

**Helping clients
achieve a lifetime of
financial well-being
and security**



RETIREMENTS | WEALTH | INVESTMENTS | INSURANCE

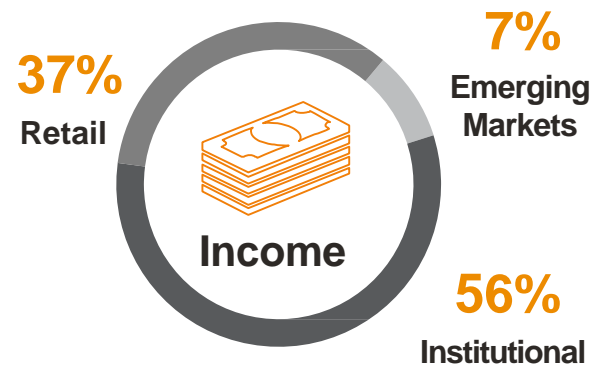
**ALEXANDERFORBES**
Securing your financial well-being

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Alexander Forbes at a glance

Our roots date back to **1935** with a proud and rich legacy



R3.4 billion

March 31, 2017



Retirements,
insurance,
wealth and asset
management



1.4 million
customers
March 31, 2017



R24.1 billion
in benefit payments
March 31, 2017



Over **3 500**
employees
March 31, 2017

~R1 trillion
Assets under
management, advisory
and administration
March, 31 2017



R1.6 billion
payout in claims
March 31, 2017

Customers at the heart of everything we do

For more than 80 years

> 1935

Alexander Forbes' roots date back to 1935 as Price Forbes, established in South Africa



> 2014

Listing of the business on the Johannesburg Stock Exchange



> 1999: Name change to Alexander Forbes

Building on the established names of Price Forbes and Alexander & Alexander



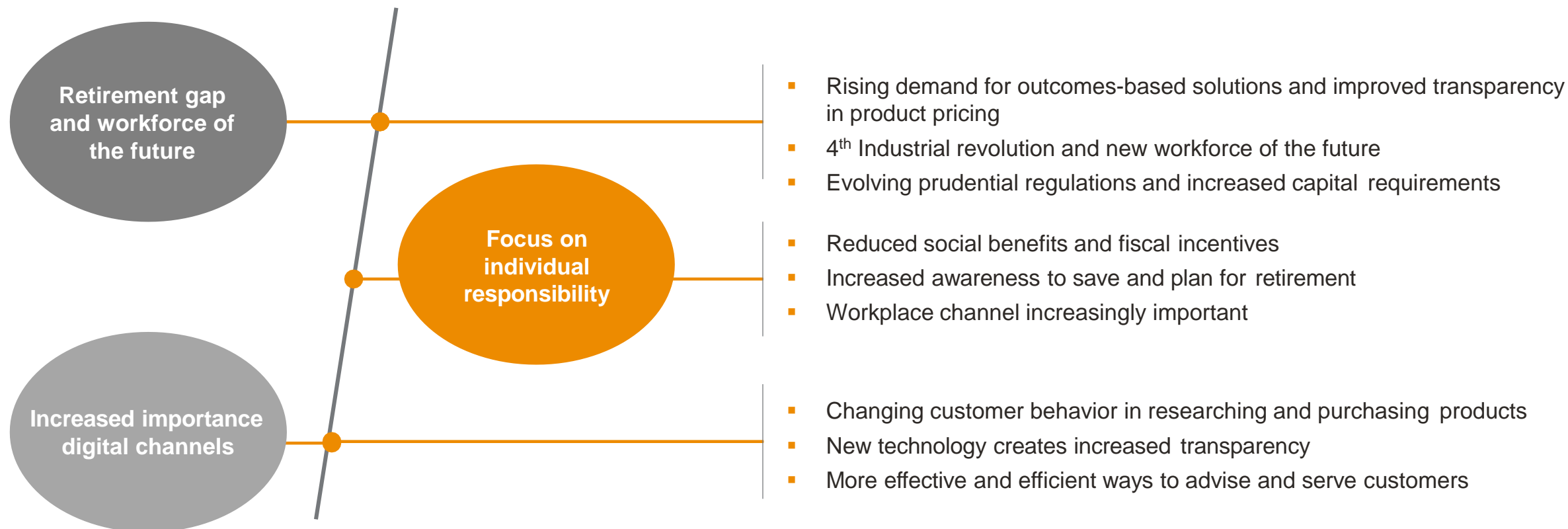
> 2017

New transformative and customer-centric “Ambition 2022” strategy launched



Our operating environment

Addressing key trends that are shaping our industry



A clear and transformation-driven strategy

Ambition 2022



Our five strategic objectives support our Ambition 2022 strategy to be a trusted partner for financial well-being solutions at every stage of life



