ASISA

2026 Industry Transformation Report

Transformation that works.

Evidence, Impact and the Road Ahead

Covering the period 2018 - 2025

Transformation That Works
Evidence, Impact and the Road Ahead

We are proud to present the 2026 ASISA Industry Transformation Report, now in its fifth edition. Drawing on eight years of data, covering the period from 2018 to 2025, the report provides a rigorous and consistent record of how the savings and investment industry is performing against the Financial Sector Code. However, this year it is more than a measure of progress. It offers an evidence-based perspective, informed by **eight years of implementation and contributes to the national conversation about the future of transformation in South Africa**.

This conversation is more important than ever. Transformation and Broad-Based Black Economic Empowerment remain the subject of active debate, while the policy and regulatory environment is becoming increasingly complex. Reforms are being proposed across employment equity, preferential procurement, enterprise and supplier development, consumer financial education and skills development. Alongside these developments, there is a growing emphasis on mandatory targets and more centralised approaches to implementation.

Business is also facing a hard and a legitimate question. **Has transformation delivered enough, quickly enough?**

This report does not approach that question through a selective lens. Instead, it presents a balanced picture of the substantial progress achieved and challenges that remain. Black ownership has increased significantly. Billions of rand have been invested in skills, enterprise and supplier development, procurement, financial education and communities. Black-Owned enterprises have gained access to supply chains and capital, and transformation programmes have reached individuals and businesses across the country.

But progress has not been uniform. Leadership transformation remains a persistent challenge, particularly at executive and senior management levels, and developing the specialist skills pipelines required to accelerate change takes time. Both realities matter.

For our industry, transformation is not a grudge or a compliance obligation. **It is a strategic imperative.** A more inclusive and representative financial sector strengthens our businesses, broadens economic participation and contributes to the economy on which our clients and members depend.

That is why the savings and investment industry enters the policy debates ahead not as a sector seeking to resist transformation, but as a committed partner. We have seen what has worked, honestly recognise where progress remains insufficient, and bring practical experience that can help shape a more effective path.

What the evidence shows

The report measures the performance of ASISA member Life Offices and Asset Managers against the Amended Financial Sector Code over the period 2018 to 2025. Built on externally verified Broad-Based Black Economic Empowerment (B-BBEE) scorecard data, it provides a consistent evidence base for assessing transformation progress across the industry over time.

The evidence points to an industry making measurable progress across most elements of the Code.

Black Equity Ownership remains among the strongest-performing elements, with both Life Offices and Asset Managers exceeding the Code's ownership targets. Strong performance is also evident across **Enterprise and Supplier Development, Preferential Procurement, Consumer Financial Education and Socio-Economic Development**, reflecting sustained investment in economic participation, Black-Owned enterprises and financial inclusion.

Persistent challenges remain in **Management Control, Employment Equity and parts of Skills Development**, particularly at senior leadership levels. These are not presented as footnotes to an otherwise positive story. They are part of an honest assessment of transformation and help explain the industry's continued focus on strengthening long-term skills and leadership pipelines.

The scorecard numbers only tell a part of the story.

Behind the data is an industry managing approximately **R7 trillion in assets**, with the transformation dataset covering approximately **85,000 employees**. Each year members invest billions of rand in skills development, enterprise growth, procurement, consumer financial education and socio-economic development.

The impact stories featured later in this report bring this work to life. They show businesses being built and expanded, people entering specialist careers, women participating more meaningfully in the economy, communities gaining access to financial education, and capital being deployed to support broader social and economic outcomes.

The evidence provides more than a record of progress to date. It offers a basis for considering the future direction of transformation policy.

The road ahead: four positions

South Africa does not lack transformation ambition. The challenge increasingly lies in ensuring that the policies and instruments designed to advance transformation are aligned and reinforce one another, rather than creating contradictions.

The Forward View in this report examines this changing landscape in detail. It focuses on four areas where reforms now have significant implications for the savings and investment industry and for broader transformation.

Our positions at a glance are:

REFORM	THE INDUSTRY'S POSITION
TRANSFORMATION FUND	**Complementarity, not substitution.** The industry supports the developmental objective of expanding effective Enterprise and Supplier Development (ESD) programmes and recognises that a national mechanism could strengthen delivery where sectors or companies lack the capacity to implement effectively. However, the savings and investment industry brings more than fifteen years of ESD implementation experience, together with established fund-management capability, governance structures and programmes combining capital, business support, market access and procurement linkages. The proposed Transformation Fund should therefore **complement rather than displace proven sector-specific models.** Existing ESD programmes and contributions to the Transformation Fund should receive **equivalent scorecard recognition**, ensuring the choice of pathway is driven by developmental impact rather than point scoring incentives.
PREFERENTIAL PROCUREMENT	**Expand participation without narrowing opportunity.** The industry supports using the state's substantial procurement power to advance transformation and grow Black-Owned enterprises. Its concern is that an increasing emphasis on **100% Black ownership** could unintentionally narrow the qualifying supplier base, weaken the established 51% majority-Black-Owned standard and penalise businesses that have responsibly diluted ownership to raise development, venture or impact capital to grow. **The 51% majority Black ownership standard should remain the baseline, with 100% Black ownership recognised as a premium tier**, while B-BBEE certification preserves incentives across the broader transformation scorecard. Procurement reform should build scalable Black businesses, not create incentives for them to remain small or avoid growth capital.
EMPLOYMENT EQUITY	**Ambition must be matched by capability.** The industry supports employment equity without qualification and acknowledges that transformation at senior leadership levels remains insufficient. The challenge is ensuring targets are informed by meaningful consultation, supported by transparent sector analysis and aligned with the available pipeline of suitably qualified professionals. Employment Equity and Skills Development policy must reinforce one another. South Africa cannot sustainably transform specialist occupations without building the pipeline required to fill them.
SKILLS DEVELOPMENT	Better returns require better design. The industry invests significantly in skills and supports reform of the national skills development system. It seeks a more demand-led model with stronger governance, accountability and alignment between levy-funded programmes and the scarce and critical skills employers require. Skills policy should be judged by results. True success cannot simply be measured by the volume of funding or programmes delivered, but by completion, employment absorption and the development of capabilities needed for a changing economy.

Across these four positions sits one consistent principle: Transformation is advanced through coherent, coordinated and consultatively designed policies that build on what works and what does not, rather than an accumulation of multiple mandates.

The industry does not argue for less transformation. Nor does it argue for the preservation of existing arrangements simply because they exist. **It argues for Transformation That Works.**

That means retaining and building on what works, reforming what does not, aligning new interventions with proven approaches and designing policy in consultation with stakeholders responsible for implementing it.

This is the proposition explored in detail in **The Industry Position: A Forward View.**

A record and a proposal

The 2026 report should therefore be read in two ways.

It is first **a record** drawing on eight years of independently verified evidence. It shows how transformation has advanced, where investment has produced measurable outcomes and the significant gaps that remain.

It is also **a proposal** calling for the next phase of transformation to be built on evidence, stronger implementation and greater coherence to an increasingly complex policy environment.

Government has a legitimate and necessary role in setting the legislative and policy framework for transformation. Industry has an equally important responsibility to implement, invest, measure outcomes honestly and contribute its experience to improving that framework.

ASISA and its members remain committed to both.

We offer this report not to defend the status quo, but to demonstrate what is possible, to be candid about what remains difficult, and to contribute practical evidence towards transformation that delivers lasting and inclusive economic impact.

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ASISA

ASISA at a glance

Membership **Overview**

ASISA represents most of South Africa's asset managers, collective investment scheme management companies, linked investment service providers, multi-managers and life insurance companies. Its members are the custodians of the nation's savings and investments.

The Industry's Economic Footprint

TOTAL NUMBER OF MEMBERS

113

~R7t

Assets managed by the industry ASISA represents

R5.2t

AUM held by ASISA life insurer members at the end of 2025 - exceeding R5 trillion for the first time

R4.58t

AUM in the local Collective Investment Schemes industry at the end of 2025

~85,000

Employees across participating members whose transformation data informs this report

R44.2bn

Death benefits paid by ASISA life insurer members in 2025

98%/83%

Share of Life Office / Asset Manager AUM represented in this report's data

PAYROLL **R56bn**

TOTAL PROCUREMENT / SUPPLY CHAIN ACTIVITIES **R77bn**

The scale of the industry gives it a responsibility and opportunity to contribute meaningfully to South Africa's transformation journey. By safeguarding the long-term savings of millions of South Africans, and managing assets approaching R7 trillion, the industry is a significant participant in the national economy. Its transformation matters and so does its ability to drive transformation at scale. It is on this basis that ASISA engages as a committed and credible partner on matters of policy, regulatory reform, and economic transformation.

ASISA NPC B-BBEE standing

ASISA NPC is currently a Level 1 B-BBEE contributor, with a 135% B-BBEE procurement recognition, under the Amended Financial Sector Code.

Mission

To cultivate a culture of savings and investment in South Africa, while proactively representing members on policy, regulatory reform and issues of national priority, including economic transformation and inclusion.

Objectives

ASISA is committed to:

- Building a transformed, vibrant and globally competitive financial sector;
- Actively participating in education, transformation and social development;
- Encouraging South Africans to save and invest;
- Promoting transparency, accountability and disclosure;
- Placing consumers at the centre of the financial system by ensuring they are treated fairly;
- Encouraging ethical and equitable conduct across the savings and investment industry;
- Collaborating with government and industry stakeholders to foster a level playing field, healthy competition and sustainable economic growth;
- Engaging constructively on policy, regulatory and legislative developments affecting the financial sector.

