



Live with confidence

Sustainable Infrastructure Fund

Investments



Sustainable Infrastructure

Investing in infrastructure can provide investors with compelling financial outcomes from opportunities not readily available in the market. Sustainable projects also have a positive long-term impact on the development of our community, country and economy.

Sanlam Investment Group has an extensive track record of infrastructure investing, with a specialist investment team that has a deep understanding of the asset class and an extensive deal origination capability. We deliver:

- Attractive risk-adjusted returns, with a predictable stream of cash flows over the long term.
- Low correlation and volatility compared to traditional asset classes, with limited market risk.

- Defensive characteristics stemming from the provision of essential services.

Infrastructure development contributes to faster, easier, better access to markets, health and educational services.

Our strategy invests capital with the intention of also generating a social and environmental impact. Selected projects can therefore provide additional benefits to our communities and country:

- Short term: job creation, increased economic activity, improved consumer and business confidence.
- Long term: increased economic capacity, high forward linkages to the wider economy for future generations.

Our approach to sustainable infrastructure investing

Our **local sustainable infrastructure investment** strategy has a broad mandate. We invest across the capital structure, predominantly via senior or subordinated debt, into a broad spectrum of essential infrastructure assets. These assets can be operational or in construction. We source, assess and invest in assets across renewable energy, conventional energy, housing, transportation, communication, health, and water and waste-related assets. Strict ESG criteria are applied to support sustainable development.



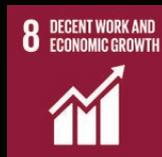
Our track record

Sanlam is a large non-banking infrastructure investor with a long track record. Our success is highlighted by no defaults, having invested over six billion Rand across over 25 infrastructure assets. We use our experience, access to deal flow, assessment and structuring expertise in this essential part of the local economy to create viable investment opportunities for

our clients. Our strengths include:

- Dedicated infrastructure deal origination function and a network that allows us access to the widest breadth of opportunities in the market.
- Strong governance and risk assessment processes that have been built and tested by the Sanlam Group over multiple decades.
- Access to a diversified pool of infrastructure assets and active pipeline of transactions.
- Commitment to delivering and reporting on ESG and impact.

OUR STRATEGY WILL CONTRIBUTE TO SUSTAINABLE ECONOMIC GROWTH, MARKET DEVELOPMENT AND LOCAL ECONOMIC DEVELOPMENT OVER THE LONG TERM, AND IS ALIGNED WITH THE FOLLOWING UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS.





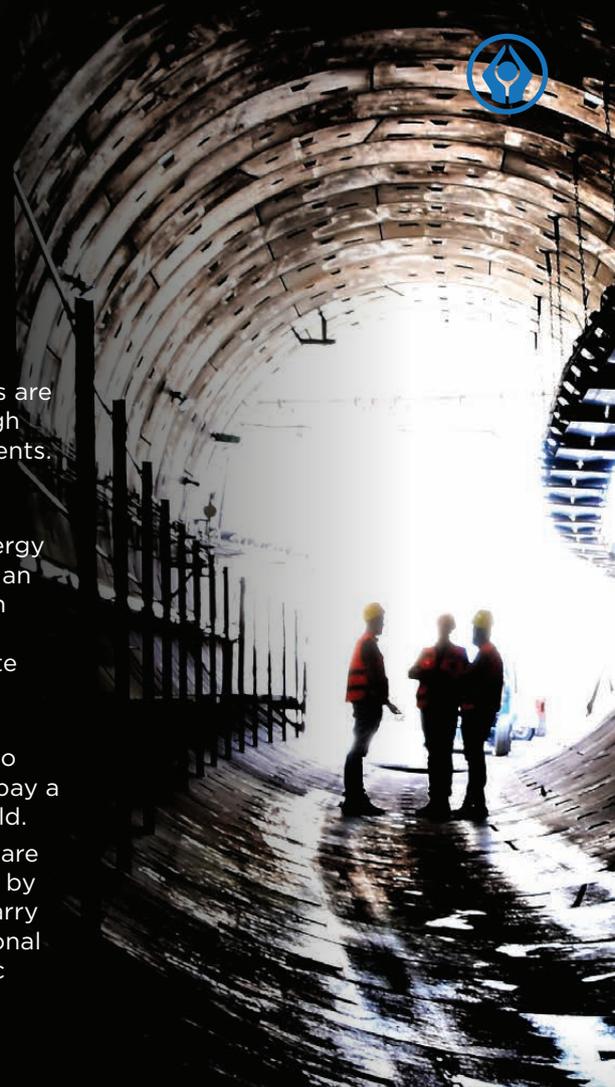
Infrastructure in a portfolio

Including infrastructure in your portfolio offers:

- Attractive investment opportunities: Benefit from the sizeable need for capital investments in local infrastructure projects.
- Reduced portfolio volatility: Benefit from greater portfolio stability as returns are not correlated to listed fixed income or equity markets.
- Inflation protection: Benefit from reasonable, long-term cashflows expected to deliver in excess of inflation.
- Protection against capital loss: Benefit from protective characteristics due to provision of essential services.

Stable and predictable returns are common characteristics of high quality infrastructure investments. This is because:

- Funding economic infrastructure, such as energy generation, is essential to an economy. As a result, cash flows from infrastructure investments don't fluctuate with economic cycles and remain relatively stable.
- Majority of funding goes to operational projects that pay a fixed monthly coupon/yield.
- Coupon/yield escalations are linked to inflation, backed by project cash flows, that carry guarantees from the National Treasury for private public partnerships.



Meet the Sustainable Infrastructure Fund

This strategy provides finance to infrastructure projects that will deliver strong financial outcomes while supporting sustainable economic growth and market development.