Ambition 2022

Transformational strategy to unlock value

Our Vision

BECOME A **GLOBALLY DISTINCTIVE PAN-AFRICAN** FINANCIAL SERVICES **LEADER**

OUR TRANSFORMATION PATH

Traditional
PFA

Integrated
Corporate & EB
Value
Proposition

FWB solutions to
members to
improve
“Retailisation”

Pan-African
footprint

Integrated
financial
services
leader

FOCUSED STRATEGIC DISRUPTION – DIGITALLY ENABLED – IMPACT FOCUSED

* PFA: Pension fund administrator

* FWB: Financial Well-Being

Living up to our purpose

To help clients achieve a lifetime of financial well-being and security

From learning

to working ...

...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 and after retirement

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

Living up to our purpose

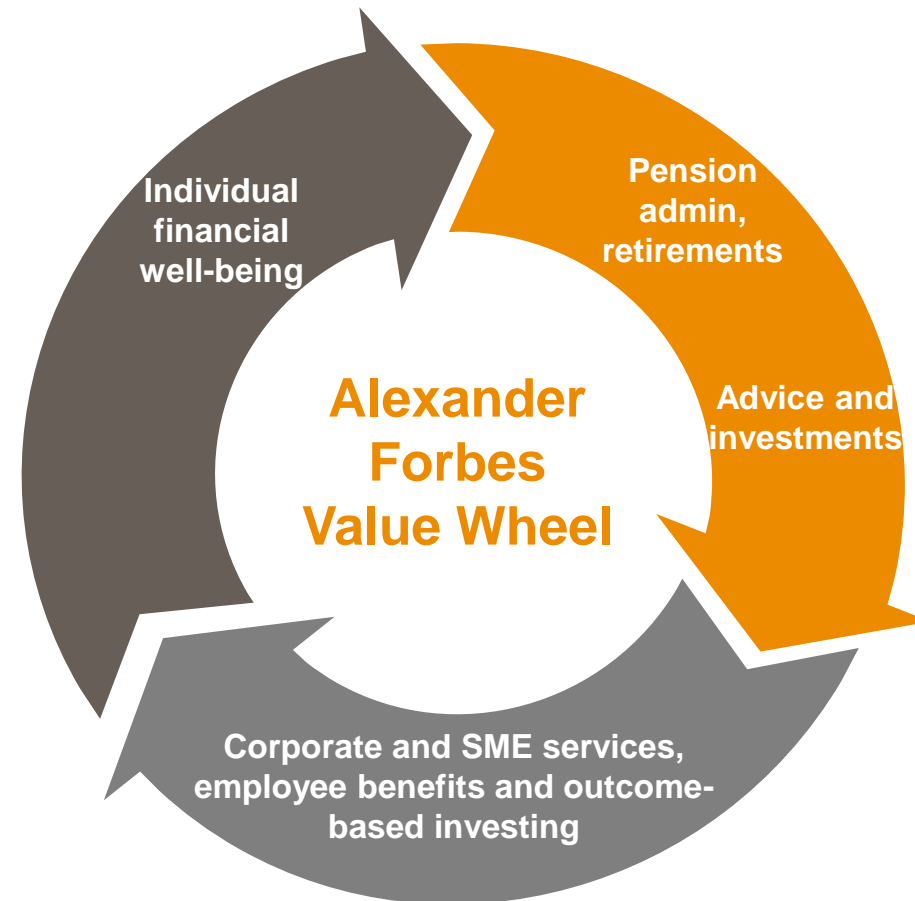
Integrated financial well-being proposition

Expand in retail

- Serve end employees of institutional clients and select open market individuals through intermediated distribution

Move “back to the boardroom”

- Strengthen relationships with corporate/SME executives to provide broader employee benefits solutions i.e. employee focused solutions, and outcome-based investing