2025 Key Highlights

LIFE OFFICES 2025

R579m *Total ESD Spend*	**R2.43bn** *Skills Spend*
R61.36bn *Total Qualifying B-BBEE Spend*	**77 541** *Number of employees*

ASSET MANAGERS 2025

R374m *Total ESD Spend*	**R420m** *Skills Spend*
R9bn *Total Qualifying B-BBEE Spend*	**7 822** *Number of employees*

Kaizer Moyane
Chief Executive Officer

Foreword
from the Chief Executive Officer

As we share with you the 2026 Transformation Report titled "Transformation that Works: Evidence, Impact and the Road Ahead", we are acutely aware that transformation and Broad-Based Black Economic Empowerment (B-BBEE) are being vigorously debated by government, political parties, the private sector and society. Central to this debate is whether the private sector is taking transformation seriously and moving the dial in a meaningful way in delivering Broad-Based Black Economic Empowerment.

Given that B-BBEE is the single biggest and most far-reaching socio-economic intervention aimed at cancelling out South Africa's historic inequalities and achieving broader ownership and economic participation, surprisingly little has been done to consistently and systematically track impact and progress across sectors.

In 2021, the ASISA Board recognised that this lack of credible data and research would ultimately hamper meaningful discussions around progress and, in turn, impact policy decisions. For this reason, ASISA embarked on an ambitious project to track our industry's collective transformation progress annually, measured against the framework of the Amended Financial Sector Code (FSC), which came into effect on 1 December 2017.

The FSC provides the South African financial sector with a clear roadmap for building on existing achievements in Black economic empowerment for the benefit of all stakeholders. The FSC is also the primary framework used to measure the financial sector's empowerment progress.

Now in its fifth edition, the 2026 Industry Transformation Report measures ASISA members' transformation progress over the eight years since the Amended FSC came into effect. We present this report as a record of evidence of what our industry has achieved, and as an honest account of the work that remains. Above all, it is a constructive contribution to the conversation about how South Africa can best accelerate transformation and achieve more inclusive and sustainable outcomes. Based on the research findings in this report, produced by a rigorous, independently verified methodology, I can confidently say that ASISA members have delivered meaningful change. This has been achieved because ASISA members do not see transformation as a burden, but as a strategic imperative that strengthens our businesses, benefits our clients, and ultimately drives economic growth.

This report celebrates our industry's biggest achievements, including significant shifts in ownership, to the extent that both life offices and asset managers continue to exceed the FSC's Equity Ownership targets year on year. At the same time, the report is candid about where our progress has lagged. Leadership transformation at board, executive, and senior management level has moved more slowly than ownership and closing that gap remains one of our industry's most important tasks. These are not failures of will. They are structural challenges, rooted in scarce specialised skills and the long timelines required to develop them. Structural challenges will not be solved by raising a target; they require sustained, well-designed efforts to develop long-term pipelines of Black talent.

That is why the direction of the policy framework matters. Targets and mechanisms imposed without consultation risk unintended consequences: additional complexity, reduced implementation certainty, and outcomes that fall short of the transformation objectives they are meant to advance. Consultative policymaking, by contrast, harnesses the knowledge of those who must implement it, and produces rules that work.

This edition includes, for the first time, a detailed overview of South Africa's complex and ever-evolving transformation landscape, highlighting the extent of the fragmentation across transformation policies and reforms. Researched and compiled by Lister Saungweme, ASISA senior policy advisor for Transformation, Skills Development and Education, this section outlines the risks posed by complex, overlapping requirements and misalignment of the policy framework.

We also share for the first time the collated feedback from ASISA members provided to the respective government agencies on various proposed interventions, together with our proposals. The Forward View section of this report is based on the mandated positions of our members, the formal submissions we have made, and our analysis of the evolving policy and legislative environment.

Government sets the legislative framework for transformation, and we fully respect that role. We therefore ask to be invited as trusted partners to help shape an operating environment that supports our transformation objectives, rather than hindering progress through unintended consequences.

The detailed data and inspiring impact stories that follow testify to our commitment to building a transformed industry that ensures a stronger, fairer financial future for the country and its citizens.

— Kaizer Moyane
Chief Executive Officer

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Research Objectives & Purpose

Setting the scene for the 2026 edition

Research Objectives & Purpose

The 2026 ASISA Industry Transformation Report is the fifth in this series. It gives a clear, eight-year view of how transformation has progressed in South Africa's formal savings and investment industry. This year's theme, Transformation that Works: Evidence, Impact and the Road Ahead, highlights the industry's progress and its commitment to building a positive path forward at an important moment in South Africa's transformation journey.

The report tracks progress over the period 2018 - 2025, covering ASISA members classified as Life Offices and Asset Managers, and builds on the foundational datasets of previous editions. This edition retains the established FSC benchmark spine while adding layers of analysis and insight that diagnose constraints, identify leverage points, and connect scorecard outcomes to the current policy environment. The benchmark itself is unchanged; what has deepened is the level of analysis brought to what it shows.

Purpose of the report

- To showcase the progress of ASISA members in advancing transformation across the key elements of the Amended Financial Sector Code (FSC, 2017).
- To identify persistent performance gaps across the B-BBEE Scorecard metrics and indicators.
- To complement quantitative B-BBEE scorecard data with qualitative case studies, illustrating how transformation initiatives are directly contributing to inclusive growth, access to financial services, job creation, and equity participation.

Scope of Analysis and Research Methodology

- The report includes B-BBEE scorecard reports and verification certificates issued between 1 January 2018 and 31 December 2025.
- It is based on externally verified, independently assured data submitted by ASISA members and aggregated by an independent research team.
- Analysis is segmented by industry groupings and sub-sectors: Life Offices, evaluated against eight FSC elements, and Asset Managers, evaluated against six FSC elements.
- This year's dataset covers approximately 98% of AUM for Life Offices and over 83% of AUM for Asset Managers who are ASISA Members, making the findings representative of the formal savings and investment industry.
- Life Offices are evaluated against eight FSC elements: Equity Ownership, Management Control (inclusive of Employment Equity), Skills Development, Preferential Procurement, Enterprise and Supplier Development, Socio-Economic Development and Consumer Financial Education, Empowerment Financing, and Access to Financial Services.
- Asset Managers are evaluated against six of these, as Empowerment Financing and Access to Financial Services apply to Life Offices, short-term insurers and banks only. The scorecards in this report visualise several of these elements at sub-element level for analytical clarity, which is why the individual scorecard tables display more columns than the eight and six headline elements. For the purposes of this report, "Consumer Financial Education" and "Consumer Education" (CE) are used interchangeably to refer to the same scorecard element.
- AUM figures refer to different scopes and may not be additive.
- Some figures may not sum exactly due to rounding.

Methodological continuity

The core measurement approach remains unchanged from prior editions. ASISA continues to assess member performance against the Amended Financial Sector Code using verified scorecard data for Life Offices and Asset Managers. This continuity preserves year-on-year comparability and is what gives the industry's transformation record its evidential weight. The 2026 edition adds qualitative and policy-oriented analysis, including impact stories and an industry-position section, but these additions do not alter the underlying scorecard methodology.

For visual clarity, the charts in this report display selected years across the reporting period. Data for 2019 and 2020, which are not shown in these charts, is held in ASISA's records and reflected in previous editions of the ASISA Industry Transformation Report.

Transformation context and regulatory alignment

This report aligns with current regulatory and strategic priorities, including:

- The Broad-Based Black Economic Empowerment (B-BBEE) Act
- The Amended Financial Sector Code
- The Employment Equity Act and related regulations, including the sectoral numerical targets framework
- The Skills Development Act
- The Financial Sector Conduct Authority (FSCA) Transformation Strategy

The research combines:

- Quantitative analysis of verified B-BBEE certificates and scorecard data across all elements of the FSC
- Qualitative analysis of submitted case studies, interviews, and member narratives
- Comparative trend analysis from 2018 through 2025 to track structural progress, regression, or stagnation in key transformation metrics
- Thematic framing based on current policy, regulatory developments, and national transformation discourse

The 2026 Industry Transformation Report offers an integrated picture of how ASISA members are delivering real transformation through both measurable performance and lived impact, and, for the first time, this year's report also sets out the industry's considered position on the policy choices that will shape transformation's next chapter.

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The Industry Position: A Forward View

The Case for Coherence and Four Policy Positions

Transformation in South Africa's financial sector is shaped by a set of frameworks rather than a single instrument or authority. Each is advanced by a different government ministry or regulator.

For over a decade the Financial Sector Code, administered through the Financial Sector Transformation Council, has provided the industry's primary framework for measuring transformation. The financial sector scorecard tracks transformation progress across several elements, including Black ownership, management control, employment equity, skills development, enterprise and supplier development, empowerment financing, access to financial services, socio-economic development and consumer financial education.

Although the B-BBEE Act and the Generic B-BBEE Codes are already in place, the past three to five years have seen a significant increase in transformation-related rules and policy activity. More rules are being added to an already-established framework, creating regulatory complexity and uncertainty. These changes include proposed reforms on employment equity, preferential procurement, enterprise and supplier development, consumer financial education, and the FSCA's emerging transformation strategy, which is expected to gain more relevance when the Conduct of Financial Institutions Bill is signed into law. The infographic and table below show how the transformation landscape is becoming more layered and why greater coherence and simplification is needed.

Lister Saungweme
Senior Policy Advisor:
Transformation, Skills Development and Education

South Africa's Evolving Transformation Landscape

Key policy and regulatory developments post the 2017 Financial Sector Code, especially in the last 5 years.

