Sygnia

Sygnia Stewardship Report

2025

For All

Contents

Executive summary

Sygnia Asset Management is a distinguished multi-manager, devoted to responsible investing and to driving sustainable transformation. As a prominent financial services group, Sygnia delivers exceptional investment management and administration solutions to both institutional and retail clients, leveraging its deep expertise across multi-manager products, index-tracking investments and bespoke strategies.

Rooted in South Africa, Sygnia's emphasis on gender equality and social upliftment is underpinned by a steadfast commitment to stewardship. Our sustainability framework aligns with leading industry standards, including Regulation 28, the Code for Responsible Investing in South Africa (CRISA 2) and the United Nations Principles of Responsible Investment (UNPRI). We actively contribute to shaping the industry through our participation in initiatives such as the Association for Savings & Investment South Africa's (ASISA's) Responsible Investment Standing Committee and by diligently exercising our proxy votes to affect corporate South Africa.

Sygnia's diverse product suite is designed not only to achieve competitive market returns but also to generate meaningful, positive impact. Transparency, integrity and community engagement are integral to every aspect of our operations.

Transformation lies at the heart of our ethos. We have made remarkable progress in advancing gender equality and diversity, with women occupying pivotal leadership roles and an annual increase in black representation. Our dedication to preferential procurement and the empowerment of small businesses further reinforces our transformation agenda.

Inclusivity remains a key focus. Our recognised efforts to employ individuals with disabilities demonstrate our commitment to fostering a workplace that is equitable and welcoming to all.

Sygnia acknowledges the importance of responsible investing and that sustainable practices are essential to creating enduring value. Through innovation and foresight, we strive to deliver lasting benefits to our clients while contributing to a more sustainable future.

9 Miles, Cape Town

Introduction

As a leading multi-manager, Sygnia Asset Management takes its corporate and stewardship responsibilities seriously. Sygnia's stewardship report outlines how this is achieved at corporate and fund level.

Under Sygnia's sustainability approach, products are focused on having a positive impact while giving the investor market-related returns. [TC1]Sygnia has always been forward thinking and respects the magnitude and essence of the environmental, social and governance (ESG) pillars. We will continue to creatively embody ways to make a positive difference – be it through our product offering and partnership with our external managers, through community outreach or through the transparency and integrity with which we conduct our business.

Who is Sygnia?

Sygnia Limited and its subsidiaries (the Group) is an innovative financial services group based in South Africa and listed on the general section of the main board of the Johannesburg Stock Exchange (JSE) and A2X markets.

The Group provides investment management and administration solutions to institutional and retail clients predominantly located in South Africa. The main services provided by the Group are multi-manager investment products, index-tracking investment products, custom-designed investment strategy management, transition management, institutional investment administration services, retail investment administration services, employee benefit administration services, stockbroking, securities lending and treasury services.

Sygnia is the second-largest provider of exchange traded funds (ETFs) in South Africa and the largest provider of international ETFs on the JSE. The total assets under management of the Sygnia Itrix range of 14 ETFs amounted to R45.0 billion as at 31 March 2025. Sygnia has approximately R405.6bn assets under management and administration and is 62% staff- and management-owned as at 31 March 2025.

Transformation at Sygnia

Sygnia remains committed to sustainable transformation in all its spheres of operation. Transformation and gender equality strategies are a priority, with black and female staff percentages increasing annually.

Gender equality is strongly promoted, with significant focus on the promotion of women to key management positions. That commitment is reflected in the following statistics:

- The Chief Executive Officer is a woman.
- 28.7% of the Board of Directors are women.
- 54.6% of staff are women.
- 73.8% of employees are Black.
- 13 staff members are disabled.

Major changes in the business during the year include Bruce McClatchie joining as the Chief Operating Officer and Rashid Ismail being promoted to Chief Financial Officer. Many of our senior management positions are run by women, including our Chief Executive Officer, Head: Institutional Business & SURF, Head: Retail Business, Head: Employment Benefits Operations, Head: SURF Products, Head: SURF Direct Consulting, Head: Finance, Head: Institutional Admin and Global Head: Marketing/Strategy.

Preferential procurement has been an important aspect of the transformation strategy, with an active approach being taken to ensure that procurement explicitly targets B-BBEE as a criterion for service provider selection. Sygnia has actively switched providers to those compliant with its objectives. Support for small, entrepreneurial businesses is also a feature of the strategy.

Sygnia Asset Management is a level 1 B-BBEE contributor

Sygnia takes a holistic approach to transformation, implementing strategies across the Group, and takes a long-term view on compliance with the new Financial Sector Code. The ownership aspect was partially addressed through the formation of the vendor-financed Ulundi Staff Trust for black staff and management in 2013 and its successful value creation for eligible beneficiaries on its unwinding in the 2021 financial year.

Sygnia Asset Management (Pty) Ltd is a Level 1 contributor in terms of the Financial Sector Charter Broad-Based Black Economic Empowerment scorecard.

Element	Score	Weighting
Ownership	8.17	25.00
Management control	17.62	20.00
Skills development	21.44	20.00
Enterprise & supplier development	35.26	35.00
Socioeconomic development	8.00	5.00
	90.49	105.00
YES Iniative participation (youth sponsorship)		48.00
B-BBEE overall status (including YES participation)		LEVEL 1

YES initiative

YES is the highest-impact private sector youth employment programme in South Africa. As a private sector-led initiative, YES addresses the country's youth unemployment crisis by empowering businesses to create jobs for unemployed youth. YES is a non-profit company that stimulates demand-side job creation through investment from corporate enterprises and by leveraging government's existing programs, including B-BBEE recognition for broad-based economic transformation and job creation.

Our partnership

Sygnia has had a sponsored host placement agreement in place with Training Force since 2019, helping youth receive a quality work experience with the YES initiative on a 12-month fixed term contract.

Number of beneficiaries:

56 learners

Amount donated/invested:

R2 856 600

Sanlam Cape Town Marathon

Corporate social responsibility

Sygnia embodies the spirit of entrepreneurship. We strive to empower other businesses to grow by supporting preferential procurement policies. Our corporate social investment programme allows our staff to become involved and to contribute personally to all that we do.

We contribute to the development of our staff and the communities around us. Skilled individuals are key to our future success, and as such we focus on education and training in all our business initiatives.

Social investment focus

Sygnia considers social challenges facing the country when identifying projects – we collaborate with sustainable organisations and projects that empower through education and help previously disadvantaged individuals actively participate in the South African economy.

Sygnia's values and business objectives ensure it continues to implement good business practices and do good work. Sygnia recognises that the future of South Africa rests in its youth, and the Group is determined to empower them to be the beneficiaries of a better future.

Sygnia's key corporate social investment (CSI) focus is on education, investing in initiatives from early childhood development through to tertiary education programmes. Sygnia provides bursaries to scholars and supports outreach education initiatives in under-resourced schools.

9 Miles, Cape Town

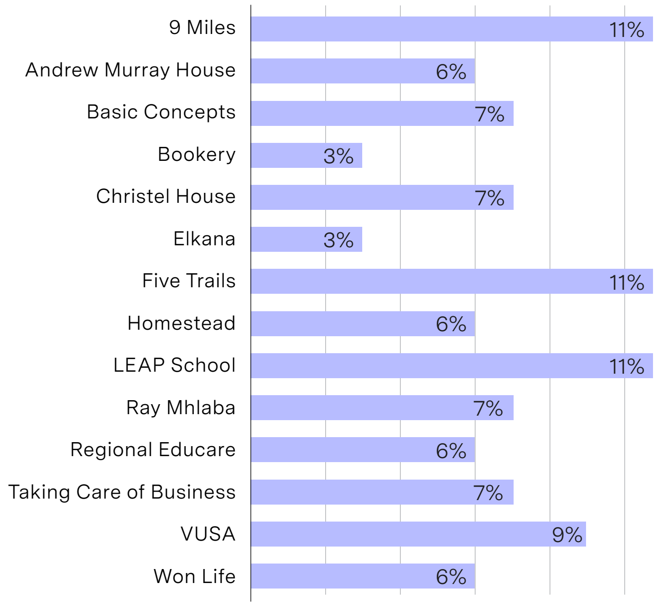
Sygnia is proud to support organisations that:

- Are registered public benefit organisations with projects in education/educational support;
- Have a proven track record of successful outcomes;
- Can create long-term, lasting impact and consistently and effectively raise funds from a variety of different donors to meet their objectives (rather than being dependent on one or two donors).

Organisations that Sygnia supports align with the following social objectives:

Strengthening literacy and learning environments	The Bookery
Developing future leaders through opportunity	· Jeppe Boys High School · Ray Mhlaba · Regional Educare Council · Taking Care of Business
Expanding horizons through arts and culture	KZN Philharmonic Orchestra
Building active communities through movement and sport	· 9Miles · VUSA
Development of numeracy, science knowledge and English literacy	· Andrew Murray · Basic Concepts · Christel House · LEAP School · WonLife
Ensuring that children have access to basic human rights	· Elkana · Homestead

In the 2024/2025 funding period, Sygnia CSI contributed a total of R2 083 300, providing direct support to 14 organisations working to enrich the lives of over 10 000 beneficiaries.



9 Miles, Cape Town

Organisational overview

New organisations Sygnia supported this year:

Sygnia increased its corporate social responsibility funding to two more initiatives in 2025: the KwaZulu-Natal (KZN) Philharmonic Orchestra and the Theo Jackson Scholarship Fund.

The KZN Philharmonic Orchestra

The KZN Philharmonic Orchestra is a not-for-profit company and public benefit organisation widely regarded as one of Africa's premier orchestras.

Consisting of full-time professional musicians from more than 10 countries, the orchestra has earned a reputation for excellence and innovation over the past 42 years. The board is led by business luminary Mr Sipho Nkosi and comprises other highly esteemed business and community leaders.

The orchestra is funded by multiple levels of government and also receives support from the private sector, foundations and individual donors.

The KZN Philharmonic Orchestra is managed by Bongani Tembe, a Juilliard School graduate who joined the orchestra in 1994, at the dawn of South Africa's democracy. High artistic values and a comprehensive education and community engagement programme have positioned the KZN Philharmonic Orchestra as one of the leading arts organisations in the country.

The Theo Jackson Scholarship Fund

The Theo Jackson Scholarship Fund is a philanthropic initiative established in 2005 by Dale and Craig Jackson to provide scholarships to underprivileged and financially disadvantaged boys at Jeppe High School for Boys in Johannesburg. The fund aims to give these boys – many of whom are orphaned or from single-parent families – the opportunity to access quality education and develop their talents, a chance they might otherwise be denied due to their circumstances. It honours the legacy of Theo Jackson, an orphan who was adopted and supported by Jeppe and who became a model citizen.

The fund supports the boys with tuition, hostel fees, uniforms, sports kits, stationery and other school-related expenses. It selects recipients based on character, determination and potential, and currently supports dozens of boys each year. The fund is managed by trustees and is supported by partnerships with medical providers and other organisations to address the boys' holistic needs beyond academics. It serves as a powerful vehicle for social upliftment, helping these young men become positive contributors to society.

The Theo Jackson Scholarship Fund, Johannesburg

Taking Care of Business, Cape Town

Sygnia continues to support these organisations

9 Miles Project

9 Miles Project is a community-based non-profit organisation founded in Cape Town in 2013.

Using surfing as a form of engagement and empowerment, 9 Miles provides safe spaces and structured afterschool programmes for at risk children and youth in coastal communities and offers mentorship, job creation, skills development and holistic support to marginalised youth and communities in South Africa.

Beyond surfing, the 9 Miles Project offers sustained after-school programmes that include literacy and academic support, mentoring, homework help, digital literacy, life skills training, leadership development and nutritional support through daily meals. It aims to break cycles of poverty, low literacy, gang involvement and unemployment by fostering holistic community support, including psychosocial services, environmental education and job creation initiatives. The organisation serves over 1 000 beneficiaries across multiple coastal communities, providing nurturing relationships and long-term support for youth growth and development.

Highlights from 2025:

- 96% of students in the Cape Town programme progressed to the next grade in 2025.
- All students were equipped with their required stationery and uniforms for 2025, improving dignity and social inclusion.
- GEM (Girl Empowerment Movement) programme launched to empower young girls in local schools.

Taking Care of Business

Taking Care of Business (TCB) is a non-profit social enterprise founded in Cape Town in 2009. Its mission is to empower unemployed South Africans, particularly marginalised women, by equipping aspiring entrepreneurs with the skills, resources and opportunities they need to unlock their full potential and access the economy. TCB uses a holistic approach that addresses the whole person – head, heart and hands – and supports participants through business training, mentorship, access to capital and practical work experience.

TCB operates several programmes within the circular economy, including Resell (helping women become fashion traders through donated clothing), Repair (training unemployed individuals to run appliance repair businesses), Remake (helping seamstresses build sustainable businesses) and Grow Educare Centres (supporting women to establish and run sustainable preschools in low-income communities). The organisation has multiple branches across South Africa and supports up to 1 000 unemployed men and women at a time, breaking the cycle of poverty through entrepreneurship and education.

Highlights from 2025:

- 63 participants completed the Remake programme in 2024.
- The Remake programme signed 15 manufacturing contracts in 2024 to produce stock for retailers. Notable contracts included:

- Producing sleeping bags from recycled store banners for retailer The Fix to distribute to homeless shelters.
- Creating tote bags from offcut materials for the TFG Group to give to students from low-income areas.
- Making aprons from denim collected through the Woolworths denim take-back campaign for the Grow early childhood development (ECD) programme.
- Producing Christmas toys from offcut materials for the TFG Group to distribute during their Christmas drive.
- Crafting toy African animals for a supplier to Babylonstoren, one of the Western Cape's top tourist destinations.