Continued focus on our market-leading businesses

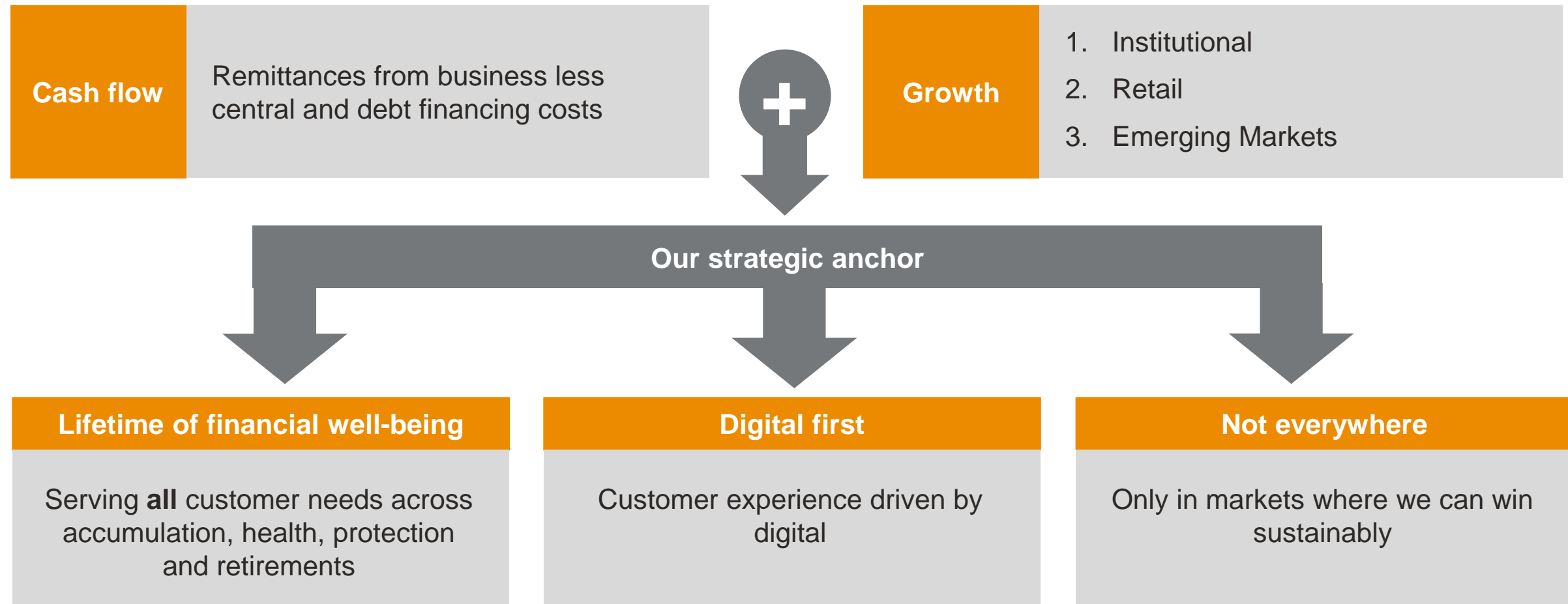
- Institutional pension fund admin, retirements, advice and outcomes-based investment management will remain at the centre of our business model