This landscape illustrates the layering of policy and regulatory instruments that interact with the Financial Sector Code. Each advances legitimate objectives. Coherence across this landscape is essential to maximise impact and avoid duplication or conflicting requirements.

FINANCIAL SECTOR CODE 2017

The industry's primary and consistent transformation measurement framework.

PUBLIC PROCUREMENT FRAMEWORK *(NATIONAL TREASURY)*

Public Procurement Act, 2024 and Draft General Public Procurement Regulations, 2026, preferential procurement, set-asides and ownership requirements.

EMPLOYMENT EQUITY FRAMEWORK *(DoEL)*

Sectoral numerical targets, employer plans, reporting and compliance certification.

FINANCIAL INCLUSION POLICY *(NATIONAL TREASURY)*

An Inclusive Financial Sector for All, 2023, deepening access and effective usage for individuals, households and SMMEs.

COMPETITION POLICY *(COMPETITION COMMISSION)*

Revised Public Interest Guidelines Relating to Merger Control, 2024, promoting participation and a greater spread of ownership.

CONSUMER FINANCIAL EDUCATION POLICY *(NATIONAL TREASURY)*

Draft National Consumer Financial Education Policy, 2026, coordinated national approach to financial education.

FSCA TRANSFORMATION STRATEGY *(FSCA)*

Strategy for Promoting Financial Sector Transformation, 2023, regulatory and supervisory approach; further phase linked to future COFI framework.

ENTERPRISE & SUPPLIER DEVELOPMENT POLICY / FRAMEWORK *(DSBD)*

Proposed policy or framework, 2026, clarifying the role of government and stakeholders in supporting SMME growth.

B-BBEE CODES AMENDMENTS & TRANSFORMATION FUND *(DTIC)*

Draft Code amendments, 2026, including Draft Statement 400 and proposed 3% NPAT contribution to the Transformation Fund.

SKILLS DEVELOPMENT REFORM PROGRAMME *(DHET)*

Reforming the skills system and SETA landscape, 2025 onwards, governance, realignment, workplace learning, funding reform and stronger alignment to labour market demand.

FSCA FINANCIAL EDUCATION CONDUCT STANDARD *(FSCA)*

Conduct Standard 1 of 2025, requirements for the design, governance, monitoring and reporting of financial education initiatives.

ESTABLISHED POLICY/ FRAMEWORK IN FORCE

DRAFT/PROPOSED POLICY OR INSTRUMENT

REFORM PROCESS UNDERWAY/FUTURE STATE

info

These instruments operate within their own mandates and timeframes, yet they touch the same transformation objectives and the same ecosystem of SMMEs, skills pipelines and inclusion outcomes.

Greater coherence. Lower complexity. Stronger impact.

INSTRUMENT	STATUS	RESPONSIBLE AUTHORITY	MANDATE AND OBJECTIVE	RELATIONSHIP TO THE FINANCIAL SECTOR CODE
AMENDED FINANCIAL SECTOR CODE, 2017	In force	Financial Sector Transformation Council, with the Code issued by the dtic under the B-BBEE Act	Measures transformation in key areas, including Black ownership, management control, employment equity, skills development, preferential procurement, enterprise and supplier development, empowerment financing, access to financial services, socio-economic development and consumer financial education.	The Financial Sector Code is the financial sector's primary framework for measuring transformation.
FSCA STRATEGY FOR PROMOTING FINANCIAL SECTOR TRANSFORMATION, 2023	Strategy finalised; To be implemented in a phased manner.	Financial Sector Conduct Authority	Sets out how the FSCA intends to support financial-sector transformation through its existing regulatory, supervisory and enforcement mandate, with a further phase associated with the future Conduct of Financial Institutions framework.	Introduces a regulatory and supervisory transformation role alongside the Financial Sector Code. Under the Conduct of the Financial Institutions framework, transformation considerations may become more relevant to licensing, supervision and regulatory requirements. While the strategy has been finalised; the implementation of the second phase is linked to future legislation. (FSCA).
EMPLOYMENT EQUITY AMENDMENT ACT, 2022; EMPLOYMENT EQUITY REGULATIONS AND SECTORAL NUMERICAL TARGETS, 2025	In force	Department of Employment and Labour (DoEL)	Advances equitable workforce representation through sectoral numerical targets, employment equity plans, reporting requirements and compliance certification.	Operates alongside the Financial Sector Code's Management Control and Employment Equity measurements, but under separate legislation, time horizons, definitions and enforcement mechanisms. This creates different targets and measurement approaches under the two frameworks. (DoEL)
PUBLIC PROCUREMENT ACT, 2024 AND DRAFT GENERAL PUBLIC PROCUREMENT REGULATIONS, 2026	Act enacted but not yet in force, regulations under consultation	National Treasury and the Public Procurement Office	Establishes a unified public-procurement framework, including preferential procurement, set-asides, prequalification, subcontracting and measures directed at categories of previously disadvantaged persons.	Introduces procurement-related ownership and eligibility requirements that may differ from thresholds recognised under the FSC and B-BBEE Codes. Some proposed rules require 100% black ownership of an entity. For high value contracts above R100 million successful bidding companies are expected to subcontract 25%-30% of the contract value to designated groups (National Treasury).
REVISED PUBLIC INTEREST GUIDELINES RELATING TO MERGER CONTROL, 2024	Guidelines finalised and in effect	Competition Commission	Evaluates the public interest impact of a merger and acquisition, including on employment and participation of small medium enterprises. It seeks to promote ownership of companies by historically disadvantaged people.	May require merger specific commitments on ownership, employee-shareholding, procurement, supplier-development or employment commitments when a merger takes place. These commitments are assessed by the Competition authorities, independent of the Financial Sector Code. (Government of South Africa).
DRAFT AMENDMENTS TO THE B-BBEE CODES OF GOOD PRACTICE, 2026, INCLUDING DRAFT STATEMENT 400 AND THE PROPOSED TRANSFORMATION FUND MECHANISM	Draft; public consultation concluded and finalisation pending	Department of Trade, Industry and Competition (the dtic)	Proposes amendments across the Generic B-BBEE Codes, including revisions to the Generic Scorecard, Preferential Procurement, Enterprise and Supplier Development, Qualifying Small Enterprises, specialised enterprises, definitions and related measurement statements.	Because the Financial Sector Code is expected to be aligned with the Generic Codes, substantive changes to the Generic Codes may require revisions to the Financial Sector Code. Proposed reforms include the introduction of 100% Black-Owned supplier recognition, the Transformation Fund and new Enterprise and Supplier Development measures could affect how transformation is measured and recognised across sectors. (the dtic).

INSTRUMENT	STATUS	RESPONSIBLE AUTHORITY	MANDATE AND OBJECTIVE	RELATIONSHIP TO THE FINANCIAL SECTOR CODE
TRANSFORMATION FUND FRAMEWORK, 2025 TO 2026	Policy framework published; implementation dependent on final regulatory and institutional arrangements	Department of Trade, Industry and Competition	Proposes a central platform to mobilise and channel public and private resources towards majority Black-Owned enterprises and SMMEs, supported by funding, technical assistance and centralised monitoring.	Seeks to restructure how Enterprise and Supplier Development resources are mobilised and deployed. Careful alignment with existing Enterprise and Supplier Development programmes and funding will be needed to prevent displacement, duplication and loss of functioning delivery models.
PROPOSED ENTERPRISE AND SUPPLIER DEVELOPMENT POLICY OR FRAMEWORK, 2026	Draft Stage and stakeholder consultation	Department of Small Business Development	Seeks to establish a broader policy framework for enterprise and supplier development and to clarify the role of government and other stakeholders in supporting SMME growth.	Its relationship with the B-BBEE Codes, the Financial Sector Code's Enterprise and Supplier Development element, the proposed Transformation Fund and existing sector-based ESD models remains unclear. Without explicit alignment, it could add another layer of reporting expectations and obligations. The Department of Small Business Development has established consultative forums on this matter.
AN INCLUSIVE FINANCIAL SECTOR FOR ALL: FINANCIAL INCLUSION POLICY, 2023	Final policy; implementation ongoing	National Treasury	Establishes South Africa's overarching financial-inclusion policy, with a focus on access, effective usage, consumer outcomes and the inclusion of individuals, households and SMMEs.	Overlaps with the Financial Sector Code's Access to Financial Services, Consumer Financial Education, Empowerment Financing and Enterprise and Supplier Development elements. The policy may influence future regulation, market practices and the financial-sector approach to transformation. (National Treasury).
FSCA CONDUCT STANDARD 1 OF 2025: REQUIREMENTS FOR FINANCIAL INSTITUTIONS PROVIDING FINANCIAL EDUCATION INITIATIVES	In force	Financial Sector Conduct Authority	Establishes minimum quality, governance, monitoring and reporting requirements for financial-education initiatives undertaken by financial institutions.	Creates a regulatory obligation alongside the FSC Consumer Financial Education element. While the Financial Sector Code measures transformation contributions and qualifying expenditure, the FSCA Conduct Standard regulates how financial education initiatives must be designed, governed and delivered. (FSCA).
DRAFT FINANCIAL EDUCATION COMMITMENT CHARTER, 2026	Draft Stage and stakeholder consultation	Financial Sector Conduct Authority	A voluntary commitment framework for the CEOs and leaders of financial institutions, setting four commitments that elevate financial education to a strategic, board-level priority: adopting and publishing a financial education plan, delivering to targeted groups, adhering to the Conduct Standard, and increasing measurable impact.	Sits above the FSCA Conduct Standard and links with the FSC Consumer Education element. It is intended to cater for all consumers, not only the FSC-specified target audience, extending financial education beyond the qualifying scope of GN500. (FSCA)
DRAFT NATIONAL CONSUMER FINANCIAL EDUCATION POLICY, 2026	Draft; under consultation	National Treasury	Proposes a coordinated national framework for consumer financial education in support of financial inclusion, consumer protection and improved financial capability.	Overlaps directly with the Financial Sector Code's Consumer Financial Education element and sits alongside the FSCA Conduct Standard. It may influence national priorities, target audiences, programme coordination, outcome measurement and the evaluation of industry-funded financial education activity. (National Treasury SA).
SKILLS DEVELOPMENT LEVIES ACT AND SETA LEVY, GRANT AND SECTOR-SKILLS-PLANNING FRAMEWORKS	Established statutory framework; plans and grant rules periodically updated	Department of Higher Education and Training, FASSET, INSETA and other relevant SETAs	Provides for skills levy collection, mandatory and discretionary grants, workplace skills planning and sector skills development.	Forms the statutory skills development system that institutions must navigate alongside the FSC Skills Development element. Differences in eligible expenditure, beneficiaries, reporting periods and programme requirements can affect how the same skills investment is recognised across the two frameworks.