"We appreciate and are excited to partner with Sygnia in our efforts to empower local communities and create sustainable business opportunities. This collaboration enables us to support the growth of small businesses and contribute to a more inclusive and equitable economy in South Africa."

Tracy Gilmore
(COO & co-founder)

Christel House, Cape Town

House Andrew Murray

House Andrew Murray is a registered child and youth care centre (children's home) that provides residential care to more than 150 children (1–18 years old) outside their family environment, in accordance with a residential care programme developed for the children in the centre.

Highlights from 2025:

- 100% pass rate of matriculants for the past three years.
- 102 children have access to educational programmes suited to their capacity, circumstances and developmental needs.

Basic Concepts

Basic Concepts Unlimited specialises in high-quality teaching and learning support in the foundation phase of education, particularly targeting young children in ECD, Foundation phase (Grade R to Grade 3) and disadvantaged communities. The organisation offers the Basic Concepts Programme© (BCP) – a holistic, developmentally oriented metacognitive intervention intended to help children overcome language, learning, information processing and socioemotional barriers to learning.

Highlights from 2025:

- Implemented in three provinces, the BCP has trained over 2 500 mediators across approximately 800 schools, impacting around 80 000 learners.
- Nearly 100% coverage in two metros of the Western Cape and scaled to 65% of Grade R teachers in the Northern Cape.
- Successfully implemented in 15 long-term projects nationwide, fostering strong collaborations between government, the private sector and service providers.
- Recognised as one of the top 10 most innovative early childhood education programmes in South Africa, with external evaluations confirming significant improvements in school preparedness and scalability.

Christel House

Christel House is a unique, independent, global non-profit organisation that operates nine schools around the world, with 800+ learners enrolled. Its mission is to ensure that poverty does not limit children's potential, providing holistic care and support that goes far beyond academics. This includes daily transport, uniforms, nutritious meals, on-site medical care, psychosocial counselling and career and college planning. The school serves children from very poor backgrounds, including those living in informal settlements, aiming to disrupt the cycle of poverty through comprehensive education and care that addresses physical, emotional and social well-being.

Highlights from 2025:

- Top ten in the "World's Best School Prize for Overcoming Adversity".

- 95%+ of current alumni are studying/working.
- One of only five Microsoft Showcase schools in SA. Christel's grades 3, 6 and 9 students achieved excellent results in the 2024 systemic tests, exceeding provincial averages by impressive margins of up to 49%.
- Achieved eighth place in the Matific Maths Olympiad.

Elkana

Elkana transforms the lives of children from age 6 to 18 in severely adverse situations that negatively impact their development and future. Elkana provides meaningful support to protect against the infringement of the children's basic human rights and to give them the opportunity to lead happier and more balanced lives.

Highlights from 2025:

- 95% pass rate with all grade 7s entering high school.
- No school drop-outs for 2024.

Five Trails

Five Trails is a social enterprise focused on empowering youth and communities through training and development initiatives. The organisation supports other organisations to shape impactful learning and growth opportunities for young people, aiming to create positive social and economic change in the communities it serves.

Led by a dedicated team, Five Trails provides guidance and support in capacity building, education and organisational development, often partnering with local stakeholders. Its activities revolve around youth empowerment and collaboration with NGOs, government and community structures to maximise its reach and impact in South Africa.

Highlight from 2025:

- In 2024/25, Five Trails finalised its Atlas platform, a dynamic digital learning hub that provides young people with free access to critical soft skills and sustainability education. Ecopreneurs is now fully housed within Atlas, giving learners a structured, accessible and engaging way to navigate their journey to entrepreneurship and green economy careers – over 45 000 users and counting.

Leap Schools

The LEAP Movement works with a range of partners to effect broader systemic change in education in South Africa. The LEAP Network of Schools comprises the LEAP schools and their respective partner schools; the South African Extraordinary Schools Coalition; and LEAP's international school. More than 2 000 learners are currently enrolled.

Highlights from 2025:

- LEAP has grown from a network of six schools in 2023 to a network of eight schools in 2025.
- Over 80% of LEAP graduates pursue higher education, significantly exceeding national averages.

Ray Mhlaba

The Ray Mhlaba Foundation is a youth empowerment initiative focused on positively impacting unemployed, underprivileged youth aged 18 to 25. Its mission is to equip these young people with vocational skills and develop social development programmes that enable them to secure formal employment or become entrepreneurs. The centre has been active for 18 years and emphasises core values of love, care and hope for its students, aiming to instil success traits such as vision, discipline, integrity, determination and communication.

The foundation offers a variety of SETA-accredited programmes in areas such as hospitality, bakery, butchery, beauty, early childhood development, woodwork and more. They also incorporate a personal development programme called "Vukuzenzele" that supports students with workplace preparation, mental and physical health, employability, resilience and independence.

Won Life, Cape Town

Highlights from 2025:

- To date, the centre has trained 2 369 students across various skills development programmes.
- 81% of graduates have secured formal employment or launched their own successful businesses.

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Regional Educare

The Regional Educare Council (REC) has been helping children in the rural Eastern Cape for 16 years. It specialises in ECD programmes and has a passion for the holistic improvement of the quality of children’s education. It provides training programmes for ECD practitioners to grow the field.

Highlight from 2025:

- Over the last five years, approximately 400 ECD practitioners have been trained and successfully graduated from REC.

The Homestead

Homestead Projects for Street Children is a registered non-profit organisation and public benefit organisation established in South Africa in 1982. Homestead provides comprehensive care and support for children from disadvantaged homes and helps them develop life skills and coping mechanisms, anger management skills, emotional intelligence and healthy trauma responses.

Highlights from 2025:

- Three LaunchPad Child and Youth Care Centre youth sat their Matric exams in 2024. One gained a Bachelors pass, one gained a National Certificate and one was given the option to write supplementary exams to improve subject marks.
- 12 Bridge Child and Youth Care Centre boys received best achiever awards at school.
- All 2024 LaunchPad matriculants secured employment. One youth took part in the 59th National Science Olympiad and gained a 63% pass.
- One youth was awarded a certificate at the UCT Maths Competition.

VUSA

VUSA Rugby & Learning Academy is a registered non-profit organisation based in the Langa community in Cape Town. It uplifts young children by providing a structured blend of academic support, sporting opportunities and recreational activities. The academy focuses on holistic child development by integrating rugby training with education programmes that include English as a second language (ESL), digital skills like coding, math support and literacy through a mobile library service.

Highlights from 2025:

- Atlas Digi-bus: 100% improvement in class averages, with a minimum 20% increase in assessments from baseline to year-end.
- Rugby success: Produced players competing at provincial and national levels.
- Ensures every primary school child in Langa has access to a safe space, academic support, sporting opportunities and a daily hot meal.

> “Our collaboration with Sygnia has greatly enhanced our ability to deliver impactful educational and support services to primary school children in Langa. Together, we've provided a nurturing environment where hundreds of young minds can thrive, laying a foundation for their future success. Sygnia’s commitment to our mission enables us to continue breaking down barriers for the next generation.”

Nikki Matthews
(COO)

Won Life

Won Life provides excellent education and educational support to the underprivileged community of Fisantekraal. It has carefully and purposefully developed its approach with the community context in mind to address the shortfalls that exist within the community's education system. Won Life's programmes deliver a level of education that fulfils the Education Department's requirements and gives children hope for a brighter future.

Highlight from 2025:

- Maintained a 100% pass rate.

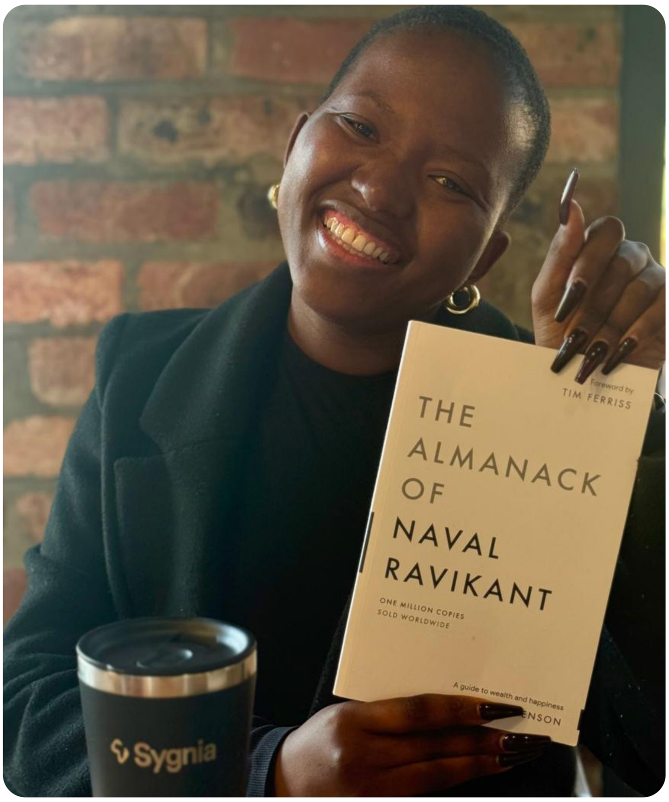
"We are deeply grateful for the continued support and how this in turn empowers us to continue positively impacting the 180 Grade R learners in our care. You play an integral part in our passion to change young lives through education. I would comfortably say that the children we have the privilege of reaching are part of Sygnia's legacy."

Lance Turner
(Director)

Our company

Sygnia believes that making a positive impact extends beyond our business practices. We strive to create a company that not only supports the community but also nurtures the well-being of our employees.

To foster a vibrant and inclusive culture, we invest in our people as much as we do in our investments. We encourage a healthy work-life balance through social clubs, sporting events and community initiatives. We encourage a healthy work-life balance and vibrant culture within our company – from monthly Bar Fridays and sporting initiatives to our book club and yoga sessions. These activities foster connection, well-being and a strong sense of community among staff.



Sygnia book club

Zumba lessons

Staff initiatives

Santa Shoebox Project

The Santa Shoebox Project provides basic necessities, kind words and gestures of care to children in need. Staff have donated 100 boxes to this amazing cause – this is our third year of involvement with this project.

“Thank you for pledging and supporting the 2025 Santa Shoebox Project campaign. Your generosity will contribute to making lots of little ♥s happy this year.”

Casual Day

In support of the Alpha School for Learners with Autism, Sygnia hosted a Casual Day fundraiser. Staff were invited to donate and join in by wearing bright socks or slippers, raising funds for this non-profit organisation, which focuses on promoting and developing skills, education and training for learners diagnosed with autism spectrum disorder.

Mandela Day initiatives

In honour of the late Tata Madiba, Sygnia focuses on his love of children.

The Bookery

Many South African school children lack access to books in their households and schools, with 78% of public schools without access to a library. The Bookery identifies schools that need libraries and partners with them to build vibrant and well-stocked libraries for their learners.

The Sygnia Book Club contributed R46 500 to The Bookery in support of their 100th library – a milestone in advancing literacy and access to books for children across South Africa. This initiative reflects Sygnia’s belief in the transformative power of reading to change young lives.

Blisters for Bread

Team Sygnia participated in the annual Blisters for Bread Walk in Cape Town, raising funds to fight childhood hunger and support the Peninsula School Feeding Association’s mission of providing daily meals to thousands of learners.

Jars of Joy

To close Mandela Month, Sygnia staff donated more than 67 Jars of Joy to the Red Cross community. Each jar, filled with ingredients for a warm, nutritious soup, reflects our commitment to small acts that have a big impact.

Women's Day initiatives

TotalSports Women's Race

As part of our National Women's Day events, Sygnia proudly joined 15 500 participants in the Totalsports Women's Race, with 60 staff members taking part. Our team ran in celebration of Women's Month, showcasing strength, unity and spirit both on and off the course. Proceeds of the event went to PinkDrive, a non-profit organisation committed to improving breast cancer awareness and education.

Dress it Forward

Dress it Forward collects pre-loved dreeses and gives them to underpriveleged students who would otherwise not have a dress for their own prom. This relieves their families of the financial burden of their graduation ball and creates positive role models in the community, inspiring the next generation to stay in school.

Our High Tea & Clothes Swap brought colleagues together to celebrate Women's Month with good company, conversation and generosity. Donations of Matric dance dresses to the Dress it Forward initiative help make unforgettable memories for young women and give clothes a meaningful second life.

Won Life

Sygnia staff donated sanitary packs to support the young women at Wonlife, helping ensure that having a period need not mean missing out on education.

HL boxing

In celebration of Women's Month, Sygnia staff raised over R40 000 to support Coach Andi, South Africa's only female boxing coach, and her athletes from HL Boxing in Strand. The funds will help cover their journey to provincial and national championships, empowering young boxers from the Nonzamo township to chase their dreams.

Brand evolution

This year we rebranded our visual identity to reflect not just our professional excellence, but also the diverse and talented individuals who make Sygnia exceptional.

The new vibrant, multi-colour Sygnia brand balances playfulness and innovation. In contrast to traditional financial-sector aesthetics, it embraces bold contrasts and dynamic layouts. Designed to feel both modern and human, this visual identity is both expressive and purposeful: every element, from typography to colour, works together to reinforce Sygnia's promise of "Money Management for All".

Environmental, social and governance (ESG) integration at Sygnia

ESG investing has evolved from the socially responsible investing (SRI) of the early 1960s, when portfolios excluded certain industries based on their involvement in particular business activities. SRI was initially a response to the Vietnam War, but other events – such as the civil rights movement and the detection of the hole in the ozone layer – have accelerated the growth of ESG. Various guidelines and legislations have subsequently been developed to aid the evaluation of ESG investment factors.