Transformation
Target

Leading pan-African B2B2C2B financial services platform

Crystal clear investment thesis

Cash flow plus growth

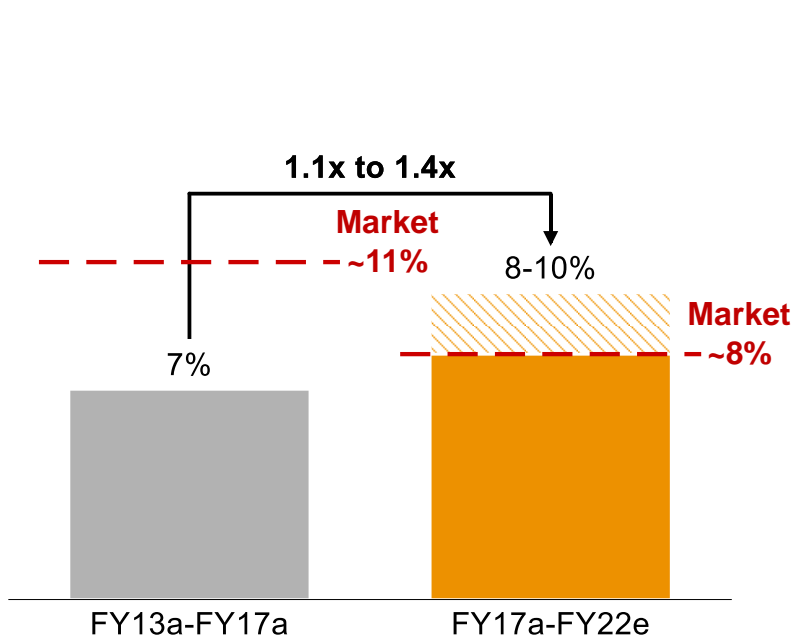


Sustainable and progressive cash flow plus growth approach

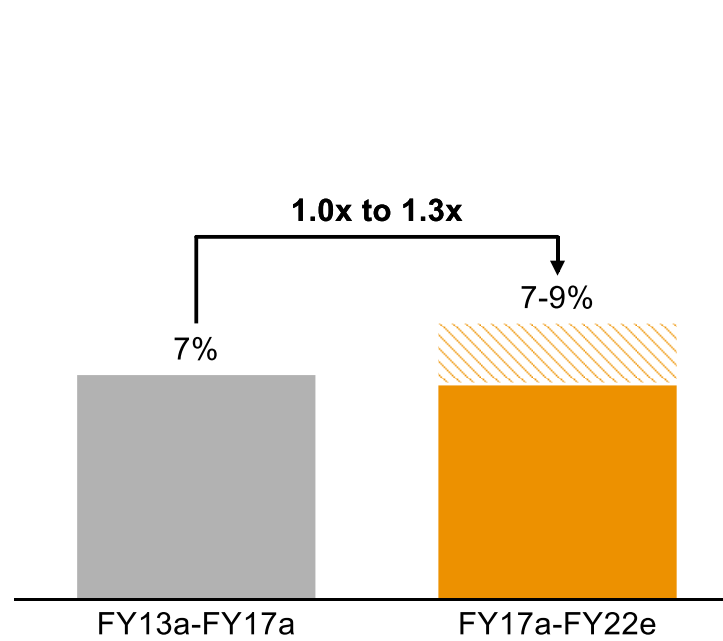
Crystal clear investment thesis

Resilient model through the cycle with clear financial targets

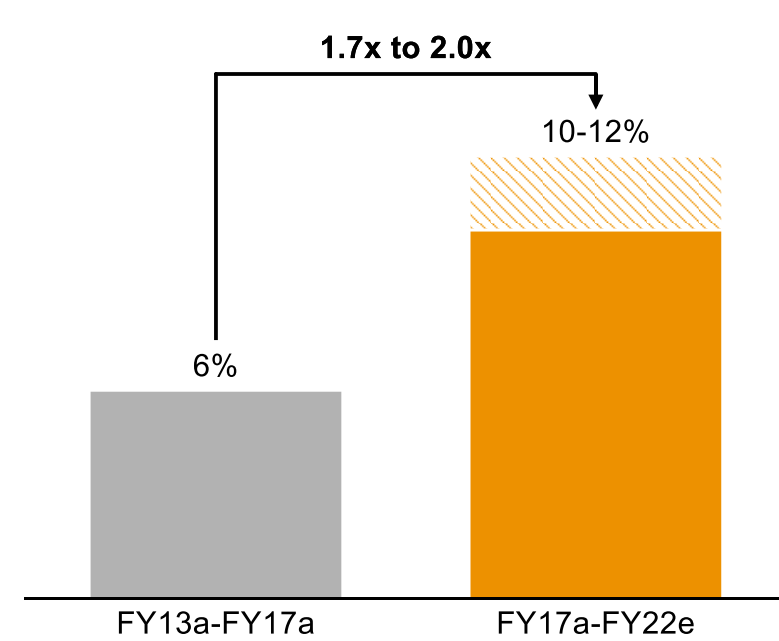
Annual Revenue Growth (%)



Annual Cost Growth (%)



Annual Operating Profit Growth (%)