Reading the landscape as a whole

These developments describe a regulatory landscape of growing fragmentation. Multiple frameworks, administered by different authorities and applying different measurement mechanisms and targets to the same or similar activities, create three practical risks. First, institutions face greater compliance complexity as they deal with overlapping and sometimes divergent requirements. This adds costs without any guarantee of better outcomes. Second, targets under different frameworks may not align with one another, or with the skills and market conditions required to meet them. This can make the targets unattainable and weaken the credibility of the framework. Third, new rules may cut across systems that are already working, creating the risk of displacing effective arrangements before a better alternative is in place.

The fragmentation creates regulatory risk. When well-intentioned policies are developed separately and without coordination, they can work against one another. This raises the cost of transformation without improving impact and, in the worst case, may undermine the very outcomes these policies were designed to achieve.

The cost of fragmentation is not only a compliance challenge for the industry. The Competition Commission's second Concentration Tracker Report, presented in May 2026, found that between a third and a half of the 228 sub-sectors it examined remain highly or moderately concentrated. It noted the need to open participation for small and medium enterprises as a way to reduce concentration. However, when policies are not properly coordinated, they may weaken the very outcomes the Competition Commission seeks to achieve. Instead of helping to grow the pool of SMMEs, different policies may end up channelling resources to the same small group of businesses that already qualify.

Policy coherence is a shared responsibility. Government needs to coordinate better across departments. At the same time, the Financial Sector Code needs to keep evolving with the times. There is a pending Financial Sector Code review aimed at updating the Code's targets and elements. However, due to delays, it is not expected to be finalised as quickly as industry stakeholders had hoped. This delay matters because, if the review of the sector Code remains open, other government departments may continue setting their own targets, on their own timelines, without reference to the Code that is meant to serve as the sector's anchor. Industry, together with the governance structures responsible for the Financial Sector Code, has a direct interest and responsibility to close that gap quickly, while continuing to call for better coordination across government.

From fragmentation to the industry's response

The answer is not less regulation, but better coordinated and properly consulted rules developed with stakeholders. Transformation policies should be aligned and should set targets that are realistically achievable.

The savings and investment industry does not intend to wait passively for that coordination to happen. ASISA is committed to engaging proactively with government departments and regulators, and to working with its members to shape a more coherent path forward rather than responding to fragmentation after the fact.

Each position that follows adopts a common structure. After outlining the policy context and summarising the reform, it presents the industry's reading of the evidence and a forward view. These perspectives do not restate consultation submissions. They draw on the savings and investment industry's practical experience of implementing transformation over many years, on the evidence presented in this report, and on ASISA's engagement across the transformation policy landscape to identify considerations that may strengthen implementation and improve long-term outcomes.

Four positions follow, each a specific application of the same principle: transformation is accelerated not by the multiplication of separate mandates, but by their coherent, coordinated and consultative design. They are presented in turn, beginning with the reform that most directly tests the relationship between new national mechanisms and the delivery models already in place: the Transformation Fund.

The Transformation Fund: Complementarity, not substitution

Context

The policy objective is legitimate and important. South Africa needs more successful Black-Owned enterprises, stronger supplier ecosystems and broader participation in economic activity.

Enterprise and Supplier Development (ESD) has become one of the country's most important transformation mechanisms. Under the B-BBEE framework, ESD has evolved from a compliance requirement into a strategic investment in enterprise growth. It recognises that sustainable transformation depends not only on ownership, but also on developing competitive businesses that can participate meaningfully in the economy.

However, the effectiveness of ESD has varied considerably. It has worked better in some institutions and sectors than others. Some industries have built strong governance frameworks, specialist delivery models and long-term enterprise development programmes. Others have not had scale, capacity, or technical capability to implement ESD effectively. These differences have led to uneven developmental outcomes and prompted renewed consideration of how enterprise development can be strengthened nationally.

It is in this context that the dtic has proposed the establishment of a Transformation Fund as part of the broader review of the B-BBEE Codes of Good Practice. Government is proposing the introduction of a central fund through which Enterprise and Supplier Development resources may be mobilised and deployed in support of majority Black-Owned enterprises and SMMEs.

It represents one of the most significant reforms to the Enterprise and Supplier Development framework since the introduction of the amended Codes. However it also raises an important implementation question: how can a national fund strengthen Enterprise and Supplier Development without displacing sector or industry-specific programmes that are already delivering measurable outcomes?

What the evidence shows

The savings and investment industry's perspective is based on practical implementation experience. Over the eight-year reporting period, ASISA members invested, on average, more than R814 million each year in Enterprise and Supplier Development. These investments were independently verified against the Financial Sector Code standards and show sustained support for Black-Owned enterprises in the industry's supply chains and in the wider economy.

The investment has extended well beyond finance. It has supported mature governance frameworks, specialist fund management capability, structured business support, technical assistance, mentorship and long-term partnerships. The industry experience has proven that enterprise development is not only about providing capital. It is also about building sustainable businesses through the combination of finance, capability, market access and institutional support.

Through the ASISA ESD initiative, the industry has developed a delivery model that combines patient capital with mentorship, procurement linkages, business development support and governance oversight. This sector-specific model is integrated with real procurement pipelines and has produced measurable outcomes for beneficiary enterprises over time.

The industry's broader transformation data illustrates the importance of maintaining these linkages. In 2025, participating ASISA members directed approximately R27.8 billion in procurement to 51% Black-Owned suppliers, R16.1 billion to 30% Black Women-Owned suppliers, and more than R10.4 billion to Exempted Micro Enterprise. Within the Life Insurance sector, procurement from Exempted Micro Enterprise increased from 8.7% in 2018 to 14.6% in 2025. While these procurement outcomes cannot be attributed solely to Enterprise and Supplier Development initiatives, they demonstrate the value of an integrated transformation approach in which enterprise development, procurement and long-term supplier relationships reinforce one another.

Experience shows that enterprise growth depends on a combination of finance, capability and market access, and not capital alone. This matters for the design of the proposed fund. A centralised mechanism may help address gaps where companies or sectors lack the capacity to run effective ESD programmes, but where credible delivery models already exist, the policy objective should be to reinforce them, not replace them.

The Industry Perspective (ASISA)

The industry has been running ESD programmes for more than 15 years. These programmes are structured, governed, independently verified programmes with long-term development pipelines. They are not tick-box exercises. They are delivery models that combine capital, business support, market access and governance in ways that reflect the practical realities of enterprise growth.

The proposed Transformation Fund seeks to address a real gap: particularly with sectors and companies that lack the capacity, expertise or infrastructure to run effective ESD programmes. That gap exists and should be closed. But the savings and investment industry does not have the problem the fund is seeking to solve. It already has the governance frameworks, delivery models, beneficiary relationships and sector knowledge that a centralised fund would take years to replicate, if it could do so at all. The industry says this not to oppose the Transformation Fund, but to be clear about what is at stake: displacing programmes that are working will not advance transformation. It risks setting it back.

The policy question is therefore not whether the industry should support the Fund. The issue is how the Fund should be designed so that existing capacity is strengthened and not pushed aside.

The industry's specific concern is that scorecard design (as proposed in the Draft Amended 2026 Generic codes) could unintentionally make existing programmes less viable.

If contributions to the fund receive better recognition than direct ESD activity, capital may be redirected away from proven delivery models. This would not happen because the fund delivers better outcomes but because it carries a scoring advantage. That would not accelerate transformation. It would substitute functioning implementation capacity with a centralised mechanism whose outcomes are still untested.

Strong governance will also be central to the Fund's credibility. Institutions contributing capital have a legitimate interest in how that money is governed, allocated, monitored and reported. The industry's experience in managing pooled investment vehicles shows that governance, transparency and accountability are not administrative details. They are essential for trust.

Private-sector participation in the fund's governance must therefore be meaningful, not symbolic. Beneficiary selection must be transparent. Outcomes must be independently monitored and the use of pooled deployment of pooled private-sector capital must meet standards of accountability that contributors, beneficiaries and the public can trust.

The industry comes to this discussion not as an arm-chair critic, but as a practitioner. It understands how capital is intermediated, what enables ESD programmes to succeed and where implementation challenges arise. This experience is not offered as a bargaining position, but as practical evidence to assist in with the design of a solution that can deliver the outcomes South Africa needs.

A Forward View

The central policy question is not whether enterprise and supplier development should be strengthened. It should. The question is how additional institutional mechanisms can complement and enhance those already delivering measurable results.