The evolution of ESG

1890
Quaker Friends Fiduciary
No-sin investments

1973
Interfaith Center on Corporate Responsibility founded
ESG shareholder advocacy

1980
Chernobyl disaster
Raises public awareness on E&S risks of nuclear power

1985
Ozone hole detected

1987
Brundtland Commission
The term "sustainability" is defined at meeting meant to unify countries around sustainable development

1989
Exxon Valdez spill
Worst oil spill in history

1990
First ESG Index Fund
Domini Social Index (now MSCI LD 400 Social index)

1993
South Africa $625bn divestiture to protest apartheid
Sustainalytics founded

1996
Nike sweatshop labour scandal

2000
Carbon Disclosure Project (CDP) created
Global Reporting Initiative (GRI) started

2006
UN Principles for Responsible Investment (PRI) launched with $4tn AUM
(AUM in 2021: $103.4tn)

2011
Sustainability Accounting Standards Board (SASB) founded

2015
UN Sustainable Development Goals (SDGs) launched
Paris Agreement signed by 197 countries
TCFD launched

2018
BlackRock CEO Larry Fink publishes annual letter to CEOs
Urges them to consider long-term value over short-term gains

2020
Global Covid-19 pandemic
Accelerates green and social bond issuance and value proposition of ESG funds
EU taxonomy for sustainable activities launched

2021
Sustainable Finace Disclosure Regulations (SFDR) launched
Winter storm "Uri" devastates Texas
SEC reconvenes to discuss climate change disclosures

Source: Dun & Bradstreet

Many approaches can be adopted to integrate ESG in the asset management industry. The table below provides a brief guide to typical ESG approaches used by the asset management industry across the globe.

Best-in-class	Exclusions/Screening	Thematic
Invests only in companies that lead their peer groups in ESG performance; excludes companies based on ESG criteria.	Applies filters to lists of potential investments.	Targets a specific environmental or social outcome; includes impact investing. Invests in themes or assets specifically related to sustainability.
Positive tilt	**Investing for impact**	**Integration**
Tilted towards sectors, companies or projects with positive ESG characteristics; excludes companies based on ESG criteria.	Invests with the primary goal of achieving specific, positive environmental/social benefits while delivering a financial return.	Explicitly and systematically includes ESG issues in investment analysis and decisions.

Source: JP Morgan 2024 -What are the different approaches to sustainable investing? -https://am.jpmorgan.com/no/en/asset-management/per/investment-themes/esg/what-are-the-different-approaches-to-sustainable-investing/

Pure ESG portfolios are hard to sustain in the South African market, and exclusion criteria can create large active positions in an ESG portfolio[TC4][BK5]. Sygnia's sustainability approach offers products designed to have a positive impact while still giving the investor market-related returns.

The following industry frameworks and codes guide our approach:

- Compliance with the principles embodied in Regulation 28 of the Pension Funds Act ("Regulation 28"), insofar as it requires ESG considerations to be taken into account when devising investment strategies for retirement funds;
- The principles embodied in CRISA 2;
- The principles embodied in the United Nations' Principles of Responsible Investment.

Sygnia reviews available research and industry best practices to ensure its approach remains relevant. ESG integration at Sygnia can be broken down into multi-manager, passive and fixed income investments. Products with ESG mandates fall into any of these categories and are overarched by ongoing shareholder activism. Sygnia also offers investment products with specific ESG mandates.

Multi-manager

- Documented ESG policy in place
- Evidence to adherence of ESG policy
- Proxy voting records
- Engagement with corporates

Passive/Equity

- Proxy voting in collaboration with active managers in our multi-manager solutions
- Low fees and accessibility to savings products for all

Fixed income and infrastructure

- ESG issues increasingly form part of credit review as an assessment of non-financial risk
- Engagement in the industry around social, green and transition bonds

Products with ESG mandates

Shareholder activism

Collaboration and industry involvement

Code for Responsible Investing in South Africa (CRISA 2)

Sygnia uses the CRISA 2 principles to guide its responsible investing and business practices. CRISA 2 revises the initial five principles introduced in CRISA 1 to encourage stewardship and responsible investing. It came into effect for reporting on 1 February 2023.

CRISA 2 can be applied by any organisation in the investment industry or by related parties involved in or providing investment services. The five principles are relevant but completely voluntary and can be flexibly and proportionately applied should companies choose to align with them.

The five principles of CRISA 2

1 ESG integration
Investment arrangements and activities should reflect a systematic approach to integrating material ESG factors.

2 Stewardship
Investment arrangements and activities should demonstrate the acceptance of ownership rights and responsibilities diligently enabling effective stewardship.

3 Capacity building & Collaboration
Acceptance and implementation of the principles of CRISA 2 and other applicable codes and standards should be promoted through collaborative approaches (as appropriate) and targeted capacity building throughout the investment industry.

4 Governance
Sound governance structures and processes should be in place (including at all levels of the organisation) to enable investment arrangements and activities that reflect and promote responsible investment and diligent stewardship, including proactively managing conflicts of interest.

5 Transparency
Investment organisations should ensure disclosures are meaningful, timeous and accessible to enable stakeholders to make informed assessments of progress towards the achievement of positive outcomes.

Outcomes and applications

By moving to an outcome-based approach, the code intends for companies to have a positive impact and be more inclusive, innovative and resilient. Principle implementation to achieve these outcomes will not be measured using metrics or targets. Companies can apply the principles proportionately as best suits them, motivating the concept of "apply and explain", whereby companies explain their interpretation of the principles and their execution by the organisation.

Principle:	Application
1. Integrating material ESG factors into investment arrangements and activities.	Sygnia's fixed income portfolios: • ESG issues increasingly form part of credit review as an assessment of non-financial risk. • Frequent engagement within debt instruments via debt arrangers and at investor roadshows. • Support local infrastructure development through a series of infrastructure investments and state-owned entities. Sygnia's equity portfolios: • Consider ESG factors in the evaluation of potential investments/products. Sygnia's multi-manager portfolios: • Ensure external managers have a documented ESG policy in place. • Provide evidence of adherence to ESG policy.
2. Enabling diligent and effective stewardship by demonstrating acceptance of ownership rights and responsibilities.	Sygnia's equity portfolios: • Proxy voting in collaboration with active managers in our multi-manager solutions. Sygnia's multi-manager portfolios: • Proxy voting records • Engagement with corporates.
3. Contributing to capacity building and collaboration of other applicable codes in addition to CRISA	• Compliance with the principles embodied in Regulation 28 of the Pension Funds Act ("Regulation 28"). • Also guided by the principles embodied in the United Nations' Principles of Responsible Investment.

4. Governance should be implemented in an accountable manner by having sound governance practices in place.	Sygnia is committed to rendering financial services honestly, fairly, with due skill, care and diligence, and in the interests of clients and the integrity of the financial services industry.
	• Regulatory licenses:
	  ◦ Sygnia Asset Management is an authorised financial services provider (FSP number 873) in terms of the Financial Advisory and Intermediary Services Act, 2002.
	  ◦ Sygnia Life Limited is an authorised financial services provider (FSP 2935) under the Financial Advisory and Intermediary Services Act and is a licensed linked insurer (I197) under the Insurance Act, 2017.
	  ◦ Sygnia Financial Services is an authorised financial services provider (FSP number 44426) in terms of the Financial Advisory and Intermediary Services Act, 2002 and is an approved benefit administrator in terms of Section 13B of the Pension Funds Act, 1956.
	  ◦ Sygnia Securities (Pty) Ltd is an authorised financial services provider (FSP number 45818) in terms of the Financial Advisory and Intermediary Services Act, 2002. Sygnia Securities is an execution-only stockbroker and an authorised member of the Johannesburg Stock Exchange.
	  ◦ Sygnia Benefit Administrators is an authorised financial services provider (FSP number 5538) in terms of the FAIS Act, 2002 and is an approved benefit administrator in terms of Section 13B of the Pension Funds Act, 1956.
	  ◦ Sygnia Consultants (Pty) Ltd is an authorised financial services provider (FSP number 5667) in terms of the Financial Advisory and Intermediary Services Act, 2002.
	  ◦ Sygnia Collective Investments (RF) (Pty) Ltd is an approved collective investment scheme manager registered with the Financial Services Conduct Authority in terms of the Collective Investment Schemes Control Act, 2002.
	  ◦ Sygnia Itrix RF (Pty) Ltd is an approved collective investment scheme manager registered with the Financial Services Conduct Authority in terms of the Collective Investment Schemes Control Act, 2002.
	  ◦ WealthFoundry (Pty) Ltd is a registered financial services provider (FSP number 49421) in terms of the Financial Advisory and Intermediary Services Act, 2002.
	• POPIA and PAIA Manual adherence.
	• The authorised financial service providers in the Sygnia Group are accountable institutions to the Financial Intelligence Centre Act (FICA).
	• Clear and transparent complaints policy and process in place to handle complaints promptly and fairly.
	• Whistleblowing policy in place – applicable to all directors and employees.

5. Transparency should be promoted through meaningful disclosure to the attainment of positive outcomes.	Unqualified audit reports: • External auditors: Mazars • Internal auditors: PwC • Insurance advisors: Marsh Financial Services

Association for Savings and Investments South Africa (ASISA)

ASISA represents the collective interests of the country's asset managers, collective investment scheme management companies, linked investment service providers, multi-managers and life insurance companies.

Sygnia has a representative member on several ASISA committees, including working groups that focus on ESG-related issues. Its aim is to implement a strategy that enhances the uptake of responsible investments in the South African market. The committees work closely with the UN Principles for Responsible Investment to integrate ESG factors into investment processes.

Year in review

After years of high interest rates aimed at containing inflation, monetary policy took a gentler turn in the latter part of 2024 and into 2025. The South African Reserve Bank (SARB) followed global trends by cutting the repo rate by 0.25% in early 2025 and by another 0.25% (to 7%) at the end of July 2025, its lowest level since November 2022.

This policy shift, mirroring rate adjustments by the US Federal Reserve and European Central Bank, reflected renewed confidence in the gradual moderation of inflation. Lower borrowing costs offered relief to households and small businesses while stimulating consumer activity and private investment. The National Treasury supported this momentum by maintaining fiscal discipline and prioritising infrastructure development and public-sector efficiency.

While structural constraints (particularly unemployment, logistics inefficiencies and limited investor confidence) remain, improved coordination between the public and private sectors has laid the groundwork for medium-term economic recovery.

A highlight of the year was the significant reduction in load-shedding. Thanks to a combination of enhanced Eskom plant performance, increased private-sector generation and the accelerated rollout of renewable energy projects, South Africa experienced sustained periods without scheduled power cuts for the first time in several years.

The Department of Mineral Resources and Energy, together with Eskom and independent power producers, implemented structural reforms that improved grid reliability and energy availability. Private embedded generation capacity – including solar, wind and battery projects – expanded rapidly, supported by improved regulatory frameworks. This progress not only stabilised electricity supply but also bolstered business confidence and productivity across key sectors.

The improvement in energy stability is widely viewed as a critical enabler of South Africa's broader economic recovery and transition to a low-carbon future.

"Two-pot" retirement reform in South Africa

Effective from 1 September 2024, government introduced the two-pot retirement system in response to long-standing concerns about the low preservation of retirement savings, high early withdrawals and weak retirement outcomes among South Africans. Retirement fund contributions are now split into a savings pot (accessible under some conditions) and a retirement/vested pot (to be preserved until retirement).

The two-pot system was conceived to address two key issues:

1. Improve preservation by ensuring that a larger share of savings is preserved until retirement.
2. Provide access to savings for emergencies by allowing a portion of retirement savings to be accessed during one's working life, thereby reducing the impetus to withdraw the entire fund when under financial stress.

South Africans withdrew approximately R4.1 billion within about 10 days of the reform taking effect. By early 2025, total withdrawals had climbed to R57 billion, benefitting nearly 4 million individuals. These figures underline both the immediate relief the reform provided to financially distressed households and the significant liquidity released into the broader economy.

The reform has exposed governance issues, with the Financial Sector Conduct Authority (FSCA) reporting that at 31 March 2025, 15 521 employers had contravened section 13A of the Pension Funds Act[TC7][BK8], which states employers must pay pension fund contributions by the 7th day of the month following the month for which the contributions are due In the September 2025 FSCA press release, total arrears were estimated at R7.23 billion.

In collaboration with the National Treasury, the FSCA withheld portions of municipalities' equitable share allocations, recovering millions of rand owed to retirement fund members and funds by effectively forcing those municipalities to pay their outstanding third-party (pension) contributions.

Beyond compliance enforcement, the FSCA and National Treasury also initiated enhanced supervisory and data-collection frameworks to improve monitoring of employer remittances and ensure transparency in fund governance. Public awareness campaigns were rolled out to educate workers on their rights under the new system and on how to monitor contributions via online and fund-statement channels.

The two-pot system aims to strike a careful balance between short-term financial flexibility and long-term savings preservation, addressing the chronic problem of low retirement adequacy while recognising the economic realities of South African households.

COP29

At a global level, the twenty-ninth Conference of the Parties (COP29) to the United Nations Framework Convention on Climate Change (UNFCCC) was held in Baku, Azerbaijan, from 11 to 22 November 2024. Coming one year after the first Global Stocktake at COP28 in Dubai, COP29 took place at a critical juncture in international climate diplomacy. The world faces escalating climate impacts, from devastating floods and wildfires to persistent droughts, while global greenhouse gas emissions remain far from the trajectory required to meet the Paris Agreement's goal of limiting global warming to 1.5°C. Against this backdrop, COP29 sought to rebuild trust between developed and developing nations, with a focus on climate finance, adaptation and the long-promised "just transition."

