Sanlam PRIVATE Wealth

SPW EQUITY PORTFOLIO

30 SEPTEMBER 2026

Conservative | Cautious | Moderate | Moderate Aggressive | **Aggressive**

PORTFOLIO DESCRIPTION AND INVESTMENT OBJECTIVE

This is a diversified local equity portfolio. The portfolio aims to outperform the JSE All Share Index on a total return basis, over an investment horizon of three years or more, by investing in high-quality companies that we feel are undervalued. This portfolio is suitable for investors who can withstand potential capital volatility in the short term.

The portfolio offers a carefully selected, well diversified basket of shares from all sectors on the JSE. However, it may also provide exposure to unlisted shares. The investments in the portfolio are subject to rigorous, in-depth research and adhere to our pragmatic value investment philosophy.

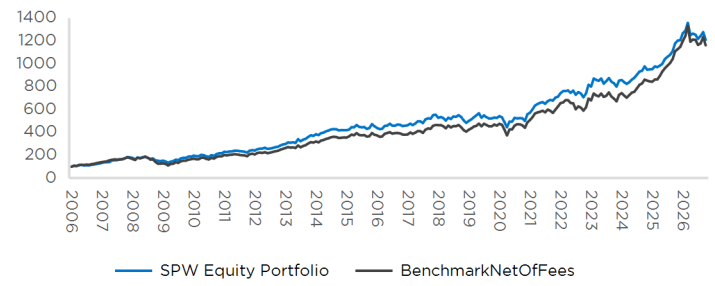
YOUR PERSONAL EQUITY PORTFOLIO

The SPW Equity Portfolio is constructed by the investment team based on an intensive and rigorous investment process. The model portfolio acts as a guide to your portfolio manager in customising your personal portfolio to suit your individual requirements. It is important to note that the performance on this fact sheet is based on the model portfolio and the performance of your portfolio may vary depending on the level of deviation from the model portfolio and the fees charged.

WHY SELECT A PERSONAL PORTFOLIO

A personal portfolio is suitable to more discerning investors who might have unique factors to consider during the investment process. With a personal portfolio, your investment can be tailored to your unique requirements. You will have the benefit of more direct access to your portfolio manager and you have the benefit of enjoying direct ownership of shares. Your portfolio will not be affected by the cash investment and withdrawals of other investors.

PERFORMANCE NET OF FEES[1]



Percentage Returns	Portfolio	Benchmark	Active
10 Yrs (Annualised)	9.98%	11.50%	-1.52%
5 Yrs (Annualised)	12.24%	15.29%	-3.05%
3 Yrs (Annualised)	13.38%	18.68%	-5.30%
Past 12 Months	2.54%	4.62%	-2.08%
YTD	-4.64%	-3.22%	-1.42%

PORTFOLIO INFORMATION

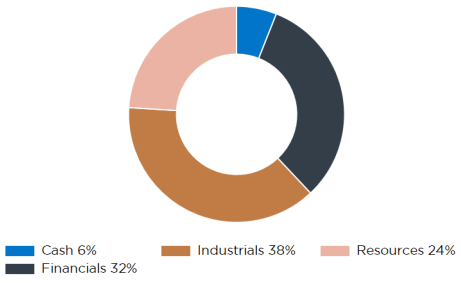
Risk rating	Aggressive
Inception date	April 2001
Minimum investment	R1.5 million
Benchmark	FTSE/JSE All Share TR Index
Management company	Sanlam Private Wealth
Portfolio manager	David Lerche
Initial fees	Nil
Annual management	Fee sliding scale (refer to mandate)

TOP 5 HOLDINGS

(Please note your portfolio might vary from this)

FirstRand Ltd	8.98%
Standard Bank Group Ltd	8.75%
Naspers -N-	7.01%
Absa Group Ltd	5.05%
Compagnie Fin Richemont	5.01%

EQUITY SECTOR EXPOSURE



1.The net of fee calculation assumes a 1.15% annual management charge and total trading costs of 1% (both inclusive of VAT) on the value of actual portfolio turnover.