ASISA proposes that:

- Recognition should be equalised. Contributions to the Transformation Fund and standard/existing ESD initiatives should receive equivalent scorecard recognition. The choice between the two should be motivated by the developmental impact or other considerations rather than by a scoring premium that makes one mechanism commercially preferable irrespective of outcomes.

- The Transformation Fund should complement proven delivery models and not replace them Sector-specific ESD programmes, such as the ASISA ESD initiative and numerous member-led initiatives, are independently verified under the Financial Sector Code and have demonstrated measurable developmental outcomes over many years. Their effectiveness lies in sector-specific knowledge, robust governance frameworks, and delivery models that integrate finance, mentorship, technical assistance, procurement opportunities and access to markets. These capabilities have been developed over many years and should be recognised as a strategic asset for South Africa's ESD programmes. The Transformation Fund should build on these strengths and not unintentionally displace them.

- The fund's target market should be clearly defined. The fund should focus on sectors, enterprises and contexts where ESD capacity is weak or absent. It should not draw resources away from functioning programmes.

- Governance must meet fiduciary standards. The fund should have strong independent oversight, transparent beneficiary selection criteria, independent monitoring and clear public accountability for the deployment of pooled private-sector capital.

- Implementation should be responsibly sequenced. The Fund should not take full effect until its governance framework is complete and the consultation and concept-paper process is concluded. The relationship between the Fund and the National Empowerment Fund must also be clearly defined.

ASISA is ready to engage with the relevant stakeholders within the dtic on these issues. Drawing on its members' experience in managing pooled investment vehicles, building SMME capacity and connecting capital to market access, ASISA believes a well-designed ESD ecosystem can strengthen transformation.

Preferential Procurement Reform: Expanding participation without narrowing opportunity

Context

This is not a position against transformational procurement. It is a view against reform design that may produce less transformation than government intends.

Preferential procurement is one of South Africa's most powerful instruments for broadening economic participation. When it is well designed, it creates market access for Black-Owned enterprises, women-Owned businesses, SMMEs and other designated groups; strengthens supplier diversity; and builds durable commercial relationships between the State and historically excluded businesses. Government procurement is estimated at approximately R1 trillion annually, representing between 12% and 15% of GDP. It is one of the most consequential levers available for structural transformation. But its impact depends on design. A framework that narrows qualification to a much smaller pool of 100% Black-Owned enterprises, without evidence that the supplier base can absorb the shift, risks concentrating opportunity rather than broadening it.

The current reform process raises an important question about policy coherence. National Treasury's Draft General Public Procurement Regulations and the dtic's draft amendments to the B-BBEE Codes are both intended to advance transformation. For more than two decades, the established B-BBEE framework (Republic of South Africa, 2013) has recognised 51% Black ownership as the majority-ownership standard for a Black-Owned enterprise (the dtic, 2013). However, both reform processes now introduce a stronger emphasis on 100% Black ownership. However, both reform processes now introduce a stronger emphasis on 100% Black ownership.

In the dtic's case, the proposed amendments introduce recognition for 100% Black-Owned supplier expenditure under the B-BBEE procurement scorecard. In National Treasury's case, the draft procurement regulations propose 100% ownership thresholds in certain public procurement contexts. These proposals do not work in exactly the same way, but they point in the same direction. They may give stronger preference to 100% Black ownership without sufficient evidence that the supplier market can absorb the shift, or that the trade-offs for broad-based transformation have been fully considered.

The concern is not that 100% Black-Owned suppliers should be recognised. Rather, the concern is that the proposed approach may narrow the meaning of transformation by treating 100% Black ownership as the primary goal. This could unintentionally weaken the established 51% ownership standard, reduce incentives to pursue transformation across the broader B-BBEE scorecard, and penalise enterprises that use legitimate equity partnerships to grow while moving towards majority Black ownership.

The Public Procurement Act, 2024 (Republic of South Africa, 2024) and the draft regulations represent an important milestone in procurement reform. The industry supports the objective of using public expenditure to advance transformation, industrial development and inclusive growth. The policy question is not whether procurement should contribute to transformation. It should. The question is how procurement frameworks can expand participation while remaining aligned with the broader B-BBEE architecture that has made empowerment broad-based rather than narrow.

One risk is that replacing B-BBEE certification with a single ownership threshold as the key gateway to state contracts could weaken the commercial incentive for companies to invest across the broader B-BBEE scorecard. For more than two decades, access to procurement opportunities has encouraged companies to invest not only in ownership, but also in skills development, employment equity, enterprise development, management control and supplier development. If procurement access is determined primarily by a single ownership percentage, other elements of the scorecard risk losing traction. For example, what would be the value of the compliance certificate issued by the Department of Employment and Labour under Section 53 of the Employment Equity Act for, among others, meeting EE targets in order to do business with the state?

What the evidence shows

The savings and investment industry's procurement record shows the scale and value of the existing framework. In 2025, participating ASISA members reported more than R70.2 billion in preferential procurement expenditure. Of this, R27.8 billion was directed to 51% Black-Owned suppliers, while R16.1 billion supported 30% Black women-Owned enterprises. Procurement from EMEs and QSEs exceeded R20.1 billion.

This spending is independently verified annually under the Financial Sector Code. It is not simply a compliance calculation, but part of a functioning supply chain development system that creates revenue, builds commercial relationships and strengthens the competitiveness of Black-Owned enterprises.

Industry experience shows that procurement is most effective when it is integrated with ESD. Market access, business development and long-term commercial relationships reinforce one another to create sustainable opportunities for Black-Owned enterprises. Successful suppliers are not only supported through preferential purchasing. Over time, they are progressively integrated into competitive supply chains where they can grow, innovate and create employment.

The proposed reforms introduce a material design risk. Both the dtic and National Treasury proposals place greater emphasis on 100% Black ownership, although through different mechanisms. The dtic proposes to recognise spending with 100% Black-Owned suppliers within the B-BBEE procurement framework. National Treasury proposes 100% ownership thresholds in certain public procurement contexts.

The industry's concern is not that 100% Black-Owned enterprises should be recognised. They should be. The concern is that 100% ownership may become the practical gateway to procurement opportunity, instead of being a premium level above the established 51% baseline. Unless there is evidence that the supplier base can support this shift, procurement opportunities may become concentrated within a much smaller pool of suppliers rather than broadening participation across the economy.

The practical consequence is clear. A majority Black-Owned enterprise that attracts development finance, venture capital or impact investment in order to scale may dilute its ownership below 100%. Under a rigid 100% threshold, that business could lose access to the public procurement opportunities, even though it has grown in precisely the way transformation policy encourages.

There is also an investment dimension. ASISA members manage assets on behalf of beneficiaries and must operate under fiduciary obligations. South Africa's infrastructure ambitions, including those reflected in the Medium-Term Development Plan 2024 to 2029 (DPME, 2025), depend in part on mobilising private capital into government-linked instruments, infrastructure bonds, blended finance vehicles and public-private structures. If the procurement framework is unpredictable, too discretionary or applied inconsistently, it may reduce investor confidence and work against the state's own growth and infrastructure objectives.

The Industry Perspective (ASISA)

The savings and investment industry recognises the important role procurement can play in transformation and supports the objectives of the proposed reforms. The concern is that the design of the reforms may unintentionally narrow participation, weaken the B-BBEE framework and reduce the investment certainty needed for public-private growth.

In the industry's view, an effective procurement framework should allow as many competitive Black-Owned enterprises as possible to participate meaningfully in the economy. This requires targets that are ambitious, but realistic when measured against the actual depth of the supplier market. It also requires recognition of enterprises built through majority Black ownership, joint ventures, employee share schemes, equity partnerships and other broad-based structures.

Against this standard, the industry has identified five key concerns:

- First, the growing emphasis on 100% ownership may narrow the broad-based design of B-BBEE. The established B-BBEE framework has treated 51% Black ownership as the majority-ownership standard, while recognising higher levels of ownership where appropriate. The concern is that proposed reforms by both the dtic and National Treasury increasingly privilege 100% Black ownership, either through enhanced procurement recognition or qualifying thresholds, without adequately assessing the trade-offs for supplier-market depth, equity funding and broad-based transformation.
- Second, the qualifying supplier pool may be too narrow. A stronger emphasis on 100% ownership should be informed by an assessment of supplier market depth and capability. Without such an assessment, procurement opportunities may become concentrated rather than broadening participation.
- Third, growth funding may be discouraged. Many Black-Owned enterprises dilute ownership when they attract development finance, venture capital or impact investment to grow their businesses. A framework that penalises those enterprises for raising growth capital discourages the development of scalable Black-Owned businesses.
- Fourth, the broader B-BBEE scorecard may be weakened. If access to public procurement depends primarily on a single ownership percentage, companies may have less reason to invest in skills development, employment equity, enterprise development and management control may be reduced. This would weaken the broad-based approach that has supported transformation for more than two decades.
- Fifth, too much discretion may create uncertainty for investors. The draft regulations give procuring institutions discretion to set requirements, evaluation criteria and specifications. This makes it harder for institutional investors and asset managers to assess risk, price instruments and commit capital with confidence to government-linked projects and public-private structures.

The industry's concern is not with preferential procurement as a transformation tool, but with how Black ownership thresholds are designed and the practical effect they may have on market participation.

A Forward View

Procurement will remain one of South Africa's most important instruments for advancing economic inclusion. The challenge is to ensure that reform expands participation, supports business growth and strengthens competitive supplier ecosystems over time.