The most significant outcome of COP29 was the agreement on the New Collective Quantified Goal (NCQG), which set a target of $300 billion per year in climate finance by 2035 from public sources, alongside a broader ambition to mobilise $1.3 trillion annually from all actors, including private and philanthropic sources.

Delegates also reached consensus on the long-delayed rules for global carbon credit trading, effectively operationalising Article 6.2 and Article 6.4 of the Paris Agreement. These articles govern international carbon-trading mechanisms and non-market approaches – critical tools for scaling up private-sector climate investment. The agreement provides much-needed clarity and consistency for global carbon markets, helping countries and corporations trade emissions reductions with greater integrity and transparency.

This outcome was particularly significant for South Africa and other developing economies. The operationalisation of Article 6 opens new pathways to attract carbon-market investments, stimulate green-technology projects and support the decarbonisation of key sectors such as energy, transport and heavy industry. It also aligns with South Africa's broader Just Energy Transition (JET) commitments by enabling additional financing streams and market mechanisms to fund the shift to renewable energy and low-carbon industries.

COP29 marked a significant step forward in restoring confidence in the multilateral climate process and strengthening the financial underpinnings of the global transition to a low-carbon economy.

The next major milestone will be COP30, scheduled to take place in Belém, Brazil, in November 2025 – the heart of the Amazon region, one of the planet's most vital carbon sinks. COP30 is expected to focus on implementation and accountability, particularly the operationalisation of the new NCQG.

G20 Summit

The 18th G20 Summit was held in Rio de Janeiro, Brazil, from 18 to 19 November 2024 under the theme "Building a just world and a sustainable planet".

The Rio de Janeiro Declaration placed strong emphasis on progressive taxation, the global energy transition, support for the COP30 in Brazil and collective solutions to global challenges, all underpinned by the pursuit of sustainable and inclusive growth. The summit marked a turning point for the G20, as Brazil's presidency introduced unprecedented themes, including social inclusion, poverty eradication and global governance reform.

Central to the declaration were commitments to combat hunger and poverty, advance social inclusion and promote the fair taxation of billionaires to address inequality and generate resources for sustainable development. The summit also witnessed the launch of the Global Alliance Against Hunger and Poverty, a major Brazilian-led initiative aimed at coordinating international action against food insecurity. For the first time in G20 history, leaders agreed to mobilise resources for basic sanitation and access to clean drinking water, while explicitly acknowledging the need to combat racism and promote racial equality as integral components of global development and justice.

On climate and energy matters, the declaration reaffirmed commitments to the Paris Agreement and carbon neutrality goals, underscoring the urgency of global mobilisation against climate change. Leaders called for a significant scale-up of green financing, particularly for developing nations, and stressed that reforming the international financial architecture – including multilateral development banks – is essential to unlocking sustainable investment flows. The energy transition agenda reaffirmed the commitment to phase out inefficient fossil fuel subsidies and expand investments to support a fair, inclusive and sustainable energy transition, especially in the Global South.

The declaration further emphasised the importance of reforming global governance, including strengthening the United Nations, modernising the international financial system, fostering an inclusive and rules-based multilateral trading system and ensuring the ethical development of artificial intelligence (AI). This focus reflects the growing recognition that technology, governance and sustainability are deeply interconnected in shaping the global future.

The 2024 G20 Summit in Rio de Janeiro was a noteworthy event for recalibrating the global economic governance agenda, bringing stronger focus to social inclusion, development equity, sustainability and multilateral reform. For South Africa, the summit's outcomes are both a roadmap and a springboard as it prepares to take the G20 helm in 2025. The country has the opportunity to translate the Rio commitments into action, to champion African and Global South interests and to link international ambition with domestic delivery.

In other global developments in 2025, AI made major strides, advancing from capable assistant to powerful collaborator across science, industry and culture. Autonomous agent systems can independently plan, execute and refine tasks – AI no longer simply follows instructions but can decide how to act. Multimodal models

that blend language, vision and action have paved the way for robotics and embodied intelligence, enabling machines to perceive, reason and respond in physical environments.

In science and medicine, AIdriven "science factories" and highthroughput labs went live, accelerating discovery in biology, chemicals and materials through automated experimentation and modelguided research. Ethical and regulatory frameworks also advanced, recognising the need for transparency, fairness and accountability as AI moves out of the lab and into everyday infrastructure.

It is, however, deeply concerning that global conflicts have intensified over the past year. The wars in Ukraine, Gaza and Sudan exact a devastating human toll, displacing millions, fuelling humanitarian crises and undermining geopolitical stability. These conflicts, coupled with global economic uncertainty and climate pressures, highlight the fragility of peace and the urgent need for coordinated international diplomacy and resilience-building.

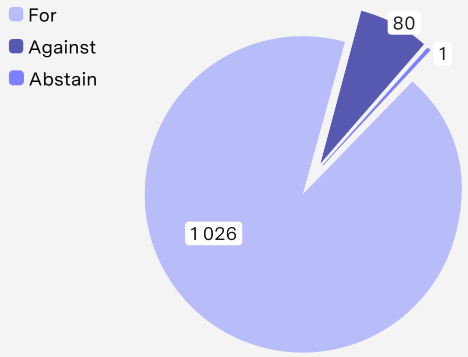
Amidst these challenges, the interconnectedness of global events with ESG factors has become increasingly apparent. From the ethical deployment of AI to the equitable management of energy transitions and humanitarian responses, ESG considerations remain central to achieving sustainable progress. Encouragingly, the momentum to responsible innovation, inclusive growth and collaborative problem-solving continues to build. We remain hopeful that these advancements will translate into meaningful, positive outcomes for societies and the planet alike.

Proxy voting summary, year to date

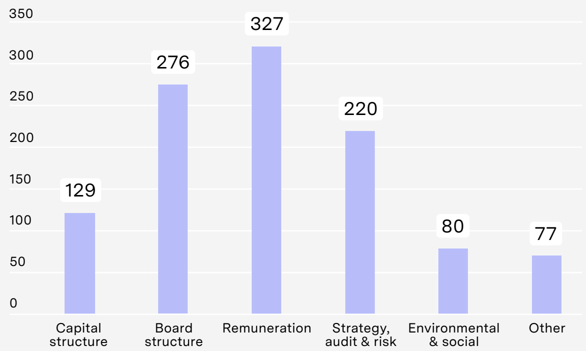
Once regarded as a formality at annual general meetings (AGMs), proxy voting has evolved into a powerful tool of stewardship. Sygnia fulfils its responsibility by participating in shareholder meetings through proxy voting, enabling consistent and informed engagement. Guided by research and recommendations from select active managers, we cast votes on the shares held in the Sygnia domestic tracker funds. This approach is central to Sygnia's active ownership, allowing investors to exert meaningful influence on corporate governance and decision-making.

- Voting activity overview: Sygnia voted on a total of 1 107 resolutions across 52 meetings in the 2024/25 financial year. Within the votes, 80 were dissenting (105 in 2023/24), with 1 abstention and 2 withdrawn resolutions. A thematic breakdown of the votes reveals that governance-related matters dominated the meetings, where 75% of the votes addressed remuneration, board structure and strategy & audit.

Sygnia votes

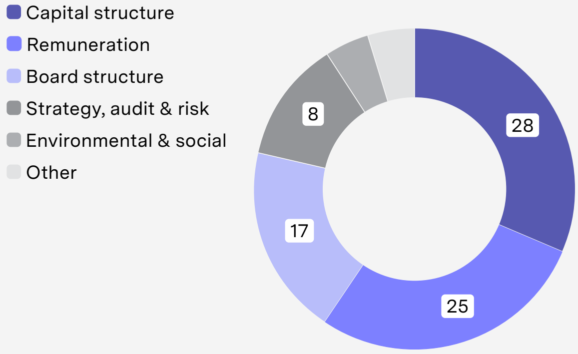


Sygnia annual proxy vote distribution



In the dissenting votes, remuneration and capital structure were the most contentious topics followed by board structure. Environmental and social issues attracted the fewest dissenting votes, along with other administrative resolutions (most related to the election of members to social and environmental committees, and managers were happy with the proposed names).

Breakdown of dissenting votes



Our stewardship role requires that we hold investee companies accountable, particularly in cases where management's incentives diverge from the interest of shareholders. We dissented against the remuneration policies proposed by portfolio company management in the examples below.

- **Prosus**: AGM on 20/08/2025
  Resolutions 5 and 6: We voted against the discharge of executive and non-executive directors' liability. We are cautious about granting discharge when it has no immediate impact on directors' liability, especially in legal systems (such as the Dutch), where discharge is binding on all shareholders and can limit future claims. As minority shareholders cannot pursue legal action against directors post-discharge and there is no substantial evidence of fiduciary breaches, we often withhold approval as a precaution, knowing it does not immediately affect director liability.
- **Motus Holdings Ltd**: AGM on 05/11/2024
  Resolutions 5 and 6: We voted against the remuneration policy and implementation, because we believe the CEO should not make the same short-term incentive (STI) as last year when headline earnings per share (HEPS) is down 25%. Furthermore, we were not happy that STIs were skewed to absolute numbers like operating profit and profit before tax, without considering per-share metrics (meaning they could issue shares to achieve profit growth).

As a multi-manager, Sygnia requests records of the proxy-voting actions taken on behalf of its investments from all underlying asset managers. The table below summarises all votes submitted by Sygnia's underlying active managers.

Proxy votes by active managers for 2024/25

	Resolutions voted for	Resolutions voted against	Total per manager	% dissenting votes
Sygnia	1 026	80	1 106	7.2%
Ninety One	959	19	978	1.9%
Laurium	907	47	954	4.9%
Fairtree	1 097	52	1 149	4.5%
Coronation	1 108	50	1 158	4.3%
All Weather	1 862	101	1 963	5.1%
Visio	828	44	872	5.0%
36One	1 547	152	1 699	8.9%
Total	**9 334**	**545**	**9 879**	**5.5%**

*Excludes abstained and withdrawn resolutions

Managers demonstrated active stewardship, voting on 9 907 resolutions with a 5.5% dissent rate, indicating selective but meaningful opposition to management proposals. 36One emerged as the most assertive steward, with a dissent rate of 8.9%, closely followed by Sygnia at 7.2%, both frequently challenging investee company management. In contrast, Ninety One showed the strongest alignment with management at 1.9%, the lowest dissent rate among managers.

Total resolutions split by theme

Theme	Total resolutions per category	% votes per category
Capital structure	1 164	11.7%
Board structure	2 208	22.3%
Remuneration	2 860	28.9%
Strategy, audit & risk	2 039	20.6%
Environmental & social	846	8.5%
Other	790	8.0%
Total	9 907	100.0%

Despite these varying approaches, managers showed voting congruence with Sygnia overall, aligning on core governance issues led by remuneration. The number of resolutions related to social and environmental initiatives more than quadrupled compared to 2023/24, highlighting continued efforts to hold company management accountable for their impact on people and the environment.

SASOL case study

Between 2024 and 2025, Sasol made measurable progress in its ESG initiatives. Leadership transitions strengthened governance, while operations such as gas production in Mozambique highlighted ongoing environmental management efforts.

Governance:

The first highlights for us were the C-suite changes that occurred in 2024/25. These leadership changes reflected both depth of experience and a strengthening of governance. The newly appointed CEO and CFO together bring over 35 years of service within the company, ensuring strong institutional knowledge and continuity.

Mr Baloyi, appointed Executive Director, President and CEO from 1 April 2024 after serving in various management roles since 2002, brings a deep understanding of Sasol's operations and strategic direction. He succeeded Mr Grobler, who resigned on 31 March 2024, marking an orderly transition at the top.

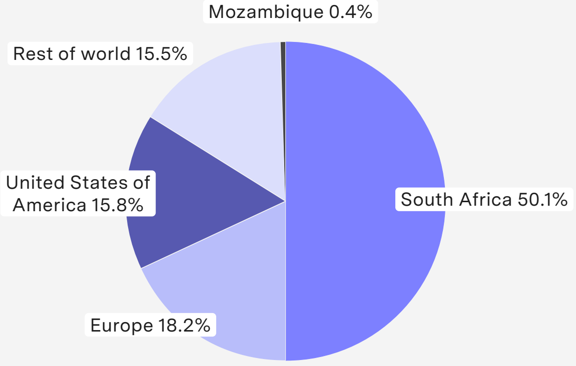
Similarly, the appointment of Mr Bruns as CFO and Executive Director following 15 years with Sasol, including as CFO of Sasol Southern Africa (Energy and Chemicals), reinforces financial leadership stability. His appointment follows the resignation of Mr Rossouw on 1 May 2024 to pursue another opportunity.

Collectively, these smooth transitions demonstrate Sasol's commitment to leadership continuity, accountability and improved governance through planned succession and experienced internal appointments.

Environmental:

Although Sasol's Mozambican operations contribute less than half a percent to Sasol's total revenue, the gas exploration and production activities in Mozambique have significant environmental implications due to their proximity to sensitive ecosystems and cross-border energy infrastructure.

