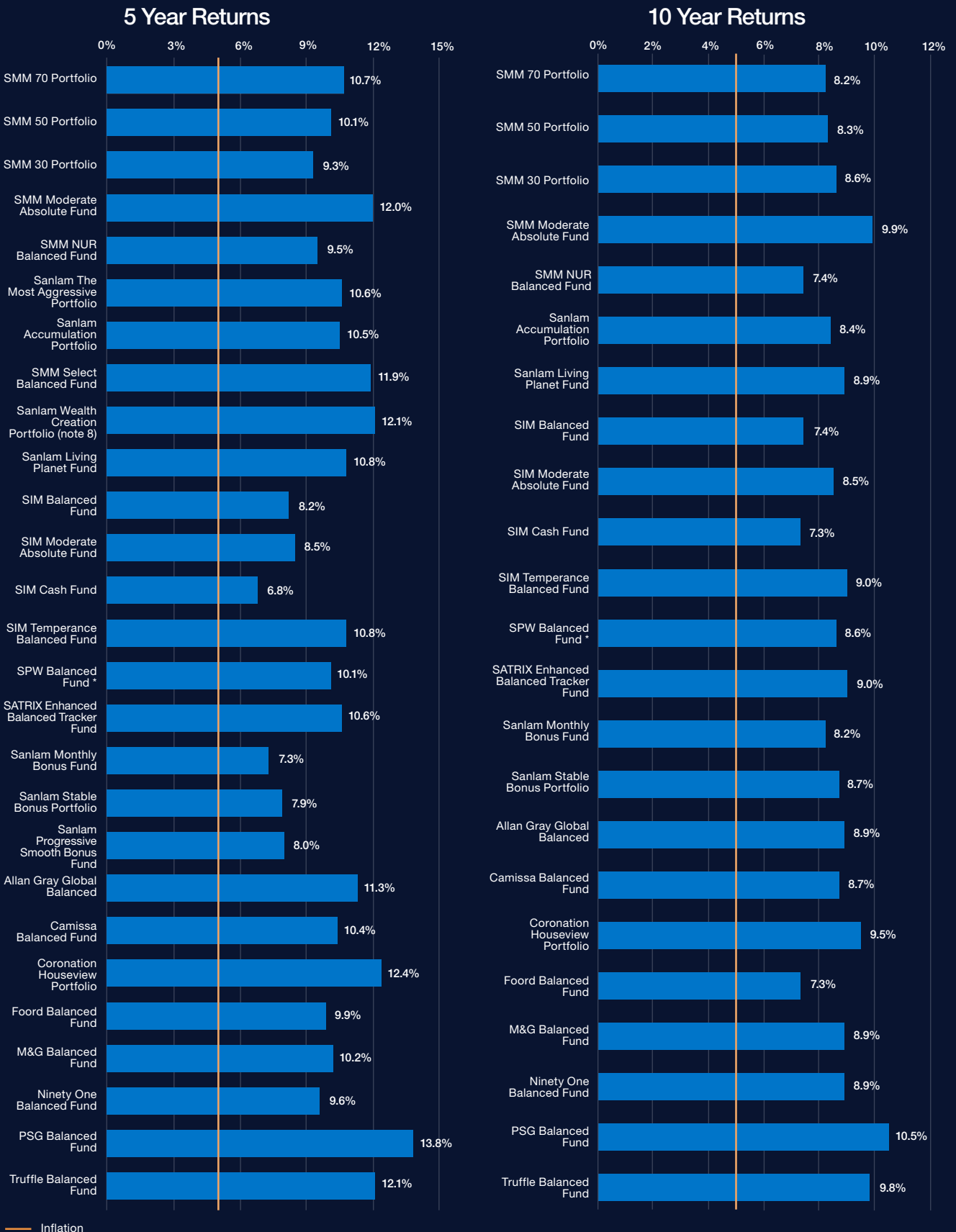


* SPW Balanced Fund is actual returns from 1 Sep 2019. Returns prior are from a Model Portfolio similar to the SPW Balanced Fund.

** Inflation as at 31 May 2024.

Performance of the Trustee approved member choice portfolios

*As at 30 June 2024



* SPW Balanced Fund is actual returns from 1 Sep 2019. Returns prior are from a Model Portfolio similar to the SPW Balanced Fund.