ASISA proposes that:

- The 51% Black ownership standard should remain the baseline, while 100% Black ownership should be recognised as a premium level of achievement. The industry supports the recognition of 100% Black-Owned enterprises where the supplier market supports it. However, 100% Black ownership should not displace the established 51% standard or exclude businesses that are legitimately structured under the B-BBEE framework.
- B-BBEE certification should remain the primary qualification mechanism for preferential procurement. This will the broad-based nature of transformation and maintain incentives for investment in skills development, employment equity, enterprise development, supplier development and management control.
- Any procurement set-asides should be supported by a market capability assessment. Before reserving a procurement category for a specific ownership threshold, government should confirm that enough qualifying suppliers exist to ensure genuine competition.
- Enterprises diluted through legitimate growth capital should be protected. A clear carve-out should apply where ownership dilution results from formal investment by development finance institutions, venture capital providers or impact investors.
- Procurement discretion should be limited by clear, standardised rules. Transparent criteria, published in advance, are essential for regulatory certainty and private-sector confidence.

ASISA has made formal submissions to both the dtic and National Treasury and remains committed to constructive engagement. The industry's interest is in a procurement framework that is ambitious in its transformation objectives, coherent in its design, and durable in its outcomes.

Employment Equity Reform: Targets, pipeline and process

Ambition must be matched by capability

Context

Employment equity remains one of the most important pillars of transformation in post-apartheid South Africa. The savings and investment industry acknowledges this without qualification. The data presented in this report demonstrates both the progress achieved and the work that remains. Leadership representation, particularly at Top and Senior Management level, continues to be one of the industry's most significant transformation challenges.

The 26th Annual Report of the Commission for Employment Equity (the 26th CEE Annual Report) confirms that, across the Financial and Insurance Activities sector, White and Indian population groups remain significantly over-represented in senior decision-making positions relative to the Economically Active Population (EAP), while African representation at Top Management level in the private sector stands at 15.6% against an EAP benchmark of 81.3%. The industry recognises the scale of this disparity and the need for continued progress.

Our position is therefore not about whether employment equity targets are necessary, but how they are designed to achieve sustainable transformation. Targets should be evidence-based, developed through meaningful consultation and appropriately aligned with the pipeline of suitably qualified individuals available to progress into senior and leadership roles.

It is within this context that the industry engages with the Employment Equity Amendment Act No. 4 of 2022 (Republic of South Africa, 2023), the Employment Equity Regulations published on 15 April 2025 and the accompanying five-year sectoral numerical targets (DoEL, 2025). The industry supports the objective of promoting equitable representation and acknowledges the challenges these measures seek to address. Its concerns relate to aspects of the process through which the targets were developed and to the practical challenges that may arise where targets are not sufficiently aligned with the available pipeline of suitably qualified people.

What the evidence shows

The Employment Equity Amendment Act and its regulations represent a significant reform of South Africa's workplace transformation legislation in more than two decades. The implementation of this legislation has also been accompanied by multiple legal challenges, raising questions that go beyond routine compliance issues.

As documented in the 26th CEE Annual Report, six separate legal challenges have been brought against the Minister of Employment and Labour, the Director-General and the Commission for Employment Equity. These matters raise issues concerning the constitutional validity and lawfulness of aspects of the amended framework, the consultation process, the methodology used to determine the targets, their implementation and their alignment with sector realities. The volume and scope of these challenges point to significant concerns about aspects of the regulatory framework. These proceedings also underscore the importance of careful scrutiny of both its design and implementation.[1]

The industry's engagement with the current framework is based on three implementation concerns.

The first is the adequacy of consultation. The Employment Equity Act requires the minister to establish sectoral targets informed by labour market analysis and stakeholder engagement. The industry's concern is that meaningful consultation did not occur when the sector targets were set. This led to key implementation concerns, particularly regarding the availability of suitably qualified candidates for senior and specialist occupations, which could have been addressed if genuine consultation had taken place before the regulations and targets were gazetted. The savings and investment industry relies on scarce skills and specialised professions, including actuaries, investment analysts, risk specialists, compliance professionals and data scientists. These are highly skilled occupations that require years of training and experience. As a result, the limited supply of qualified professionals is a real challenge.

[1] Legal challenges include those brought by the Democratic Alliance, NEASA, Sakeliga, Solidarity, BUSA and the Security Association of South Africa. The industry expresses no view on the outcome of these proceedings.

The scale of the revision of targets between the two iterations illustrates this concern. In the February 2024 draft regulations, the combined senior management target for the Financial and Insurance Activities sector was 48%. In the final regulations published in April 2025, this increased to 77%, a 29 percentage-point increase in a single revision cycle (DoEL, 2024; DoEL, 2025). Neither the draft nor the final gazette sets out the sector-specific labour market analysis or methodology underpinning this revision. In its submission to the Department of Employment and Labour in March 2025, ASISA did not seek the removal of sectoral targets. Rather, it requested further consultation and proposed retaining the February 2024 baseline until the department had shared the labour market analysis and methodology supporting any more ambitious trajectory (ASISA, 2025). Regrettably, the final regulations retained the revised targets without publishing a sector-specific explanation for the increase (DoEL, 2025).

The second concern is the absence of a sector employment impact statement. For reforms of this magnitude, employers reasonably expect an evidence base demonstrating that the proposed targets are achievable without undue disruption to business operations or employment. No such assessment was published before the regulations were gazetted. This made it difficult for employers to evaluate whether the targets aligned with the available talent pools, and the industry associates itself with this concern as reflected in the current legal proceedings.

The third concern is the relationship between Employment Equity and the national skills development system. Sectoral targets require a pipeline of suitably qualified designated candidates. That pipeline depends, in significant part, on the effectiveness of South Africa's skills development system, which, as discussed in the next section of this report, continues to underperform. Ambitious Employment Equity targets cannot be considered independently of the system responsible for producing the professionals those targets require. The two reforms must evolve together if both are to succeed.

The Industry Perspective (ASISA)

The savings and investment industry believes in employment equity as both a legal obligation and a business and social imperative. An industry that better reflects the society it serves makes better decisions, strengthens institutional legitimacy and contributes to more inclusive economic growth. The industry is not seeking to avoid transformation; it is seeking to ensure that the path to more representative workplaces is built on foundations that are realistic and sustainable.

A key challenge facing the industry is not a lack of commitment to transformation, but the limited pool of suitably qualified candidates for specialist roles. For example, an actuary in South Africa must complete a four-year undergraduate degree, pass a series of professional examinations, accumulate three years of supervised workplace experience and satisfy the professional competence requirements of the Actuarial Society before qualifying. The pathway typically takes seven to ten years. No employer can compress that timeline through an Employment Equity Plan. The pool of suitably qualified Black actuaries available in any given year is limited and reflects education and career decisions made many years earlier in the schooling system. The same constraint applies to investment management, quantitative analysis, risk modelling and other specialist professions. Targets that do not account for this reality will not accelerate transformation.

The CEE's own data highlights this challenge. At the professionally qualified level, women make up 49.4% of employees, which is above the EAP benchmark. However, this progress is not being reflected at Top and Senior Management level at the same pace. Moving from a professional qualification to executive leadership takes time and depends on factors such as succession planning, leadership development, talent pipeline depth and the years of experience required for senior roles. The industry is investing in these pipelines, as demonstrated throughout this report. However, the results of these investments are seen over the course of a person's career and not within a single reporting period.

The industry also raises a broader coherence concern. Employers in the savings and investment industry simultaneously implement the Management Control and Employment Equity elements of the Financial Sector Code and the Employment Equity Act's sectoral targets. These frameworks use different occupational classifications, reporting requirements and compliance mechanisms. Better alignment between these frameworks would reduce unnecessary administrative complexity and allow organisations to devote more resources to building the skills and leadership pipelines needed to achieve sustainable transformation.

A Forward View

The industry's proposals are practical and constructive.

First, consultation should be strengthened before sector targets are finalised. This requires sharing the underlying sector analysis and methodology with employer bodies before gazetting, allowing stakeholders to review the evidence base and understanding how substantive implementation concerns have been addressed.

Second, target-setting exercises should be accompanied by a sector employment impact statement. Employers should be able to assess the available talent pool, projected absorption rates and the likely employment impacts before targets take effect. This is consistent with evidence-based regulation and would strengthen confidence in the framework.

Third, the Employment Equity and Skills Development frameworks should be brought into closer alignment. Occupational classifications, reporting cycles and recognition of skills development investment should, where possible, operate within a coherent transformation framework. Employers investing in future capability should be able to demonstrate that contribution through a single, integrated reporting system.

Finally, the industry remains committed to working constructively with the Department of Employment and Labour. Through formal submissions, active participation in Business Unity South Africa (BUSA) structures that inform organised business positions at NEDLAC, and ongoing engagement with government, ASISA has consistently demonstrated its commitment to representative workplaces. It will continue to share practical implementation experience to support a more effective and credible Employment Equity framework.

Skills Development Reform:
Building a Demand-Led Skills System

Better returns require better design

Context

The savings and investment industry has long recognised that developing scarce and critical skills is fundamental to both economic growth and meaningful transformation. Through mandatory levy contributions, voluntary investment and industry-led initiatives, the sector has consistently invested in building the specialist talent pipeline on which it depends. The question is not whether reform is needed, but how to design a skills development system that delivers measurable employment outcomes, responds to labour market demand, and provides value for the employers and employees who fund it.