Geographical revenue split: FY24

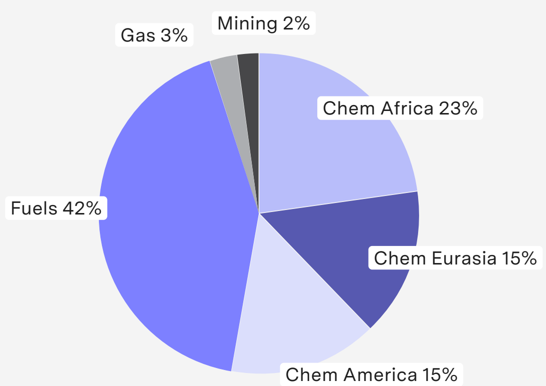


Sasol's decision to proceed with the Junction Compression Project under the Petroleum Production Agreement (PPA) is a key strategic development. The project supports the gas plateau extension and will extend natural gas supply to customers until mid-2028. However, CEO Simon Baloyi announced that South Africa will need to transition to liquid natural gas (LNG) as the only viable solution for the external market beyond 2028, as no additional extensions from existing Mozambican resources will be possible.

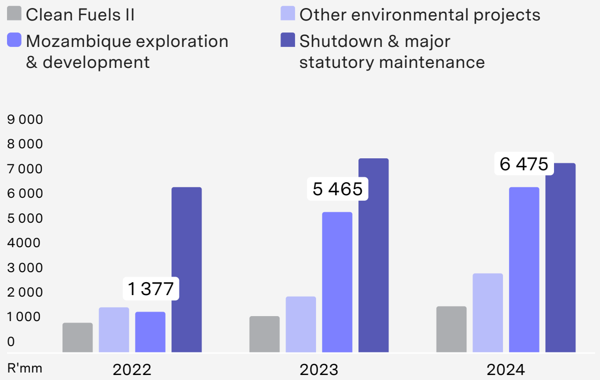
This underscores Sasol's acknowledgment of the finite nature of Mozambique's gas reserves and highlights the company's strategic pivot to LNG as part of a broader transition plan. The development reflects both the operational challenges and environmental responsibilities Sasol faces in managing its regional energy assets while balancing future supply security and sustainability considerations.

Looking at Sasol's 2025 financial statements, its infrastructure investment is apparent in the significant investing outflows related to property, plant and equipment maintenance and additions, as well as Mozambique gas exploration and ESG compliance expenditure.

Revenue FY24



Significant property, plant and equipment (PPE) expenditure



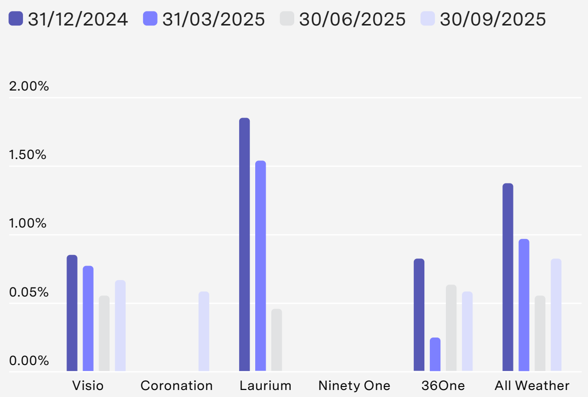
The Mozambique exploration project saw its largest jump in expenditure from 2022 to 2023, peaking in 2024. The conclusion of exploration beyond 2028 will result in less costs going forward. At its May 2025 Capital Markets Day, Sasol announced plans to invest between R4 billion and R7 billion in emissions-reduction projects and renewable energy initiatives by FY2028.

Latest results snapshot:

Sasol published its production and sales metrics for the first quarter of FY26 (ended 30 September 2025). Gas production in Mozambique declined by 1% quarter on quarter but increased by 4% year on year, reflecting a natural decline in PPA wells, partially offset by stronger contributions from production sharing agreement operations. External gas sales in South Africa were down 3% year on year, driven by lower customer demand, while condensate sales rose 34% year on year, supported by higher output from liquid-rich fields.

The change in Sasol's holdings across our managers from 30 September 2024 to 30 September 2025 is illustrated below.

Manager quarterly exposure to Sasol



ESG developments in our real estate investments

Between 2024 and 2025, real estate investment trusts (REITs) we invest in made notable progress in integrating ESG principles into their operations. The property sector's response to sustainability pressures and rising energy costs was particularly strong, with increased investment in renewable energy and enhanced ESG reporting.

Growthpoint Properties reinforced its position as a sustainability leader through the launch of a landmark renewable energy wheeling agreement with Etana Energy. The initiative enables the direct acquisition of 195 GWh of renewable energy a year to be implemented on a staggered basis, with approximately 30 GWh coming on stream for the next financial year and the full 195 GWh by 30 June 2028.

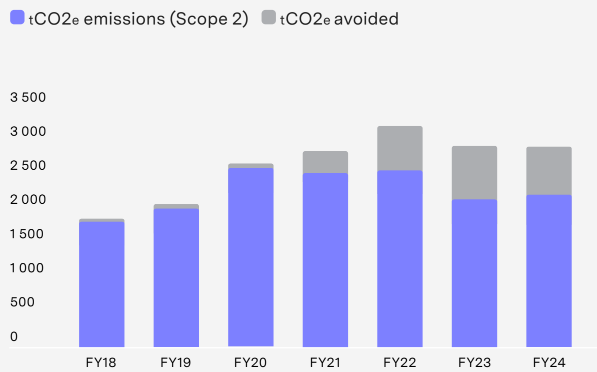
Growthpoint completed R117.3 million in solar installations during the first half of FY2025, up from R106.4 million in the first half of 2024. This brought its total installed solar capacity to 52.5 MWp.

Vukile REIT integrated ESG performance into its corporate governance by linking sustainability targets to executive remuneration. Its FY2024 integrated report introduced a structured ESG scorecard with measurable goals for 2024 to 2027. They also continued rolling out solar installations across the SA portfolio, growing capacity by 67%, with 14.4 MWp added to the existing 21.6 MWp. Solar power now supplies 27% of their portfolio's energy needs, contributing to long-term cost and emissions reductions.

39 projects	Success renewable PV projects implemented
36 MWp	Total renewable generation capacity created
27%	Potential renewable sources as percentage of total energy usage in FY25

Stor-Age Property REIT made tangible progress in energy self-sufficiency with approximately 65 of its properties now equipped with solar photovoltaic systems and 42 with hybrid battery solutions, collectively generating around 8.2 million kWh of clean energy and avoiding emissions. The REIT also implemented motion-sensitive lighting and energy-efficient systems inside and outside all its facilities, reflecting a practical and measurable approach to sustainability. The installation of rainwater harvesting systems across 38 of their properties led to reduced use of municipal water.

Annual Scope 2 emissions and avoided emissions in SA portfolio



Across the portfolio, REITs are aligning capital investment with sustainability performance, reducing exposure to energy risks and strengthening governance standards. Continued monitoring of implementation and impact metrics will remain essential in assessing the long-term value creation and resilience of these ESG-driven strategies.

Case study: Governance issues at SA banks

South Africa's banking sector is one of the most developed in Africa, dominated by the “Big Four”: Absa Group, FirstRand (including FNB), Nedbank and Standard Bank. These institutions play a critical role in the economy, handling a significant portion of deposits, loans and foreign exchange transactions. However, the sector has faced persistent governance challenges, anti-money-laundering (AML) sanctions, leadership disputes, state capture-related lawsuits and regulatory oversights. These issues have eroded public trust, triggered legal battles and prompted calls for stronger oversight from bodies like SARB and the FSCA. This case study outlines systemic weaknesses in corporate governance, ethical compliance and regulatory enforcement.

Leadership and transformation disputes

ABSA faced internal turmoil over its leadership in 2024. Former CEO Arrie Rautenbach, appointed in 2022, resigned amid a governance scandal involving accusations of anti-transformation bias. Tensions peaked when the board blocked his attempt to oust Saviour Chibaya, head of Africa operations (a key revenue driver with 44% of 2023 earnings). This followed the short tenure of Daniel Mminele, ABSA's first black CEO, who left due to strategic disagreements. Kenny Fihla was appointed as the new group CEO in June 2025, making him the bank’s seventh CEO – permanent or acting – since 2019.

In June 2025, the Pretoria High Court ruled that SARB and the Prudential Authority (PA) had unlawfully blocked Sipho Pityana's 2021 appointment as ABSA chair. The regulators had conducted informal consultations, bypassing Banks Act procedures, without evidence to dispute Pityana's suitability. The PA, ABSA Group Ltd and ABSA Bank Ltd were ordered to pay the applicant’s costs. This exposed governance vulnerabilities in regulatory-bank relations and the need for transparent appointment processes.

In July 2025, then-Chairman Sello Moloko stepped down citing a desire to prioritise his personal business ventures and community engagements.

PA’s attempt to tighten bank governance

Emphasising its role in effective corporate governance for the sector and the economy, the PA issued a draft directive for public comment to strengthen board independence in the banking sector, mandating that banks and controlling companies must adopt and implement a policy promoting board independence.

The directive requires the board chair and subcommittee chairs to be independent non-executive directors (NEDs) and that policies address temporary non-independence or conflicts – for example via a lead independent director.

No individual who has served as an executive director, CEO or designated external auditor in the prior 12 months may now become an NED (executive manager/senior executive aligns with “executive officer” under the Banks Act).

Directors are not independent if they are substantial shareholders (>5% voting rights in issued shares) or have acted as material professional advisors/consultants to the bank in the past three years, among other criteria.

AML compliance sanctions

Standard Bank

In January 2025, the PA imposed a R13 million administrative sanction on Standard Bank for breaches of the Financial Intelligence Centre Act (FICA) following a 2022 inspection. Non-compliance was cited for failure to conduct ongoing due diligence on two clients (2018–2019), inadequate record-keeping for 43 suspicious transaction reports, delayed reporting of 1 466 cash transactions, non-reporting of one suspicious transaction report, delays in handling 75 729 monitoring alerts and closing 94 558 alerts beyond deadlines.

The bank resolved the issues via remediation and cooperation, but the fine highlights systemic AML gaps. Governance concerns centre on monitoring system failures and delayed regulatory submissions, pointing to weaknesses in risk committees and internal controls.

First Rand Bank

In February 2024, the FSCA fined FirstRand's Ashburton Fund Managers R16 million for FICA breaches, including failures in client due diligence and in suspicious transaction reporting. This underscores ongoing AML governance gaps despite policy commitments.

The Transnet and Special Investigations Unit (SIU) lawsuit against Nedbank

In July 2024, Transnet and the SIU sued Nedbank for R2.8 billion over 2015–2016 interest rate swaps linked to state capture. The swaps, involving Regiments Capital, allegedly involved corruption, with Nedbank profiting unfairly. Nedbank denies wrongdoing, claiming no evidence of dishonesty and that it will vigorously defend the charges.

This case exposes vulnerabilities in SOE-bank interactions in the Zondo era, including weak due diligence on advisors and inadequate anti-corruption safeguards. For Nedbank, R2.8 billion (potentially up to R10.5bn with interest) liability could erase 18–67% of its 2023 headline earnings (R15.7 billion), impacting dividends and reputation. The case is ongoing as of September 2025, exposing governance risks in historical transaction oversight and anti-corruption protocols.

Rand manipulation cartel

Targeting 28 banks (15 local/international with local operations), the Competition Commission of South Africa launched an investigation in 2015 into allegations that local and international banks colluded from at least 2007 to 2013 to manipulate the South African rand (ZAR) against the US dollar (USD) in the spot foreign exchange (FX) market. Traders from these banks allegedly used online chat rooms (e.g. on Bloomberg terminals) to share sensitive information, coordinate buys/sells, fix bid/offer spreads and withhold trades, distorting rates and inflating costs for clients and the economy. This anti-competitive behaviour violated South Africa's Competition Act, potentially costing billions in economic harm through higher import prices and reduced investor confidence during the Global Financial Crisis and beyond.

Evidence included chat transcripts with phrases like “let's double team them”. In 2017, Barclays (now Absa) self-reported for leniency. In 2020, the Competition Commission referred the case to the Competition Tribunal, seeking fines of up to 10% of annual turnover. Banks contested, arguing insufficient evidence of a “single overarching conspiracy”, jurisdictional issues for foreign entities and procedural flaws. In January 2024, the Competition Appeal Court (CAC) dismissed charges against 17 banks, narrowing them to four main respondents. The Competition Commission appealed to the Constitutional Court (ConCourt) in August 2025, framing it as a sovereignty threat akin to global cartels like LIBOR.

The ConCourt hearings concluded on 19–21August 2025 with judgment reserved – no ruling has yet been delivered. The Competition Commission's advocate, Tembeka Ngcukaitobi, argued that charges should be reinstated, citing prima facie evidence of collusion. Banks countered with claims of no direct link to rate manipulation or chat room involvement.

