

A blurred crowd of people walking outdoors at sunset, with a large '2017' graphic overlaid on the right side. The scene is bathed in warm, golden light from the setting sun.

**SBG Securities General
Financials Conference**

**Andrew A. Darfoor
Group Chief Executive**

1 December 2017

2017

RETIREMENTS | WEALTH | INVESTMENTS | INSURANCE

**ALEXANDERFORBES**
Securing your financial well-being

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OUR STRATEGY | Building a globally distinctive pan-African financial services leader

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Strong businesses with leading market positions – clear focus on unlocking “Power of One”



Sustained high cash generation and dividend payout



Positioned for longer term sustainable growth in South Africa and select Emerging Markets



Focused on unlocking substantial business improvement and cost efficiency opportunities

~1TN

Assets under management, administration and advisement



1.4 million



customers

across **SIX** countries



R1.6 billion

payout in gross claims

>90%



client retention

33%

Shareholding
Mercer in 2014



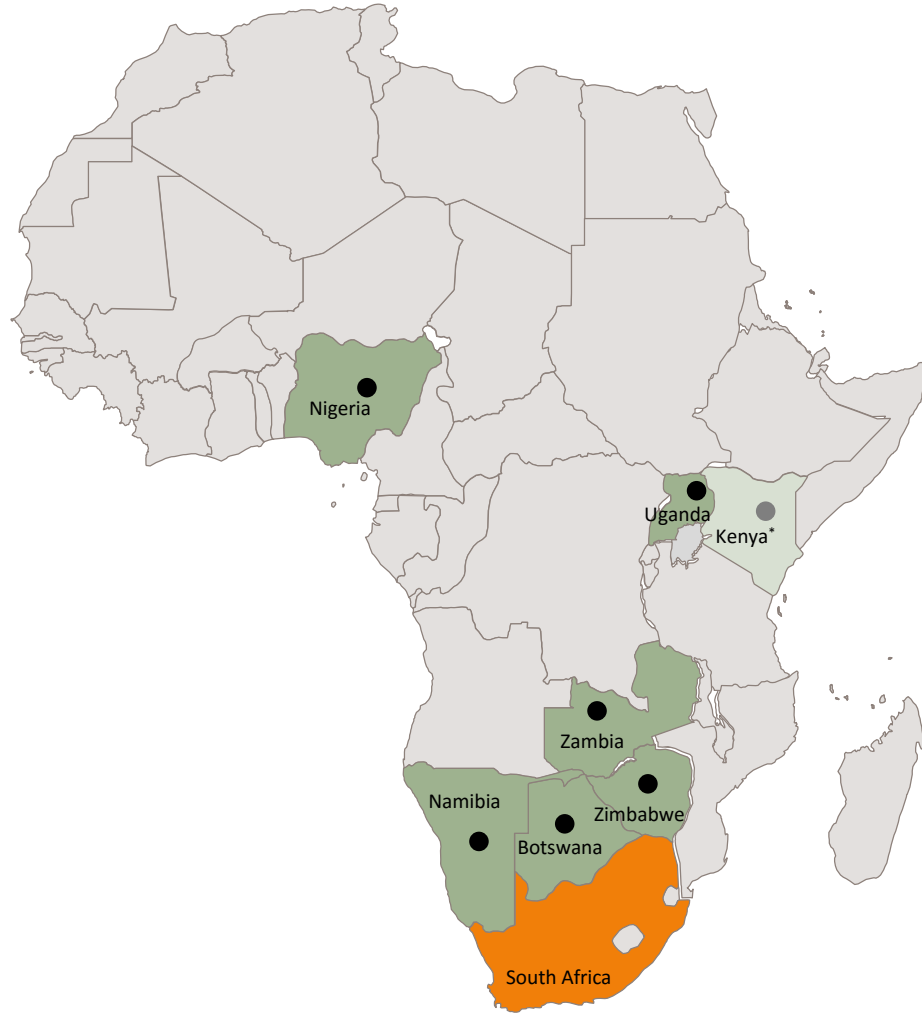
10%



Shareholding
African Rainbow Capital
in 2017



bbbee level



South Africa

Customer # **1.3m**
 AUM & AUA **R341bn**
 FY17 Profit ^ **R931m**

South Africa



1.3m customers



Rest of Africa

Customer # **0.1m**
 AUM **R3.6bn**
 FY17 Profit ^ **R32m**

Namibia



Botswana



Zambia



Uganda



Nigeria



Zimbabwe

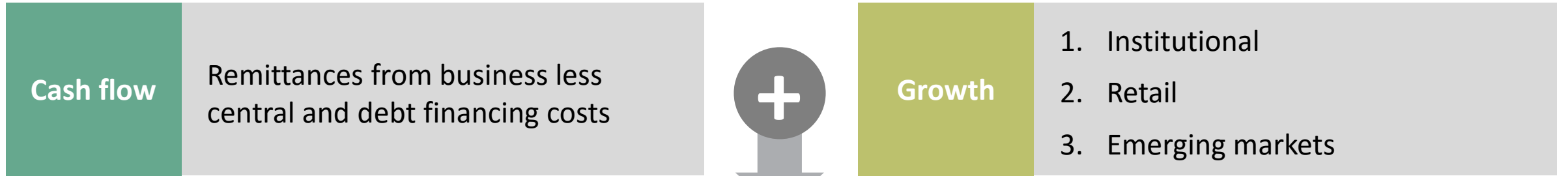


● Retirements / Consulting ● Wealth ● Insurance ● Investments

^ Operating profit before accounting for property leases and share scheme costs

* Minority interest in Kenya

INVESTMENT THESIS | “Cash flow plus growth”