Skills development sits at the centre of the industry's transformation agenda. Without skills, the industry cannot operate and meet its Employment Equity targets. The industry needs more actuaries, investment analysts, data scientists, quantitative researchers and risk specialists from designated groups. However, qualifying for these professions takes seven to ten years to qualify. Employment Equity plans alone cannot solve this challenge. The industry must be built a strong talent pipeline over time through a skills development system that understands sector demand, funds the right programmes and produces graduates the industry can absorb into meaningful careers. Without that system, transformation targets remain aspirational rather than achievable.

This points to a broader challenge of policy coherence. In April 2025, the Department of Employment and Labour introduced sector-specific Employment Equity targets for the Financial and Insurance Activities sector, while the Department of Higher Education and Training oversees the broader skills development system that helps shape the pipeline needed to support those targets. While both frameworks ultimately contribute to transformation, the publicly available policy record provides limited evidence of systematic alignment between the two processes. Employment Equity targets that do not sufficiently take account of skills supply, and skills planning that does not adequately respond to sector demand, risk limiting the effectiveness of both. Better coordination between these complementary policy frameworks would strengthen transformation outcomes and support more effective implementation.

INSETA is intended to serve as the strategic mechanism through which levy contributions are translated into specialist skills development aligned with the needs of the financial services sector. However, the alignment between many of its programmes, the Financial Sector Code and the industry's specialist skills requirements has often been limited. More broadly, governance reviews across the SETA landscape have identified recurring concerns relating to administrative efficiency, institutional accountability and the utilisation of levy resources (DHET, 2026a). Strengthening these areas would better position INSETA to support the specialist pipeline required for long-term transformation.

The industry has consistently participated in policy development through NEDLAC, BUSA and direct engagement with government over many years. Where concerns have remained unresolved, organised business has also exercised its legal rights through the courts. In relation to the mandatory grant regulations, the Labour Court found the regulations reducing the mandatory grant to be invalid. ASISA's position remains that government should give effect to the Court's findings and that future reforms should proceed within a clear, lawful and consultative framework. Respect for the rule of law provides the foundation on which durable social partnership and successful transformation depend.

Skills reform must do more than fix the current weaknesses. It must prepare South Africa for tomorrow's economy. At the Fifth Human Resource Development Council Summit in April 2026, Deputy President Mashatile acknowledged that artificial intelligence, digitalisation and automation are transforming industries faster than education and training systems are adapting (The Presidency, 2026). The Human Resource Development Strategy 2025 to 2035 and the Master Skills Plan 2025 to 2030 identify responsiveness to the digital, green and care economies as national priorities (DHET, 2026a; DHET, 2026b). For the savings and investment industry this is already a present reality. Actuaries, investment analysts and risk professionals increasingly work alongside AI-enabled technologies that are changing the way these professions operate. The challenge is not only to prepare new entrants but also to support continuous reskilling across the existing workforce. A skills development system that cannot adapt to these realities is not only underperforming against today's economy; it is unprepared for tomorrow's.

Skills reform is unlikely to succeed through government action alone. Employers understand emerging occupations, changing technologies and future workforce requirements better than any central institution can. A modern skills development system should position industry not simply as a levy contributor, but as a strategic partner in identifying scarce skills, designing occupational pathways, providing workplace learning opportunities and measuring employment outcomes. This partnership approach is especially important as artificial intelligence, digitalisation and the transition to a green economy continue to reshape demand for specialist skills across financial services.

What the evidence shows

The savings and investment industry is one of South Africa's largest contributors to skills development. ASISA members invest an annual average of R2.85 billion in bursaries, learnerships, internships, graduate programmes and professional qualifications. In 2025 alone, Life Offices invested R2.43 billion, while Asset Managers invested R420 million in skills development expenditure. These are not passive contributions. They are structured programmes, independently verified under the Financial Sector Code, that connect young South Africans to careers in highly specialised professions.

However, the system into which much of this contribution flows has not consistently delivered value proportionate to the resources invested. The industry contributes to the Skills Development Levy as a statutory obligation (Republic of South Africa, 1999), yet the performance of the national system, now well documented and acknowledged by government, raises legitimate questions about whether these resources are being deployed as effectively as transformation requires (DHET, 2026a).

The return-on-investment question is clear. Based on 2025 payroll data, ASISA members contribute approximately R561 million annually in Skills Development Levy. At the current 20% mandatory grant, approximately R112 million is returned to employers. The remaining R449 million flows into a system over which employers have limited visibility and even less accountability.

The mandatory grant issue also has an important legal dimension. The regulations reducing the mandatory grant from 50% to 20% were successfully challenged in the Labour Court, which found them invalid on the grounds of inadequate consultation and irrationality. ASISA, as part of the broader organised business community, continues to support the implementation of the court's findings. Its position remains that the mandatory grant should be restored to 50% of Skills Development Levy collections, with any future adjustments linked to demonstrated outcomes rather than compliance inputs.

The evidence is difficult to ignore. Between 2011/12 and 2023/24, approximately R205 billion was disbursed through the Skills Development Levy Fund, of which R164.1 billion was transferred to SETAs. By the end of 2023/24, aggregate cash and cash equivalents held by SETAs had increased to R27.1 billion. Over the same period, cumulative irregular expenditure reached R9.2 billion, with a further R275 million recorded as fruitless and wasteful expenditure. Learnership throughput averaged 54%, while SETA-supported artisan programmes produced 14,729 completions in 2023/24. The review further estimated that, excluding short skills programmes, the cost per SETA certification was approximately R388,000 (Botha and Havemann, 2025).

This is not a critique of a levy-funded skills development system. It is a call to strengthen how the system governs and deploys the resources entrusted to it. The combination of substantial accumulated cash balances, cumulative irregular expenditure, fruitless and wasteful expenditure, and persistent skills shortages suggests that governance and implementation reforms are necessary to improve the developmental return on levy-funded investment. A more accountable and demand-led system would better support both South Africa's skills priorities and the employment equity outcomes that depend on a sustainable pipeline of suitably qualified professionals. **Government has itself acknowledged many of these challenges.**

The Industry Perspective (ASISA)

The savings and investment industry's perspective is informed by its experience as one of South Africa's largest contributors to the Skills Development Levy. The industry is a major employer of scarce financial services skills, and a long-standing implementation partner in developing specialist talent. From that experience, ASISA believes four priorities would materially strengthen the effectiveness of South Africa's skills development system.

- **Improve the return on levy contributions:** Employers contribute to the Skills Development Levy as a statutory obligation yet currently recover only 20% through the mandatory grant. ASISA welcomes government's intention to review this arrangement and supports increasing the mandatory grant. However, any increase should be linked to measurable outcomes, including learner completion, employment absorption and demonstrated alignment with sector skills priorities. Increased funding without stronger accountability will not resolve the underlying governance challenges.

- **Strengthen governance and accountability:** The industry does not question the need for a levy-funded national skills development system. The challenge lies in ensuring that the system delivers value for the resources entrusted to it. Persistent surpluses, cumulative irregular expenditure, fruitless and wasteful expenditure, and uneven institutional performance point to governance weaknesses that warrant structural reform. ASISA supports leaner, sector-focused SETAs, stronger governance capability, meaningful performance agreements and greater transparency in the deployment of levy resources.

- **Better align the skills system with sector transformation priorities:** INSETA should function as a genuine strategic partner in developing the specialist talent pipeline required by the Financial Sector Code. Stronger alignment between INSETA programmes, sector skills planning, Employment Equity objectives and Financial Sector Code priorities would reduce duplication, improve efficiency and ensure that levy resources are invested in the occupations most critical to the long-term transformation of the financial services sector.

- **Sequence reforms carefully:** The simultaneous review of the Skills Development Act, the Higher Education Act and the Continuing Education and Training Act presents an important opportunity to modernise South Africa's skills development system. However, reforms of this scale should be evidence-based, carefully sequenced and implemented through meaningful consultation with social partners. The objective should be to strengthen implementation, preserve institutional capability and minimise unnecessary disruption during transition.

A Forward View

South Africa's long-term transformation success depends on a skills development system that places capability and outcomes at the centre, rather than compliance alone. The reforms now underway provide an important opportunity to strengthen the connection between skills development, employment and the changing needs of the economy. The savings and investment industry's proposals are grounded in practical implementation experience and offered in the spirit of constructive partnership.

ASISA remains committed to working with the Department of Higher Education and Training, through BUSA and the broader social-partner process, to strengthen the national skills development system. As a significant levy contributor, an employer of scarce and specialist skills, and an active investor in skills development, the industry brings practical experience in building demand-led talent pipelines that connect education and training to employment.

The opportunity now is to ensure that the next phase of reform translates resources, institutions and programmes into stronger skills and employment outcomes. This will require a system that is responsive to labour-market demand, accountable for the resources entrusted to it, and sufficiently aligned with the transformation objectives that depend on a sustainable pipeline of suitably qualified people.

Ultimately, success should be measured not simply by the number of programmes funded or institutions created, but by whether more South Africans acquire relevant skills, access meaningful employment and progress into increasingly specialised and senior roles, while employers are able to access the capabilities needed to support transformation, competitiveness and long-term economic growth. A modern, accountable and demand-led skills development system is therefore fundamental to South Africa's broader development agenda.

Closing the Position

Our conclusion is that Transformation works best when policy is coherent, evidence-based and informed by practical implementation experience.

The savings and investment industry is not an observer of South Africa's transformation agenda. It is one of its principal implementers. Every day, the industry invests in people through skills development, supports enterprises through Enterprise and Supplier Development, advances transformation through procurement and ownership, and manages the retirement savings and insurance premiums of millions of South Africans. Its success is closely linked to the country's success.