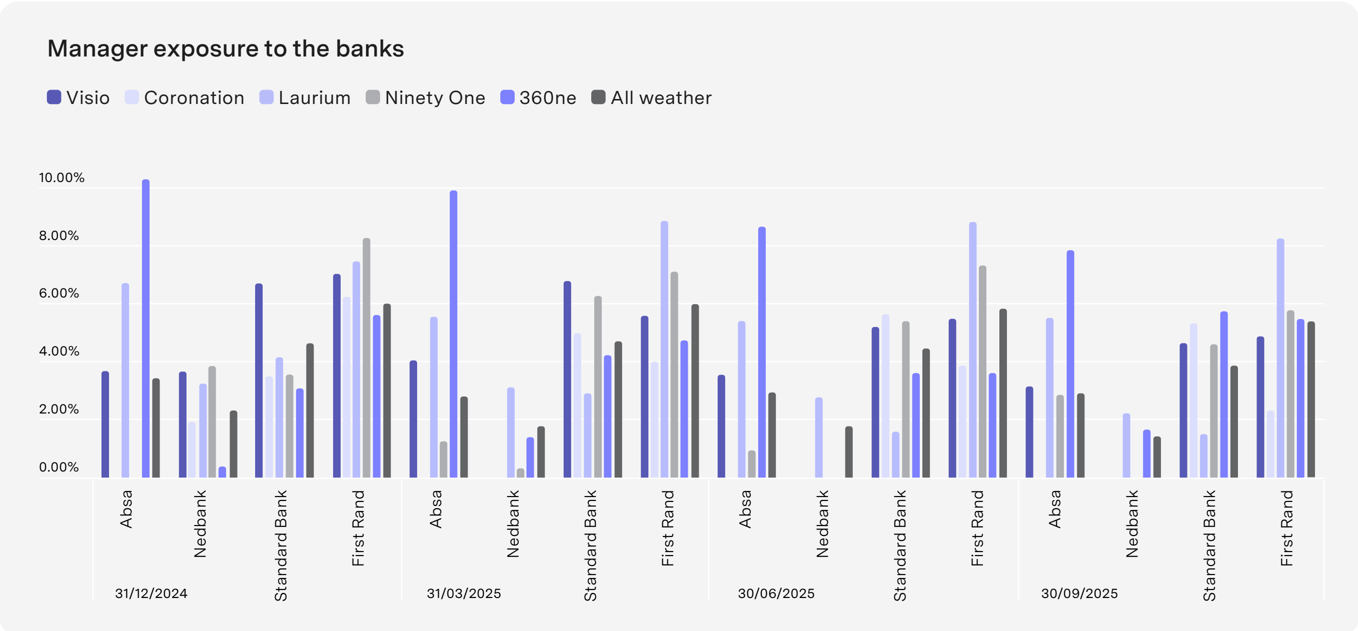
Bank-specific updates

- **Absa**: Secured leniency in 2017 via self-reporting (paid R69m penalty); not a direct respondent but evidence from its probe supports CompCom. No new 2025 actions; focusing on compliance enhancements.
- **Standard Bank**: Key respondent; accused of “frustrating justice” via delays and withholding internal probe findings. In August hearings, it denied chat room links and claimed R8.5bn litigation costs.
- **Nedbank**: Peripheral involvement alleged (sporadic chats); denied conspiracy in hearings, arguing innocuous discussions. No evidence of chat room leadership per Competition Commission. Status quo as of September 2025.
- **FirstRand**: Accused of procedural delays; hearings highlighted no direct chat room ties but coordination claims.

South Africa's banking sector, led by the Big Four, remains an economic powerhouse, but governance pitfalls like leadership upheaval, AML fines, lawsuits and the rand manipulation scandal have exposed ethical gaps.

The FSCA's 2025–2028 strategy targets conduct reforms and AML enforcement, while the PA’s draft directive mandates independent boards and cooling-off periods[TC17][BK18]. Joint initiatives like the Cybersecurity Standards and post-state capture probes demonstrate a proactive approach by our regulatory bodies.

The change in holdings of the Big Four SA banks across our managers from 30 September 2024 to 30 September 2025 is illustrated below.



Passive investing

Sygnia Itrix S&P Global 1200 ESG ETF

Exclusions/Screening

The Sygnia Itrix S&P Global 1200 ESG ETF tracks the S&P Global 1200 Scored & Screened Index, a subset of the S&P Global 1200 Index designed to measure the performance of securities that meet sustainability criteria while maintaining the same overall industry group weights as the S&P Global 1200 Index.

Some sustainability criteria exclude companies based on business activities with a disqualifying United Nations Global Compact (UNGC) score or based on specific business activities excluded from the eligible universe, as determined by Sustainalytics. In addition to the exclusion criteria, each company gets a score for ESG issues, with the top 75% of companies in each sector included.

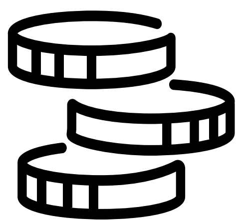
Excluded business activities include:

- **Tobacco**: Companies directly or via an ownership stake of 25% or more in a company that produces tobacco, or when tobacco sales or tobacco-related products and services account for more than 10% of their revenue.
- **Controversial weapons**: Companies directly or via an ownership stake of 25% or more in a company involved with cluster weapons, landmines, biological or chemical weapons, depleted uranium weapons, white phosphorus weapons and/or nuclear weapons.
- **Thermal coal**: Companies that extract thermal coal or generate electricity from thermal coal, or with a level of involvement/exposure greater than 5%.
- **UNGC non-compliance**: Companies that are classified as non-compliant are ineligible for index inclusion.

This ETF provides exposure to the S&P Global 1200 with an ESG overlay. Its return profile is closely related to the S&P Global 1200. The Sygnia Itrix S&P Global 1200 ESG ETF makes the world of sustainable investing accessible and offers extremely cost-effective access to a well-diversified portfolio of global stocks while meeting sustainability criteria.

Indicator	Global 1200	S&P Global 1200 Scored & Screened Index	Reduction in emissions
Carbon to value invested (metric tons Co2e/$1m invested)	42.96	36.69	17.09%
Carbon to revenue (metric tons co2e/$1m revenues)	146.8	122.75	19.59%
Weighted average carbon intensity (metric tons co2e/$1m revenues)	126.66	102.64	23.40%
Fossil fuel reserve emissions (metric tons co2e/$1m invested)	619.07	556.61	11.22%

*Comparison based on the latest index fund fact sheets for the S&P Global 1200 Scored & Screened Index and not actual data on the Sygnia Itrix S&P Global 1200 ESG ETF. Data based on calculations by S&P. An explanation of these metrics is available on the S&P website: https://www.spglobal.com/spdji/en/documents/methodologies/methodology-sp-ss-index-series.pdf



Sygnia Money Market Fund Unit Trust

Impact

Sygnia is a vocal advocate for lower fees to allow easier access to investments. Our ongoing shareholder activism has also allowed us to be forthright about social change, and our Sygnia Money Market Fund class S1 and S2 management fees are donated to fight corruption in South Africa.

The fund is suitable for investors who would like to make a meaningful difference in the South African landscape by supporting non-political organisations that fight corruption in the public and private sectors.

Organisations that Sygnia donates to are detailed below.

Helen Suzman Foundation

The Foundation's liberalism is grounded in Helen Suzman's legacy and draws on the history of liberal thought in South Africa. It promotes liberal constitutional democracy and the rule of law, believing the South African Constitution to be a liberal document.

The preamble to the Constitution calls for "a society based on democratic values, social justice and fundamental human rights" that aims to "free the potential of each person" and in which "every citizen is equally protected by law". The Foundation promotes good governance, transparency and accountability and advocates for policies that translate the aspirations of our Constitution into lived reality for all South Africans.

Organisation Undoing Tax Abuse (OUTA)

OUTA is a civil society organisation focused on combatting fraud, corruption, maladministration and fruitless and wasteful expenditure across government at local, provincial and national level, and on holding perpetrators to account.

Ahmed Kathrada Foundation

The Foundation is an independent, non-partisan entity formed in 2008 to continue the legacy of anti-apartheid struggle stalwart Ahmed Kathrada and his generation. Kathrada, a former Robben Island prisoner, served 26 years in jail alongside his fellow Rivonia trialists for their stance against the apartheid government. Kathrada's life was characterised by his commitment to the best values and principles of the South African liberation struggle, particularly that of non-racialism.

Corruption Watch

Corruption Watch is a non-profit organisation launched in January 2012 that relies on the public to report corruption to it. The organisation uses such reports as an important source of information to fight corruption and hold leaders accountable.

The Black Sash Trust

Founded in 1955, the Black Sash works for the advancement and realisation of human rights and social justice in South Africa as outlined in the South African Constitution. The organisation emphasises social security and access to justice for all who live in South Africa, but particularly for women, children and the most vulnerable. In their quest for the realisation of socioeconomic rights, the Black Sash monitors government service delivery, disseminates information and advocates for policy and process changes.

Council for the Advancement of the South African Constitution (CASAC)

CASAC was formed in September 2010 out of rising concern about the shift in the political culture in South Africa and in the leadership of the ANC, and it has established itself as a key player in the civil society environment. CASAC's driving motivation is that the Constitution provides the principled bedrock for the operation of public and private power in South Africa.

CASAC is a project of progressive people who want to advance the South African Constitution as the platform for democratic politics, human rights and the socioeconomic transformation of society. It subscribes to the principles and values enunciated in section 1 of the Constitution and promotes the notion of progressive constitutionalism to advance the rights of citizens and protect human dignity. CASAC's key focus areas are to build a culture of human rights, strengthen institutions of governance and the rule of law and promote accountability and integrity in public life.

ESG bond issuance 2025

The growing prominence of ESG-labelled bonds reflects a deepening commitment to sustainable finance across South Africa's capital markets. Issuers and investors alike are increasingly aligning funding decisions with measurable social and environmental outcomes, advancing national development priorities while delivering competitive returns.

Four issuers came to market with R8 billion worth of ESG bonds this year and were met with ample appetite for their issuances, underscoring the current high liquidity credit environment.

Urban Ubomi 2 opened the year in January with an R84 million social bond, with proceeds earmarked for affordable housing, employment generation (including through small and medium enterprises (SME) financing) and socioeconomic advancement and empowerment.

The Industrial Development Corporation of South Africa (IDC) issued 5-, 7-,10- and 12-year notes worth R2.05 billion on 20 March, with a mix of fixed and floating rate features. This was the IDC's first issuance under its sustainable bond framework, with the proceeds intended for green and social activities.

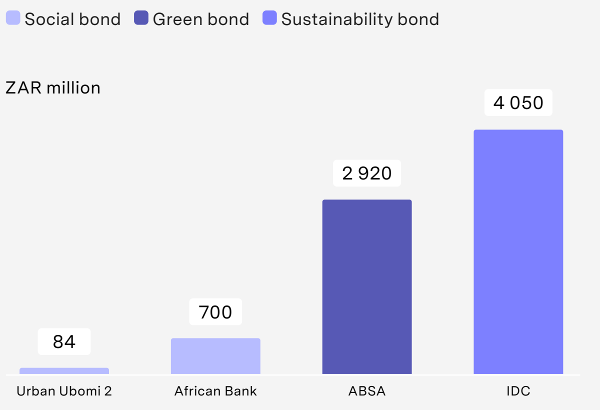
ABSA issued two green bonds in August, seeking R2.5bn across 3- and 5-year floating rate notes. The funds from this issue are to fund renewable energy assets that may include, without limitation, solar and wind projects. The offering drew bids north of R7 billion; both bonds cleared at the lower end of pricing guidance, with the issued amount being almost 20% higher than the initial R2.5 billion on offer. As a result, the bid-to-cover ratio was 2.49x.

African Bank issued R700 million across two social bonds in September. Sygnia supported the auction and received allocation across our fixed income funds. This reinforces our commitment to integrating ESG in our investment strategy.

Before year-end, the **IDC** returned to market with five bonds – four tapping existing debt lines and one being a new issue. They targeted R2 billion and received bids of R3.2 billion, with two of the five issues clearing below price guidance and an overall spread tightening compared to the earlier auction.

The increasing appetite for ESG bonds reflects the rising awareness that investing should be done responsibly.

ESG bond issuance Jan–Oct 2025



Sygnia infrastructure

South Africa's National Development Plan 2030 (NDP) and the Economic Reconstruction and Recovery Plan (ERRP) are pivotal in shaping the South African economy, particularly in the wake of shifting global tectonic plates.

The NDP outlines a vision for a more equitable and inclusive future, seeking to address historical disparities through strategic investments in infrastructure, education and employment. The ERRP, a complementary initiative, focuses on immediate recovery efforts, targeting vulnerable sectors and supporting livelihoods through programmes such as the Presidential Employment Stimulus (where an excess of 1.5 million opportunities for unemployed South Africans have been created since October 2020).

Together, these frameworks emphasise industrialisation, localisation and sustainable practices to revitalise the economy. The ERRP is designed to stimulate growth by investing in key areas like energy security and infrastructure, which are essential for long-term economic stability. While challenges such as high unemployment and inequality persist, the synergy between the NDP and ERRP offers a promising path to a resilient economy that benefits all South Africans.

In alignment with government's objectives, Sygnia has committed to supporting local infrastructure development through a series of infrastructure investments. For several years, the Sygnia Credit and Fixed Income portfolios have invested in state-owned entities, the primary providers of South African infrastructure development. Following government's increased focus on infrastructure, Sygnia has launched a South African Infrastructure Portfolio, one of the building blocks of our institutional products.

South Africa's Trans-Caledon Tunnel Authority (TCTA)

South Africa is considered one of the most unequal countries in the world in terms of access to sanitation services and to a safe and sufficient water supply. By developing our infrastructure, we can address these inequalities and grow our economy. The TCTA acts as an agent for the Department of Water and Sanitation (DWS), being responsible for the funding, implementation, operation and maintenance of infrastructure projects.

This year saw continued progress on key projects, with the organisation securing over R22 billion in funding for Phase 2A of the Mokolo Crocodile River Augmentation Project, an achievement that reflects TCTA's strength in structured finance and capital mobilisation. Work on the uMkhomazi Water Project advanced following the conclusion of off-take agreements and a ministerial oversight visit.

TCTA continued to make cost-related payments on behalf of the DWS, enabling the construction of Polihali Dam and the transfer tunnel to proceed. They also concluded the maintenance shutdown of the Delivery Tunnel North, which began in October 2024 and ended before the March 2025 deadline. The timing of the shutdown and the robustness of the Integrated Vaal River System meant that no one was adversely affected.