Lifetime of financial well-being

Serving **all** customer needs across accumulation, health, protection and retirements

Digital first

Customer experience driven by digital

Not everywhere

Only in markets where we can win sustainably

Sustainable and progressive cash flow plus growth approach

Our Vision

**BUILD a GLOBALLY DISTINCTIVE
PAN-AFRICAN financial services LEADER**

Five Pillar Strategy



**GROW
INSTITUTIONAL
& ASSET
MANAGEMENT
CAPABILITY**



**GROW RETAIL
CAPABILITY,
INCLUDING
OFFSHORE**



**EXPAND ACROSS
SELECT SUB-
SAHARAN AFRICA &
EMERGING MARKET
GEOGRAPHIES**



**STRIVE FOR
EXCELLENCE, ACROSS
SERVICE, OPERATIONAL
& TECHNOLOGY
ENABLEMENT**



**INNOVATE AND CREATE
INTERNAL CAPACITY TO
DISRUPT OURSELVES
THROUGH INNOVATION**

Our Value Proposition

SECURING OUR CLIENTS' FINANCIAL WELL-BEING BY PROVIDING PEACE OF MIND

VALUE PROPOSITION | Helping customers achieve a lifetime of financial well-being and security

From learning

...to working life

...through guidance and advice...

...into retirement



Personal Growth

We provide our customers with opportunities to grow themselves and their career skills

Protection

We protect what's important to our customers, their families, their health and their homes

Accumulation

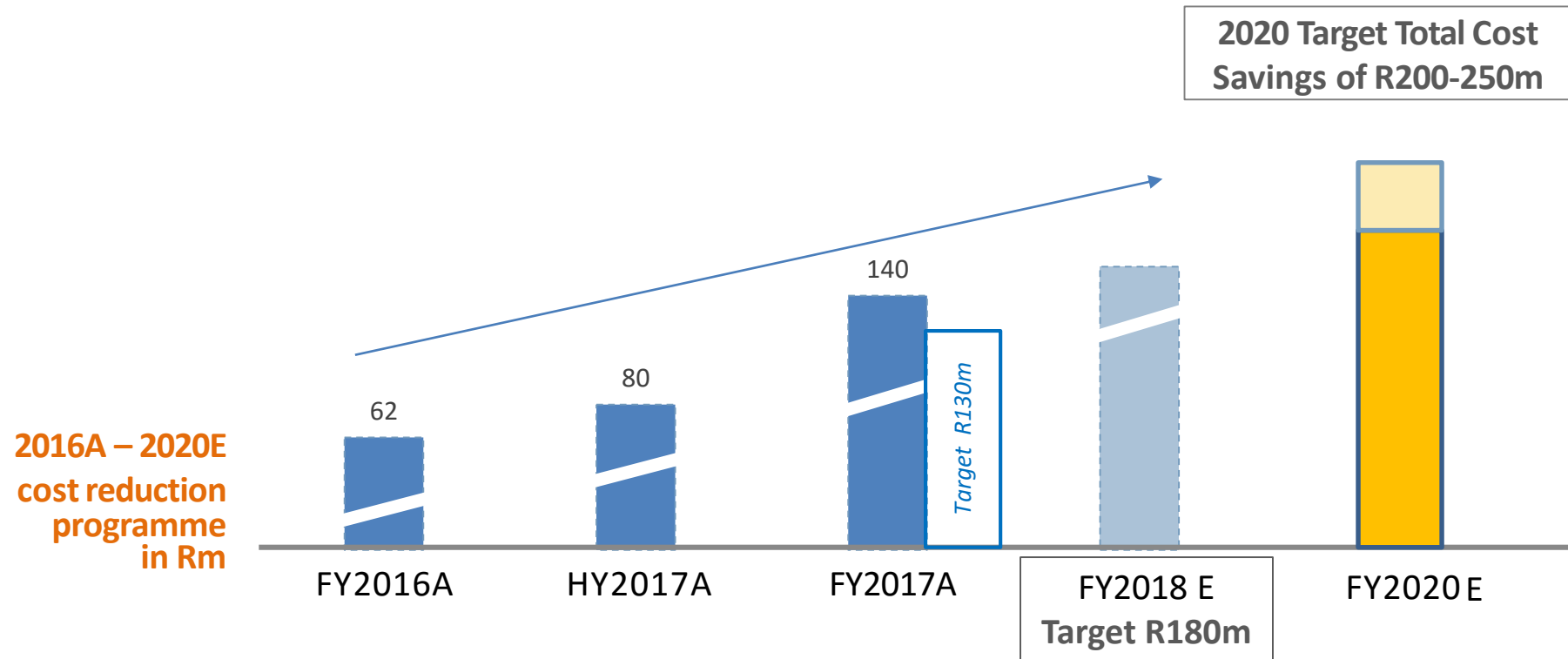
We help our customers save and invest for the future

At & after retirement

We provide our customers with a stable income in retirement, helping to meet costs of care and securing their families' future

NEW COMMITMENT	2022 AMBITION	FY 2017 RESULTS
Sales growth	CAGR of 8-10%	< 5% ●
Reduce operating expenses (cumulative savings)	R200 – 250 million (by 2020)	R140 million ●
RoE* (normalised earnings on IFRS equity)	From 12% to > 14%	12.1% ●
Dividend cover ratio	1.5 times	1.5 times ●

**Annualised Return on average Equity (normalised)*



OUR STRATEGY | Satisfactory progress being made... however much more work needed



Strong businesses with leading market positions – clear focus on unlocking “Power of One”



Sustained high cash generation and dividend payout



Positioned for longer term sustainable growth in South Africa and select Emerging Markets



Focused on unlocking substantial business improvement and cost efficiency opportunities



THANK YOU