** Inflation as at 31 May 2024.

Rule Amendments



Sanlam Umbrella Pension and Provident Fund

Amendment no 6

Registered on 9 October 2023

- To protect the Fund against any losses incurred in the event of an electricity grid collapse.
- To provide for a special levy by the members to strengthen the Employer Reserve Account (if applicable) in order to cover the reasonable costs related to the operation of the Joint Forum.
- To recommend that contributions for retirement savings be not less than 5% of a member's pensionable salary.
- To provide for a quorum of the board to have representation of at least fifty per cent of the member representative board members (independent board members).
- To delineate provisions for the suspension of contributions upon employer application and to separate these from partial liquidation rules.
- Additionally, any advance payments in the event of liquidation must comply with Section 28 of the Act, requiring prior Authority approval, thus ensuring no pre-emption of legislation occurs.

Amendment no 7

Registered on 16 August 2024

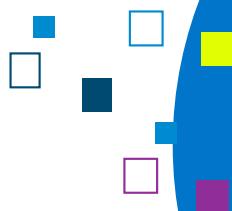
The modification to the rules was specifically tailored for the implementation of the Two-Pot legislation.

Sanlam Unity Umbrella Fund

Amendment no 9

Registered on 05 August 2024

The modification to the rules was specifically tailored for the implementation of the Two-Pot legislation.



General Fund information



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

Statutory alternatives	Fund status	
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	
The Fund's financial reporting period	From 1 January to 31 December	
Fund exemptions	Valuation exempt, not audit exempt from 1 January 2008. Received current valuation exemption for Pension Fund and Provident Fund from 1 January 2023 up to 31 December 2025.	
The Fund's registered postal address	PO Box 1, Sanlamhof, 7532	
The Fund's registered physical address	2 Strand Road, Bellville, Cape Town, 7532	
Separate bank accounts are being maintained for each fund	Pension Fund: ABSA, Centurion Acc no: 4067972456	Provident Fund: ABSA, Centurion Acc no: 4067972383

Regulatory Information for Sanlam Unity Umbrella Fund

Statutory alternatives	Fund status
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
The Funds financial reporting period	From 1 June to 31 May
Fund exemptions	Valuation exempt, not audit exempt. Received current valuation exemption from 1 June 2023 up to 31 May 2025.
The Fund's registered postal address	PO Box 1, Sanlamhof, 7532
The Fund's registered physical address	2 Strand Road, Bellville, Cape Town, 7532
Bank account detail	ABSA, Sanbel Acc no. 4074118518

Fund Officers

	Principal officer	Deputy Principal officer	Head: Fund Secretariat
Full name	Joelene Moodley	Blake Beilings	Sanlam Umbrella Pension and Provident Fund: Gabriella Manuel Sanlam Unity Umbrella Fund: *Elna September <i>* Monitoring Person for all three funds.</i>
Company	Independent	Independent	Sanlam Corporate: Umbrella Solutions
Postal address	PO Box 1, Sanlamhof, 7532		
Physical address	2 Strand Road, Bellville, Cape Town, 7532		
Telephone number	082 564 0341	071 296 0664	Gabriella Manuel: (021) 947 8323 Elna September: (021) 947 1519
Email address	joelene.moodley@sanlam.co.za	blake.beilings@sanlam.co.za	Sanlam Umbrella Fund: gabriella.manuel@sanlam.co.za Unity Umbrella Fund: elna.september@sanlam.co.za

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, Cape Town, 7532	
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	PO Box 1, Sanlamhof, 7532
Physical address	2 Strand Road, Bellville, Cape Town	2 Strand Road, Bellville, 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, 7535
Telephone number	083 475 6395
Email address	wynand@simekaconsult.co.za

Specialist Investment Consulting

	Sanlam Umbrella Pension Fund, Sanlam Umbrella Provident Fund and Sanlam Unity Umbrella Fund
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, 7535
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, Johannesburg, 2000	PO Box 1, Sanlamhof, 7532
Physical address	2 Strand Road, Bellville, Cape Town	3 rd Floor, Absa Towers North, 180 Commissioner Street, Johannesburg, 2001	2 Strand Road, Bellville, 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

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

Alternatively, if you have any questions around your membership or benefits, please contact one of your employer Joint Forum members, access your [member portal](#) or email or call the Fund on :

T +27 (0)21 947 1369

E umbrellasolutions@sanlam.co.za



2 Strand Road, Bellville 7530 | PO Box 1, Sanlamhof 7532, South Africa

Sanlam Life Insurance Limited Reg no 1998/021121/06
Licensed Financial Services and Registered Credit Provider (NCRCP43)

T +27 (0)21 947 9111
F +27 (0)21 947 8066



www.sanlamonline.co.za/corporate