Lastly, TCTA made significant progress in ensuring all its water infrastructure projects are fully compliant with key legislation, including the National Environmental Management Act, the Mineral and Petroleum Resources Development Act and the National Water Act. This reinforces their commitment to strong governance, an expectation that Sygnia has for public sector entities managing large infrastructure projects.

Lesotho Highlands Water Project (LHWP)

The TCTA raised a round of funding for the continued development of the LHWP in May 2021. Having made an initial investment in 2021, Sygnia decided to allocate additional resources to the initiative in April 2024 to fortify our infrastructure support through our Infrastructure Portfolio.

TCTA is responsible for the provision of water from Lesotho to the Ash River outfall in South Africa. The LHWP provides water for millions of people in the country's most populated province, Gauteng, a water-scarce region increasingly reliant on water from Lesotho as increasing global temperatures and industrialisation threaten water security.

The first phase of the Lesotho Highlands Water Project (LHWP-1), completed in 2003, was divided into two segments: 1A and 1B. This phase involved the construction of essential infrastructure, including three dams – the Katse, Mohale, and Muela – along with an intake tower, a transfer tunnel, a delivery tunnel and a hydropower station.

The Lesotho Highlands Water Project Phase 2 (LHWP-2), initiated on 13 November 2020, is intended to enhance water supply from Lesotho to South Africa's Integrated Vaal River System, which currently receives about 780 million cubic meters of water annually. Construction of the Polihali Dam will add 465 million cubic meters per year, raising the total supply to approximately 1.245 billion cubic meters.

During the LHWP tunnel shutdown from October 2024 to April 2025, essential river maintenance works were completed under a General Authorisation from the Department of Water and Sanitation, with erosion control measures implemented at key sites to support ongoing environmental protection.

Renewable Energy Independent Power Producer Procurement Programme (REIPPPP)

The REIPPPP's main objective is to supply the country's electricity system with additional megawatts funded by private sector investment, with a focus on wind and solar projects to accelerate the transition to clean energy and help achieve climate goals. The REIPPPP has been recognised internationally and has been well supported over the past 10 years.

The REIPPPP is a competitive tender process under which successful bidders are awarded contracts to sell electricity to Eskom for the next 20 years. Companies are awarded the contract only and must raise funds for the projects (i.e. they do not receive government funding). Much focus is placed on reaching targets and ensuring a sizeable portion of the projects comprise South African shareholding and ownership. Despite these restrictions, foreign expertise and financial investment interest has been considerable.

On 14 December 2023, the Department of Mineral Resources and Energy issued the request for proposal (RFP) to procure 5 000 MW under REIPPPP bid window 7. This RFP calls for proposals from independent power producers (IPPs) to develop 5 000 MW of new generation capacity, which will include 1 800 MW of solar PV and 3 200 MW of wind power.

According to estimates from the South African Photovoltaic Industry Association, South Africa added approximately 928 MW of solar during the first quarter of this year, including 280 MW from projects commissioned under the REIPPPP since December 2024.

Ninety One Infrastructure Credit Fund

The attractiveness of the private debt market stems from a combination of structural, strategic and ESG-linked factors. In the aftermath of the Global Financial Crisis, tighter banking regulations have limited traditional lending, creating opportunities for private lenders. Furthermore, persistently low interest rates and compressed public credit spreads have further pushed investors toward private debt for enhanced yields. Increasingly, private debt is also being used to fund projects that promote renewable energy, affordable housing and social infrastructure.

Sygnia continues to find more opportunities in private markets on the domestic front, and we added the Ninety One Infrastructure Credit fund to our arsenal in 2025. Ninety One uses a specialist fixed income strategy, primarily focused within South Africa and some hedged offshore exposure, with a wide mandate to deliver targeted positive returns.

The fund is a leader in ESG integration, supported by four dedicated ESG analysts and an embedded impact framework. Its investments have generated meaningful social and environmental benefits, supporting over 230 000 jobs and funding projects in renewable energy, water and digital connectivity. Strong governance and risk oversight are maintained through a dedicated Investment Risk Committee, with final decisions approved by executive management to ensure accountability and prudent risk management.

Since inception in October 2022, it has consistently outperformed its benchmark, delivering attractive returns of STeFI + 3.5% without taking on undue duration or credit risk. Portfolio diversification is achieved through exposure to 30–50 deals across multiple sectors and asset types. Prominent portfolio companies and projects include the LHWP, SANRAL and KaXu Solar One.

KaXu Solar One is South Africa's first concentrated solar power plant to use parabolic trough technology and was the largest solar thermal plant in the southern hemisphere at the time of its opening. It uses 1 200 solar collector assemblies with pivoting concave mirrors to focus sunlight onto receiver pipes, heating oil that flows through them to create steam that drives turbines for power generation. The plant was part of the first round of REIPPPP, contributing to the country's goal of diversifying its coal-dependent energy mix. The name “KaXu” comes from the Khoekhoe language and means “the whole sky”.

LHWP

Provides 25% of the raw water for the Vaal River system

+

supports 33% of South Africa's population

KaXu Solar One

Will add 100 Megawatts of electricity from the sun to the national grid

=

consumption for more than 400 000 South Africans

Sanral

Owns and maintains about 24 000km of road network

+

transports 85% of all freight to ports and airports for export

Adherence to ESG policy

Sygnia integrates its ESG policy across the multi-manager portfolios to ensure that every manager has a documented ESG policy in place and can provide evidence of adherence to the policy through proxy voting records and quarterly ESG reports. An ESG update is included as part of the quarterly manager meetings to ensure adherence to their policies and good stewardship.

Engagements Sygnia’s local managers have had in the past year include:

Coronation

ESG engagements	2021	2022	2023	2024	H1 2025
Total engagements	401	223	334	371	86
Board letters	103	15	8	22	3
By category					
Environmenral	186	59	91	153	22
Social	45	42	61	58	11
Governance	225	181	386	443	131

*Note: Some engagements may cover more than one category

Visio

Engaged with Old Mutual, Momentum and Combined Motor Limited (CMH).

However, post the appointment of a new CEO and in anticipation of various management and board changes, Visio initiated a position in Old Mutual.

- Visio engaged with the Board on their concerns and are advocating for various changes.
- The core Old Mutual business generates strong underlying cash flows; as the new management team improves cost control and uses excess capital for buybacks, Visio believe there will be material upside.

Ninety One

Q1 2025

- **Woolworths**: Discussed major changes to remuneration policy and board composition. A new independent non-executive director was appointed to bolster the Audit Committee. Growth of long-term incentive (LTI) headline earnings per share and targets for return on capital employed were increased and a stretch component was introduced.
- **Impala Platinum**: Discussed labour relations, five-year wage agreement, recent fatalities and safety at Impala Rustenburg, plus new renewable initiatives. Company outlined progress on achieving 30% CO? reduction by 2030.
- **Capitec**: Engagement prior to AGM focused on remuneration policy, social aspects (BEE) and key performance indicator disclosure for financial inclusion. Company in data gathering phase for net zero and considering transition to BEE Level 1.
- **British American Tobacco**: Discussed diversity, equality and inclusion (DEI) concerns in light of shifting discourse in the US. Company has moved away from DEI terminology, referring to “people and culture” as part of risk mitigation strategy.
- **Anglo American**: Discussed restructuring plan to dispose of all divisions other than copper and iron ore. Sale of the metallurgical coal division is critical for aligning with the company's transition plan.
- **Sappi**: Met with Head of Sustainability on decarbonisation strategy and ESG issues. Medium-term objective is to align with 1.5°C target, requiring 4.5% carbon footprint reduction through 2030.

Q2 2025

- **Mondi**: Discussed climate transition strategy and how decarbonisation integrates into capital allocation and long-term planning. Company confirmed decarbonisation is embedded in overall business planning.
- **Valterra Platinum**: Discussed Mogalakwena Pit optimisation strategy and community relocation issues. Mine plan shifted to value over volume strategy, with new pit access avoiding community relocation issues.
- **Old Mutual**: Chair of the Board explained AGM resolutions. Supported all resolutions including new LTI scheme as part of remuneration policy.
- **Gold Fields**: Governance roadshow covering board composition, remuneration, environmental targets, safety and workplace culture. Board restructured oversight framework following operational guidance misses in 2024.
- **Absa**: Annual governance roadshow meeting with the Board. Company recognised need to maintain momentum and meet return on equity guidance, with focus on improving Retail SA division performance.
- **Standard Bank**: Discussed remuneration and detailed discussion on financing of East African Crude Oil Pipeline. Changes made to remuneration scheme, with senior executives having more LTI than STI.

Q3 2025

- **Foschini**: Met with newly appointed chair of Remuneration Committee. Introductory engagement and discussion around once-off share appreciation rights granted in December 2024.
- **Alexander Forbes**: Governance roadshow ahead of AGM to evaluate revised remuneration policy, especially new cash-settled LTI plan. Supported all resolutions except remuneration policy.
- **Boxer**: Proactive meeting with Chairman of Remco on executive remuneration policy. While they voted in favour at 2025 AGM, certain issues needed to be addressed.
- **Sasol**: FY25 results roadshow to understand revised company strategy, including decarbonisation strategy following Capital Markets Day in May 2025. New management remains committed to 2030 target with more pragmatic approach.
- **Exxaro**: Discussed shortcomings of disclosure on capital allocation framework, remuneration policy integration with transition plan and memoranda of understanding signed with various parties. Company committed to releasing revised policy in first half of 2026.
- **BHP**: Update on operational decarbonisation progress. Company explained lowered total decarbonisation spend due mainly to viability of battery-electric mining fleet.

Private market equity investments

Sygnia Oxford Science Innovation Fund

Impact investing

Oxford Science Enterprises (OSE) is an independent investment company created in 2015 to use cutting-edge research and science to build world-changing businesses through their partnership with the University of Oxford. Under this 15-year agreement with the university, OSE receives a stake in all new spin-outs from the science departments.

Prioritising innovation, Sygnia offers investors access to businesses that have the potential to positively shape the world.

The Sygnia Oxford Science Innovation Fund provides access to the shares of Oxford Sciences Innovation plc (OSI), a platform that owns a portion of founders' shares in all spin-out companies originating from the University of Oxford. The OSI Fund deploys 100% of its capital to generate socially impactful and sustainable long-term returns, where exceptional performance goes hand-in-hand with changing lives by making the previously unaffordable and unachievable a reality.

The University of Oxford has a rich spin-out history, with a substantial increase over the past 10 years. This partnership provides a pipeline of future deals in the sphere of biosciences and technology-driven innovation. Prior to 2014, Oxford spin-outs averaged four to five companies per year, but they now average between 10 and 30 per year.

2025 OSE portfolio performance, updates and highlights

As of 30 June 2025, OSE's portfolio was valued at approximately £977 million, delivering a robust internal rate of return of 14% since September 2015. The company's overall net assets grew by 8.33% from December 2024 to 30 June 2025, increasing from £1.08 billion to £1.17 billion. Consequently, the net asset value (NAV) per share rose to £1.50 in June 2025.

OSE maintains a strong financial position, with an estimated £178 million in cash available for future investments or to support its existing portfolio companies.

The portfolio is poised to benefit significantly from powerful external developments that promise to unlock capital and strategic support.

- **Mansion House Accord**: This voluntary agreement by the 17 largest British defined contribution pension funds to allocate 10% of funds to alternative assets is projected to unlock £50 billion in capital. This aligns directly with the government's stated priority of directing growth finance to Britain's world-leading science and technology businesses.
- **Ellison Institute of Technology (EIT)**: A significant investment by Larry Ellison, one of the world's richest individuals, through the EIT brings billions of pounds of committed capital to numerous projects in Oxford. This massive, focused investment validates the ecosystem and is expected to further catalyse growth over the next five years.
- **Financial Conduct Authority (FCA) regulatory approval**: As of 1 August 2025, OSE Manager Limited became authorised and regulated by the FCA as an alternative investment fund manager (AIFM). OSE Manager Limited, a wholly owned subsidiary of Oxford Science Enterprises plc (OSE), has been appointed as the AIFM of OSE.

After a decade of science, spin-outs and slow NAV, OSE may be at the long-anticipated inflection point at which patience looks like foresight rather than punishment. The acquisition of Oxford Ionics (OI) definitely suggests so.

Oxford Ionics

The most significant event for OSE and Braavos, a UK-based venture capial firm [TC24]in 2025 was the acquisition of Oxford Ionics by IonQ for a total consideration of $1.075 billion. IonQ, the first listed pure-play quantum computing company, went public via a special purpose acquisition company in 2021 and has since pursued an ambitious acquisition strategy, including the purchases of quantum networking specialists such as Qubitekk, ID Quantique and Lightsynq.

This is IonQ's first acquisition of a quantum computing competitor, and Oxford Ionics' technology has already been integrated into IonQ's core roadmap. IonQ will utilise Oxford Ionics' chips through 2026 and 2027 and expects to deploy its own interconnect technology from 2028 to link multiple Oxford Ionics chips for further scaling. This positions IonQ with one of the most ambitious development plans in the quantum computing industry, with a roadmap that – if achieved – could render current public-key cryptography methods obsolete.

The transaction was completed on 16 September 2025, with OSE receiving 5.773 million IonQ shares at an implied price of $41 per share (based on the 20-day volume-weighted average price). IonQ's share price increased significantly over subsequent weeks, closing at $63.59 on 30 September 2025.

