Sanlam PRIVATE Wealth

SPW FLEXIBLE PORTFOLIO

30 SEPTEMBER 2026

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

PORTFOLIO DESCRIPTION AND INVESTMENT OBJECTIVE

This multi-asset class portfolio invests both locally and offshore. Local assets may include equities, bonds, money market instruments and property. Offshore exposure is obtained through direct investment in listed instruments and/or investment in collective investment schemes. The mandate allows for an unconstrained view, both from an asset allocation and a stock-picking perspective. Portfolio management is likely to reflect high-conviction calls and high levels of trading activity, both of which will at times reflect tactical investment calls. The asset classes will be selected on the potential to generate nominal performance and not on a relative valuation perspective.

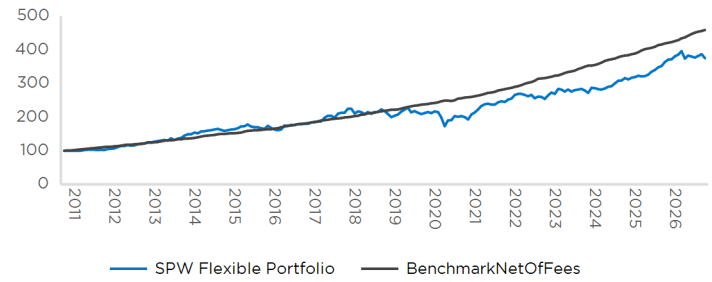
YOUR PERSONAL EQUITY PORTFOLIO

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

WHY SELECT A PERSONAL PORTFOLIO

A personal portfolio is suitable to discerning investors who might have unique factors to consider during the investment process. Your investment can be tailored to your requirements, you have more direct access to your portfolio manager and you have 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
Since inception	8.59%	10.02%	-1.43%
10 Yrs (Annualised)	7.56%	9.67%	-2.11%
5 Yrs (Annualised)	8.81%	9.92%	-1.11%
3 Yrs (Annualised)	10.37%	8.93%	1.44%
Past 12 Months	2.88%	9.55%	-6.67%
YTD	-1.68%	8.02%	-9.70%

PORTFOLIO INFORMATION

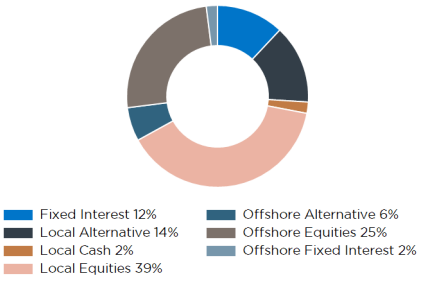
Risk rating	Aggressive
Inception date	October 2010
Minimum investment	R1.5 million
Benchmark	CPI + 5% <over rolling 36 months>
Management company	Sanlam Private Wealth
Portfolio manager	David Lerche
Initial fees	Nil
Annual management	Fee sliding scale (refer to mandate)

TOP 5 HOLDINGS

(Please note your portfolio might vary from this)

FirstRand Ltd	6.07%
Prosus NV	5.60%
Standard Bank Group Ltd	4.49%
Gold Fields	3.25%
UBS GIMLPC 26OCT27	3.06%

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 delivered nominal performance of 2.9% for the 12-month period to the end of September. This return was behind the inflation-plus-5% target of 9.6% for the period. After the strong inflation-beating returns of 2025, 2026 has seen a normalisation. The three-year performance of 10.4% per annum is healthily ahead of the benchmark figure of 8.9%. Over the first three quarters of 2026, the portfolio value fell by 1.7%, thanks to the negative returns from South African stocks and the muted performance of certain global equity building blocks.

Outlook and portfolio positioning

We maintain a modest pro-growth asset allocation view. Higher bond yields are reflective of stronger, but more capital-intensive global growth, raising the demand for capital and therefore the price of money. Meanwhile, corporate profit growth has been strong. It broadened beyond the so-called AI beneficiaries, with signs that the benefits of improved labour productivity are flowing to corporates. Such an environment should continue to favour equities, but we are mindful of a maturing cycle, with profit margins already at elevated levels and higher carry-on fixed income starting to provide improved relative return prospects. Within the portfolio, we maintain a slight overweight to South African equities, with a bias toward higher-quality holdings.

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 Flexible 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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