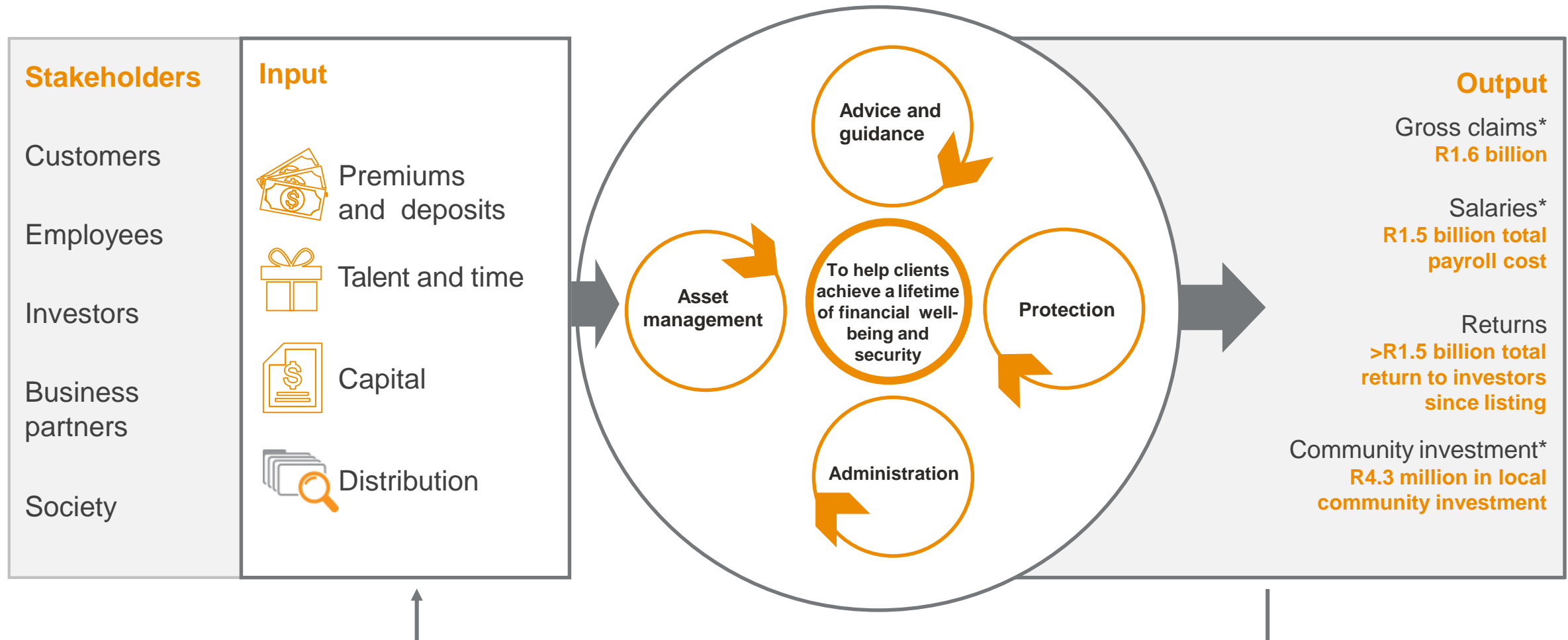


Increase **ROE** from 12% to **>14%**

Maintain **dividend cover** at **1.5x**

Our value chain

How we create a positive impact at every stage of our business



* Full year 2017

Source: Alexander Forbes IAR 2017

A growing pan-African presence

Building a globally distinctive financial services leader

South Africa

- Primary market of SA contributing majority of the Group's revenue (93%)* and operating profit (97%)*
- Market leader in retirements, institutional employee benefits and multi-manager investment management
- Maintain market leading position and deliver growth across both Institutional and Retail



Emerging Markets

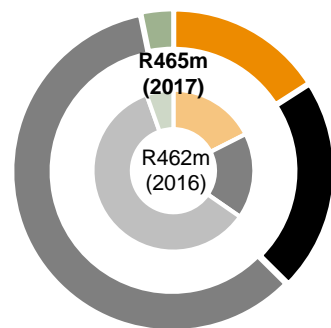
- Presence in six countries – Botswana, Namibia, Zimbabwe, Zambia, Uganda and Nigeria
- Largest pension provider in Africa
- Leverage our strong South African financial services platform
- Regional hub strategy based on M&A driven growth agenda

Divisional overview: Institutional at a glance

Retirements and employee benefits leader

- Market leader in retirements, consulting and employee benefits solutions
- c.1 million members in institutional retirement funds
- Strategy focused on umbrella and broadening corporate employee benefit solutions
- Moving “back to the boardroom” strategy through the delivery of integrated retirements, consulting and broadened employee benefits value proposition

Operating profit



	FY2017	FY2016
Consulting	16%	18%
Retirements	22%	17%
Investments	59%	60%
Group Risk	3%	5%