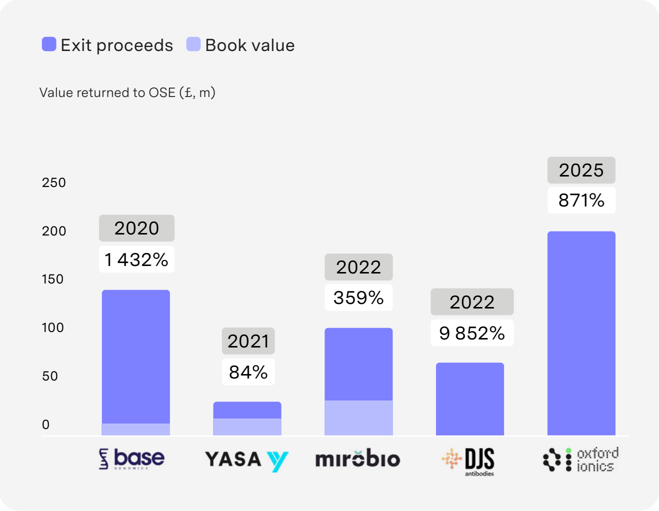
In OSE's Q2 results, the estimated proceeds from the sale of Oxford Ionics were £175 million, contributing to a published NAV of 150p. Based on the 30 September share price, the estimated proceeds from the transaction would rise to £270 million, representing an additional 8p or approximately 5.4% uplift in NAV per share to 158p.

While these developments are encouraging, the ultimate value realised will depend on IonQ's share price at the time of exit. OSE continues to monitor the position and is evaluating strategies to preserve maximum shareholder value while fulfilling all obligations under the relevant transaction agreements and Securities and Exchange Commission regulations as a recipient of shares in a US-listed entity.

Since the transaction announcement on 9 June, IonQ's stock has traded with strong liquidity, averaging 20–25 million shares daily, and the company recently secured the largest institutional investment in quantum computing history – a $1 billion equity deal from Heights Capital at a 25% premium to market, with a further $3.6 billion possible through warrants. With $1.68 billion in cash now on hand, IonQ is well positioned to scale to two million physical qubits by 2030, advance quantum networking capabilities and deepen strategic partnerships with Amazon, Nvidia and AstraZeneca.

OSE remains confident that this transaction strengthens its portfolio exposure to one of the most promising frontiers in deep technology and reinforces its strategy of supporting world-leading science spun out of the University of Oxford.

As with other previous successful exits, the acquisition was at a significant multiple of its value on OSE's books (>8x).



*Estimate for Oxford Ionics added

The next wave of spin-outs from Oxford is progressing well, with a robust and diverse pipeline of new ventures moving toward independent company formation. Four companies were launched across sectors in the first half of 2025, including pet care, neuroinflammation and sleep apnoea, with an additional company spinning out shortly after the mid-year mark. The companies include:

- Acionna, which targets neuroinflammation (a key factor driving neurodegeneration in diseases such as Alzheimer's, Parkinson's and amyotrophic lateral sclerosis) through small molecule modulators that influence the complement pathway.
- Notos, announced shortly after the quarter ended, which uses non-invasive neuromodulation technology to treat sleep apnoea. Originating from the Uncover programme, which supports early-stage exploratory research prior to company formation, Notos received funding from the OSE investment teams to conduct two first-in-human pilot studies with healthy volunteers. These studies demonstrated that non-invasive stimulation could activate positive movement in the tongue and upper airway, critical for treating sleep apnoea without resorting to surgery or implantable devices.

The portfolio hit new milestones and announced more partnership deals, including:

- **Quantum Motion Technologies (QM)** was selected for the UK Research and Innovation's £97 million "Prosperity Partnership" between industry and academia. Working alongside the National Physical Laboratory and the University of Strathclyde, QM will focus on overcoming a critical bottleneck for scaling quantum computers: running control electronics under extreme cryogenic conditions. This breakthrough is essential for developing commercial-scale quantum processors.
- **Oxford Quantum Circuits** partnered with Riverlane to launch the UK's first quantum error-corrected testbed integrated with high performance computing, a key milestone for fault-tolerant quantum systems.
- **Neu Health**, a smartphone platform for Parkinson's disease and dementia, announced after quarter end that it had received FDA clearance for its smartphone-based tremor measurement module, which aims to quantify tremor in adults with mild to moderate Parkinson's disease. The FDA clearance marks the company's formal entry into the US market.

Top 5 portfolio companies by fair value at 30 June 2025

	Oxford Ionics	Osler	Refeyn	Alloyed	Omass Therapeutics
Sector	Deep tech	Health tech	Life sciences	Deep tech	Deep tech
Description	Developing world-leading quantum computers with electronics integrated directly into the ion trap chip by combining the best of photonic and microwave technology	Transforming healthcare by providing lab-quality diagnostic testing to anyone, anywhere, any time	A new generation of low-cost scientific instrumentation, allowing faster, more granular insights into molecular structure	Design and additive manufacture of high-performance metallic components to industrial, next-gen electronics and medical sectors	Pre-clinical biotech company leveraging a differentiated native massive specialised. drug discovery platform to unlock previously “undruggable” targets
Enterprise value	£782m	£361m	£252m	£131m	£172m
OSE initial cost	£8.7m	£44.9m	£29.7m	£28.9m	£30.6m
OSE stake	£175m (23%)	£92.6m (26%)	£71.5m (28%)	£43.2m (33%)	£36.8m (21%)
Milestones to date	Awarded contracts from NQCC (c. £5m) and Germany's Cybersecurity Agency (€13m) Achieved 4 world records: highest performance quantum gates, fastest and most accurate quantum network, longest quantum memory time and fastest ion-trap gate clock speed	Osler Origin was delivered, tested and audited in 2022 25 patent families provide multi-layered IP protection	500+ instruments installed Global coverage across Europe, APAC, America	Impressive blue chip customer base: Boeing, Microsoft, Google, Meta, Ferrari, Ministry of Defence, Anglo American 50% compound annual growth rate over the last two years	Lead MC2 programme pre-clinical candidate nomination achieved 2024 3 further pipeline programmes targeting high-value G protein-coupled receptors, solute carriers: 1 in candidate selection, 2 in lead optimisation
	Partnering with Infineon for chip manufacturing	Technology performance verified by leading strategic diagnostic which led series C	Inclusion in US and UK guidelines on viral vector characterisation	Opened a manufacturing facility in Seattle with Boeing	Delivered on platform validation, where native mass spec has identified novel binding interactions

2025 Braavos portfolio performance, updates and highlights

Impact investing

Accessed through the Sygnia OSE Fund, the Braavos funds have exposure to all the spin-outs originating from OSE. The Braavos Capital II Fund has a more concentrated exposure to certain investments, some of which are highlighted below.

As mentioned, the most important event for Braavos during the second quarter was the acquisition of IonQ, sitting as the largest position in the Braavos portfolio.

Braavos Capital II is participating in new financings for OxCCU and SpyBiotech and has made an additional investment in Salience Labs' Series A extension.

Salience Labs

Salience Labs is a deep tech company focused on developing photonic solutions for next-generation AI infrastructure.

Modern data centres suffer from a fundamental flaw: the need for repeated optical-electrical-optical (OEO) conversions at every switch. This process, where fast fibreoptic data must be converted to an electrical signal for switching and back again, is both a major source of energy waste and a crippling latency bottleneck for intensive AI workloads. Salience Labs is deploying deep tech optical switches that direct data in its native optical state, removing the need for OEO conversions. This innovation would reduce latency and power consumption, resulting in faster training times and lower costs for AI workloads.

In March 2025, Nvidia unveiled its Spectrum-X and Quantum-X "photonic networking switches" at its annual GPU Technology Conference. Although this is a strong proof point that the trend is to photonics, these are simply traditional electrical switches with transceivers (doing the conversions) directly integrated onto the switch chip. While this increases efficiency, it is still fundamentally an electrical switch that requires costly conversions. The real breakthrough will be a move from the electrical chip to a fully optical switch. During an informal encounter at Chequers, Nvidia CEO Jensen Huang remarked to Salience CEO Vaysh Kewada that "What you're building will be needed."

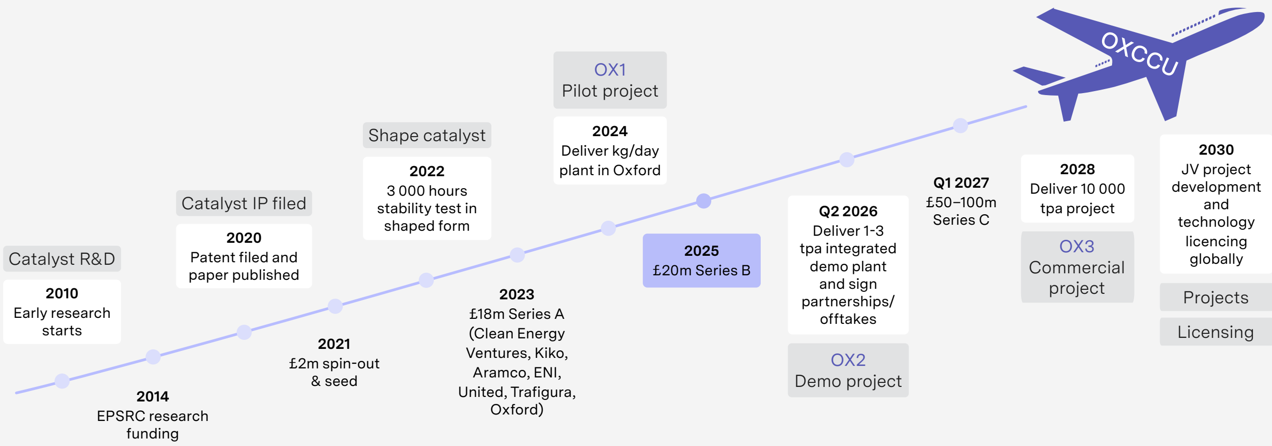
OXCCU

OXCCU is a deep tech leader in carbon capture and utilisation (CCU), focusing on a catalytic breakthrough to make sustainable, drop-in jet fuel and other hydrocarbons from carbon dioxide and green hydrogen at a commercially viable cost.

The climate tech market suffered in 2025 due to a combination of general tariff-related economic uncertainty, lower oil prices and the Trump administration's reversal of key climate policies. Green hydrogen, a critical input for OXCCU's original pathway (power-to-liquid or PTL), remains expensive, driven by persistently high electricity prices in Europe and slow progress on subsidy support and infrastructure scale-up for hydrogen plants. This has led OXCCU to parallelise development of the gas-to-liquids (GTL) pathway, which uses biogas as a feedstock instead of green hydrogen. This is not a significant deviation, as the same catalyst can be used (just slightly tweaked). OXCCU has carried out two techno-economic analyses, demonstrating advantage over traditional approaches for both the PTL and GTL production pathways.
The advantages of both approaches are that they require 50% less capital expenditure and lower energy and greenhouse gas emissions than other sustainable aviation fuel processes.

OXCCU is now raising a £20M Series B to manufacture the catalyst at volume and develop OX2, an end-to-end demo plant for both PTL and GTL pathways.

Pathway to scale-up



Source: Oxxcu -https://www.oxccu.com/about

SpyBiotech

SpyBiotech is a clinical-stage biotechnology company focused on revolutionising vaccine development using its proprietary, next-generation platform technology.

Spy has continued to produce high quality trial data in its virus-like particle vaccine designed to combat human cytomegalovirus (HCMV), a leading cause of stillbirths and birth defects. The market is waiting for the real-world efficacy read-out from Spy's Phase 3 trial before deciding on the merit of Spy's programme relative to Moderna's more clinically advanced competitor – Spy's data offer a superior safety profile and comparable immunogenicity (measured levels of antibodies produced by the vaccine). The Moderna data have been delayed twice and are expected around the end of this year.

Spy's second programme on Epstein-Barr virus has produced early data demonstrating in vivo pre-clinical protection.

Wild Bioscience

Wild Bioscience specialises in crop genetics, integrating evolutionary biology, AI and precision breeding to address the challenges of climate change on food production. Its mission is to develop climate-resilient, high-yielding crop varieties to enhance global food security and agricultural sustainability.

Wild Bioscience achieved significant momentum and positive results in the first half of 2025, marked by technical advancements and crucial scaling of field trials.

- **Platform acceleration**: The AI platform demonstrated sustained high productivity, rapidly generating new trait concepts that are being efficiently validated via the proprietary cell screening platform.
- **Proven trait performance (Solar-1)**: The company now possesses nearly three seasons of consistently positive growing data for the Solar-1 trait in wheat, which has repeatedly demonstrated a 20% increase in yield.
- **Pipeline expansion (Solar-2)**: A key new yield trait, Solar-2, was advanced to its initial field trial stage. This trait is distinct from Solar-1 and carries the potential to independently boost crop productivity by 10–15%.
- **Geographic expansion**: Wild initiated its first multi-location trials in the United States, launching soy field trials across six different sites.

Conclusion

The past year has witnessed a remarkable convergence of political stability and environmental progress in South Africa. We take immense pride in the strides made to building a more equitable society and a resilient, inclusive economy.

Following the COP29 summit in Baku last November, we are encouraged by the progress made in advancing climate finance and fostering global cooperation to address climate change. As the world now turns its attention to COP30 in Belém, Brazil, we remain hopeful that these efforts will translate into tangible, lasting solutions for a sustainable future.

At Sygnia, 2025 has been another year of growth and innovation. We have introduced exceptional products that invest in companies dedicated to making a positive impact on the world. Our unwavering commitment to community development through corporate social responsibility initiatives and employee-driven programmes continues to reflect one of our core values: to foster a positive, purpose-driven culture within our organisation.

As reflected in one of Sygnia's mantras: "When it comes to choosing between doing well and doing good, there is only one path."

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