Fund purpose	<ul style="list-style-type: none"> • To provide finance to projects and companies across the broad spectrum of essential infrastructure sectors.
Industry focus	<ul style="list-style-type: none"> • Generalist in nature, across sectors such as renewable energy, conventional energy, housing, transportation, communication, health, and water and waste-related assets.
Instrument features	<ul style="list-style-type: none"> • South African counterparties. • Unlisted assets. • Funding construction and operation phases of projects. • Predominantly senior debt with the ability to invest up to 20% in subordinated debt and up to 10% in equity. • Instrument maturity up to 20 years, typically over a 15 year period. • Average senior debt rated around BBB(zaf) during construction and A(zaf) to AA(zaf) during operational phase.



More about the Sustainable Infrastructure Fund

The **Sustainable Infrastructure Fund** has a robust governance framework with clear accountability to ensure that we deliver on our promise to our clients and community.

Portfolio management

Ultimate portfolio management responsibility (inter alia, allocation decisions, sizing, sales), investor reporting and performance accountability sits with the portfolio manager.

Credit Committee

All investment opportunities undergo robust assessment by our Central Credit Committee. The committee provides an internal rating for each counterparty and project following a rigorous process.

Impact & Investment Committee

There is an additional level of oversight to ensure that the portfolio's investment and impact objectives are considered in each investment decision. The Impact and Investment Committee's approval is required for any new investments and for any material changes or amendments to existing investments.

Key terms

Structure	Investment-linked life policy (pooled)
Term	Open-ended
Target fund size	R5 billion
Target return	CPI+4.5% p.a. gross of fees
Minimum investments	R25 million (on a committed capital basis)
Policy fee	The policy fee includes a management fee and policy administration fee and shall be applicable to market value of invested capital as follows: <ul style="list-style-type: none"> • Up to R500 million: 0.58% • R501-R1 billion: 0.52% • Over R1 billion: 0.46%
Distribution policy	Semi-annually distributions will be offered subject to available cash.



What makes us unique

Deal origination	<p>A dedicated origination function.</p> <p>Established relationships allow access to a wide breadth of origination opportunities.</p> <p>Ability to leverage transactions across the Sanlam Group.</p> <p>Established relationships allow access to a wide breadth of origination opportunities.</p>
Established track record	<p>Successful investments in infrastructure since 2014 with a proven track record.</p> <p>No key person risks.</p>
Access	<p>Ability to offer investors a diversified pool of assets from entry.</p> <p>Access presented via an investment-linked life policy structure.</p>
Empowerment	<p>Sanlam Investments is a majority black-owned asset manager.</p>
Scale	<p>Over R6 billion originated in infrastructure assets, over more than 25 projects.</p>
Sanlam co-investment	<p>Sanlam aims to double the current allocation to infrastructure over the next 2-3 years, which provides investors with co-investment alongside patient anchor investors.</p>
Competitive pricing	<p>Competitive pricing, with fees only charged on invested capital and not committed capital.</p>
Institutional support	<p>Leverage from the strong legal, risk and governance processes of the Sanlam Group.</p>
Investment universe	<p>A broad mandate that allows investment across debt, mezzanine and equity, and across all sectors</p>



Our team

Key investment individuals



Ockert Doyer
Portfolio
Manager



Pawan Singh
Co-portfolio
Manager



Mamoekeng Matlaila
Infrastructure debt
and equity financier



Mark Moorhouse
Infrastructure debt
and equity financier

Sanlam Investments

The Sustainable Infrastructure Fund is one of the private market capabilities offered by Sanlam Investments. It forms part of our mission to make a real, sustainable difference to our community, economy and planet.



Financial Planning

Investments

Insurance

Retirement

Wealth

Sanlam Investments consists of the following authorised Financial Services Providers: Sanlam Investment Management (Pty) Ltd ("SIM"), Sanlam Multi Manager International (Pty) Ltd ("SMMI"), Satrix Managers (RF) (Pty) Ltd, Graviton Wealth Management (Pty) Ltd ("GWM"), Graviton Financial Partners (Pty) Ltd ("GFP"), Satrix Investments (Pty) Ltd, Blue Ink Investments (Pty) Ltd ("Blue Ink"), Sanlam Credit Fund Advisor Proprietary Limited, Sanlam Africa Real Estate Advisor Proprietary Limited, Simeka Wealth (Pty) Ltd and Sanlam Asset Management Ireland ("SAMI"); and has the following approved Management Companies under the Collective Investment Schemes Control Act: Sanlam Collective Investments (RF) (Pty) Ltd ("SCI") and Satrix Managers (RF) (Pty) Ltd ("Satrix"). Collective investment schemes are generally medium- to long-term investments. Past performance is not necessarily a guide to future performance, and the value of investments / units / unit trusts may go down as well as up. A schedule of fees, charges and maximum commissions is available from the Manager on request. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. The Manager does not provide any guarantee with respect to either the capital or the return of a portfolio. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Performance is calculated for the portfolio and the individual investor performance may differ as a result of initial fees, actual investment date, date of reinvestment and dividend withholding tax. The manager has the right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate. Annualised return is the weighted average compound growth rate over the period measured. International investments or investment in foreign securities could be accompanied by additional risks such as constraints on liquidity and the repatriation of funds, macroeconomic, political, foreign exchange, tax and settlement risks and potential limitations on the availability of market information. The information contained herein are the views of the fund manager and does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act, and should be read in conjunction with the MDD. Use or reliance of this information is at own risk. Independent financial advice should be sought before making any investment decision. A copy of the performance fee and frequently asked questions can be obtained from our website: www.sanlaminvestments.com