Clients

Number of clients: > 4 000



Members

Members under administration: > 980 000



AuA & AuM

AuA and AuM: R285 billion

Divisional overview: Investments at a glance

A leading outcomes-based investment manager for institutional, wholesale and retail clients



Operating under unified Alexander Forbes Investments brand, offering clients delegated, advisory and co-created solutions



Businesses and partnerships in South Africa and Namibia



> 170 specialised investment professionals



A robust investment performance track record underlined by numerous industry awards



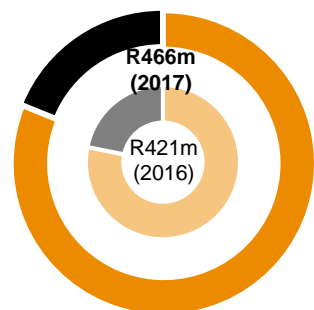
Diverse platform of solutions and strategies, including fixed income, equities, infrastructure and multi asset solutions

Divisional overview: Retail at a glance

Growing retail franchise

- Fast growth strategy premised on financial well-being as a differentiator deployed through expanding individual member access
- Expanding distribution channels introducing digital and building intermediated distribution to complement internal sales force
- Investment in core platforms and digital interfaces to enable single view of customer supporting data driven cross sell and bundling

Operating profit



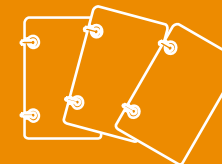
- Wealth & Investments
- Insurance

	FY2017	FY2016
Wealth & Investments	81%	78%
Insurance	19%	22%



Clients

Number of clients:
>137 000



GWP

Gross written premium for motor, household, healthcare and accident: R1 547 million



AuA & AuM

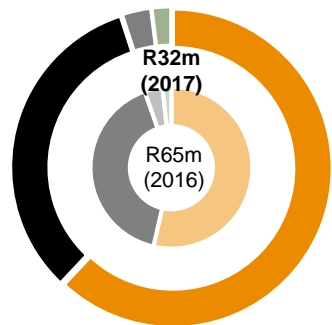
AuA and AuM:
R59.8 billion

Divisional overview: Emerging Markets at a glance

Emerging markets: a key long-term growth market

- Presently in six countries, with a larger presence in Southern Africa (Namibia and Botswana)
- Strategy focused on SME, retirements and developing consumer (individual propositions) serving employees
- Key long-term growth market for Alexander Forbes' ambition is to grow to double-digit contribution of group revenue by 2022 by selectively targeting growth opportunities to build four regional hubs

Operating profit



- Namibia
- Botswana
- Nigeria
- Uganda

	FY2017	FY2016
Namibia	62%	60%
Botswana	33%	46%
Nigeria	3%	4%
Uganda	2%	2%



Clients

Number of retail clients: > 4 700



Retention

>90% retention rate with retail lines contributing 18% of operating income



AuA & AuM

AuM: R3.6 billion

Alexander Forbes Group Executive

Highly experienced and driven leadership team to execute the strategy



Andrew A. Darfoor
Group Chief Executive



Naidene Ford-Hoon
Group Chief Financial
Officer



Leon Greyling
CEO, Investments



Sugendhree Reddy
CEO, Retail Clients



Bernhard Schlupe
CEO, Emerging Markets



Vishnu Naicker
Group Chief Risk
Officer



John Mather
Group Chief Information
Officer



Lynn Stevens
Group Chief Marketing
Officer



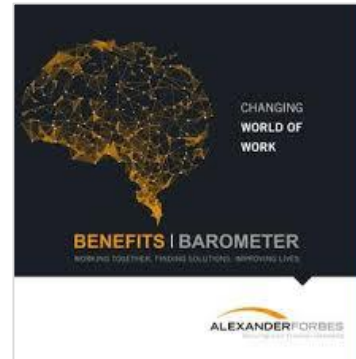
Christian Schaub
Group Chief Human
Resource Officer



Michael Weiss
Group Head Strategy &
Operations

Committed to financial education

Conducting research, educating the public and leading the dialogue on retirement security



Research publication

Publication of original research regarding: retirement, longevity, population aging, healthcare coverage and health and wellness



Leveraging expertise

The Alexander Forbes Research Institute brings together experts in the field of retirements and investments

Helping clients achieve a lifetime of financial well-being and security

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