ABOUT THE PORTFOLIO MANAGER

David Lerche, CFA, CA(SA)

David has been Sanlam Private Wealth`s Chief Investment Officer since 2023. He has over 18 years` experience in the asset management industry. He joined Sanlam Private Wealth in 2016 as a senior investment analyst and was promoted to Head of Equities in 2021. Before this, he spent nine years in institutional stockbroking as an equity analyst servicing major South African and global asset managers.

PORTFOLIO MANAGERS COMMENT

The third quarter of 2026 was a more challenging period for global markets as renewed tensions between the US and Iran reignited inflation concerns. Oil prices rose sharply after both countries resumed military strikes and hopes for a diplomatic resolution faded.

In response to the renewed inflationary pressures, major central banks adopted a more hawkish stance. The US Federal Reserve, European Central Bank and Bank of Japan all raised interest rates during the quarter, signalling increasing concern about inflation amid generally resilient economic conditions. Economic activity remained robust, particularly in the US, where business surveys pointed to continued expansion and healthy corporate earnings growth.

Global equity markets delivered mixed results. The S&P 500 gained 2.3% over the quarter as strong earnings and continued investment in artificial intelligence (AI) infrastructure supported investor sentiment. Large technology companies remained among the strongest performers. However, returns were less favourable in other regions, with European equities ending the quarter slightly lower as higher energy prices and rising interest rates weighed on market confidence. In rand terms, developed market equities returned 2.0%, while the FTSE/JSE All Share Index declined 0.3% over the quarter.

Fixed income markets faced headwinds as investors adjusted to a higher inflation and interest-rate environment. Government bond yields rose sharply, with US 10-year Treasury yields reaching their highest level since 2007. As a result, sovereign bond markets generated negative returns across most developed economies. Commodity markets were among the strongest performers, benefiting from supply concerns and geopolitical uncertainty. In rand terms, global bonds declined by 2.4%, while SA bonds, as measured by the All Bond Index, declined 0.7%. The gold price recovered a small portion of its heavy losses in the second quarter, rising 2.9% in the third quarter.

The portfolio recorded a return of 2.5% - net of fees - for the 12 months to the end of September, behind the benchmark return of 4.6% and the median peer return of 5.2%. The underperformance relative to the benchmark over the past year was driven by the portfolio's overweight positions in Clicks and Prosus, partially countered by the overweights in Glencore, Standard Bank and Absa. When compared to competing general equity unit trusts, the portfolio ranked in the bottom quartile of the peer group over the past year, but remains in the top half over five years and the top quartile over 10 years.

Over the first nine months of 2026, the portfolio delivered a return of -4.6%, compared to the benchmark's -3.2%, hampered by the portfolio's overweight positions in Pepkor and Prosus, partially countered by the Glencore, Standard Bank and Netcare holdings. We made no material changes to the portfolio in September.

ABOUT SANLAM PRIVATE WEALTH

Sanlam Private Wealth is a holistic, integrated wealth management business that provides advice and manages assets for high net worth private individuals, cultural organisations, charitable institutions and similar entities with investable assets of more than R1.5 million.

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MANDATORY DISCLOSURE

Participation in the SPW Equity Portfolio is a medium- to long-term investment. The value of this portfolio is subject to fluctuation and past performance is not necessarily a guide to its future performance. Calculations are based on a lump sum investment with gross income reinvested on the ex-dividend date. All performance figures are net of fees and costs. Actual investment performance will differ based on the fees applicable, the actual investment date and the date of reinvestment of income. A schedule of fees and maximum commissions is available from the manager. Sanlam Private Wealth (Pty) Ltd, registration number 2000/023234/07, is a member of the Johannesburg Stock Exchange, a licensed Financial Services Provider (FSP 37473) and a Registered Credit Provider (NCRCP1867).

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