The industry's proposals are grounded in that experience. They aim to strengthen, South Africa's transformation architecture by improving policy coherence, reinforcing institutional accountability and building on delivery models that have already demonstrated measurable outcomes. They reflect a belief that lasting transformation is achieved through policy frameworks that work together, recognise implementation realities and create confidence for long-term investment.

ASISA remains committed to constructive engagement with government, and other social partners. It brings to that engagement not only policy perspectives, but practical experience gained through years of implementation, investment and independently verified delivery.

The question is not whether South Africa should continue to pursue transformation. It is how transformation can deliver the greatest and most enduring impact. The savings and investment industry believes that coherence, partnership and evidence-based policy provide the strongest foundation for achieving that goal and stands ready to continue contributing to this work.

3

Industry Performance

Summary of the industry scorecard: 2018 - 2025

Summary of Industry Performance

Table of Elements - Baseline 2018 vs 2025

Performance improvement was observed between 2018 and 2025

Performance declined yet exceeded the target between 2018 and 2025

Performance declined between 2018 and 2025

The table below summarises the industry's performance across each element of the Financial Sector Code, comparing the 2018 baseline against the 2025 result, for both Life Offices and Asset Managers.

	LIFE OFFICES				ASSET MANAGERS			
	2018	2025	2018	2025	2018	2025	2018	2025
EQUITY OWNERSHIP	Black Economic Interest		Black Voting Rights		Black Economic Interest		Black Voting Rights	
	19%	34.8%	29%	44%	25%	43.7%	29%	50%
MANAGEMENT CONTROL *BLACK PEOPLE*	Board Representation		Executive Directors		Board Representation		Executive Directors	
	45%	42%	27%	26%	45%	56%	45.8%	44%
	Executive Management				Executive Management		Executive Management (Black Women)	
	29%	49%			39%	54%	15%	25%

Performance improvement was observed between 2018 and 2025

Performance declined yet exceeded the target between 2018 and 2025

Performance declined between 2018 and 2025

EMPLOYMENT EQUITY
BLACK PEOPLE

	LIFE OFFICES 2018	LIFE OFFICES 2025	ASSET MANAGERS 2018	ASSET MANAGERS 2025
Senior Management	44%	55%	36%	49%
Middle Management	56%	65%	50%	63%
Junior Management	78%	87%	72%	65%

SKILLS DEVELOPMENT
EXPENDITURE ON BLACK PEOPLE

	LIFE OFFICES 2018	LIFE OFFICES 2025	ASSET MANAGERS 2018	ASSET MANAGERS 2025
Senior and Executive Management *(2% Target)*	0.7%	2.2%	0.4%	0.9%
Middle Management *(3% Target)*	2.2%	5.2%	2.2%	2.6%
Junior Management *(5% Target)*	5.7%	6.1%	2.9%	3%
Non-Management *(8% Target)*	8.5%	9.2%	5.8%	36%

HEAD COUNT

	LIFE OFFICES 2018	LIFE OFFICES 2025	ASSET MANAGERS 2018	ASSET MANAGERS 2025
Learnerships, Apprenticeships and Internships *(5% Target)*	9.2%	9.3%	9%	22%

Summary of Industry Performance

Table of Elements - Baseline 2018 vs 2025

- Performance improvement was observed between 2018 and 2025
- Performance declined yet exceeded the target between 2018 and 2025
- Performance declined between 2018 and 2025

LIFE OFFICES

		2018	2025
PREFERENTIAL PROCUREMENT	All Suppliers (80% Target)	88.3%	89.4%
PREFERENTIAL PROCUREMENT	Qualifying Small Enterprise (18% Target)	12.5%	13.8%
PREFERENTIAL PROCUREMENT	Exempted Micro Enterprise (12% Target)	8.7%	14.6%
PREFERENTIAL PROCUREMENT	51% Black-Owned Enterprise (30% Target)	38.8%	36.5%
PREFERENTIAL PROCUREMENT	30% Black Women-Owned (10% Target)	23.1%	22.0%
EMPOWERMENT FINANCING	Targeted Investments (100% Target)	178%	260%
EMPOWERMENT FINANCING	Black Business Growth Funding (100% Target)	147%	41.7%
ENTERPRISE AND SUPPLIER DEVELOPMENT	Enterprise Development (0.20% Target)	0.36%	0.31%
ENTERPRISE AND SUPPLIER DEVELOPMENT	Supplier Development (1.80% Target)	1.5%	1.8%

ASSET MANAGERS

		2018	2025
PREFERENTIAL PROCUREMENT	All Suppliers (80% Target)	81.9%	103.3%
PREFERENTIAL PROCUREMENT	Qualifying Small Enterprise (18% Target)	9.9%	7.5%
PREFERENTIAL PROCUREMENT	Exempted Micro Enterprise (12% Target)	4.7%	5.6%
PREFERENTIAL PROCUREMENT	51% Black-Owned Enterprise (30% Target)	15.6%	31.3%
PREFERENTIAL PROCUREMENT	30% Black Women - Owned (10% Target)	8.4%	12.0%
EMPOWERMENT FINANCING	*Not Applicable to Asset Managers*		
ENTERPRISE AND SUPPLIER DEVELOPMENT	Enterprise Development (1% Target)	1.1%	2.1%
ENTERPRISE AND SUPPLIER DEVELOPMENT	Supplier Development (2% Target)	2.3%	3.5%

Performance improvement was observed between 2018 and 2025

Performance declined yet exceeded the target between 2018 and 2025

Performance declined between 2018 and 2025

		LIFE OFFICES		ASSET MANAGERS	
		2018	2025	2018	2025
SOCIO-ECONOMIC DEVELOPMENT AND CONSUMER EDUCATION	Socio-Economic Development *(0.60% Target)*	0.9%	0.7%	0.71%	1.4%
	Consumer Education *(0.40% Target)*	0.3%	0.4%	0.38%	0.6%
ACCESS TO FINANCIAL SERVICES	Appropriate Products *(100% Target)*	47.4%	45%	*Not Applicable to Asset Managers*	
	Market Penetration *(100% Target)*	127%	135.3%		
	Transactional Access *(80% Target)*	62%	69.3%		

4

B-BBEE Performance

Financial Sector Code: Element by Element Analysis

Overall FSC Scorecard per element:

Life Offices

ELEMENTS:	EQUITY OWNERSHIP	MANAGEMENT CONTROL	EMPLOYMENT EQUITY	SKILLS DEVELOPMENT	PREFERENTIAL PROCUREMENT	EMPOWERMENT FINANCING	ENTERPRISE DEVELOPMENT	SUPPLIER DEVELOPMENT	SOCIO-ECONOMIC DEVELOPMENT & CONSUMER EDUCATION	ACCESS TO FINANCIAL SERVICES
WEIGHTING POINTS	23	8	12	20	15	15	3	7	5	12
2018	22,86	4,59	8,33	13,91	18,69	15,00	2,79	8,52	5,83	9,65
2021	24,60	5,88	8,80	15,92	17,96	13,24	4,97	8,00	6,07	10,75
2022	25,85	5,84	8,84	16,00	17,95	13,54	5,87	8,00	6,70	11,00
2023	27,00	5,34	9,26	16,44	18,03	13,87	4,25	8,00	6,59	10,98
2024	27,00	5,81	9,33	16,83	18,56	14,00	4,60	8,00	6,26	9,05
2025	27,00	5,79	9,63	17,29	18,53	13,25	5,87	8,00	5,41	9,05

Element scores exceed their stated maximum weighting points - due to bonus points.

Overall FSC Scorecard per element:

Asset Managers

ELEMENTS:	EQUITY OWNERSHIP	MANAGEMENT CONTROL	EMPLOYMENT EQUITY	SKILLS DEVELOPMENT	PREFERENTIAL PROCUREMENT	ENTERPRISE DEVELOPMENT	SUPPLIER DEVELOPMENT	SOCIO-ECONOMIC DEVELOPMENT & CONSUMER EDUCATION
WEIGHTING POINTS	23	8	12	20	20	5	10	5
2018	25,00	5,98	7,41	13,19	18,82	5,88	9,13	6,04
2021	25,00	6,65	7,36	17,40	18,88	8,00	11,00	6,21
2022	25,00	6,73	7,79	18,07	20,87	8,00	11,00	7,48
2023	25,00	7,22	8,11	16,62	20,40	8,00	11,00	7,50
2024	25,00	7,12	8,60	18,36	20,92	8,00	11,00	7,30
2025	25,00	7,04	8,79	16,72	20,28	8,00	11,00	7,83

Element scores exceed their stated maximum weighting points - due to bonus points.

Equity Ownership

The Equity Ownership element of the Financial Sector Code scorecard measures the direct and indirect shareholding of Black people in financial institutions. For the purposes of this report, ownership is assessed only for life insurers and asset managers. The element evaluates voting rights, economic interest and the level of unencumbered value created for Black shareholders. Recent Government proposals to incentivise 100% Black-owned enterprises in public procurement have prompted a reconsideration of the B-BBEE ownership agenda.

Life Offices

In 2025, Life Offices exceeded all Black Ownership targets. 93% of the participating Life Offices in this report met the 25% target for voting rights and economic interest held by Black people. On average, they achieved 44.21% in voting rights and 34.75% in economic interest.

The industry's Black Ownership results are weighted according to each member's Assets Under Management (AUM), meaning that changes in the Black Ownership performance of larger members have a proportionately greater impact on the overall industry result.

The Net Value indicator, which measures the unencumbered value held by Black people, increased from 29.93% in 2024 to 33.11% in 2025. This shows higher levels of unencumbered value for Black shareholders. It also highlights the industry's commitment to generating value for Black people through ownership, a core goal of Broad-Based BEE.

Asset Managers

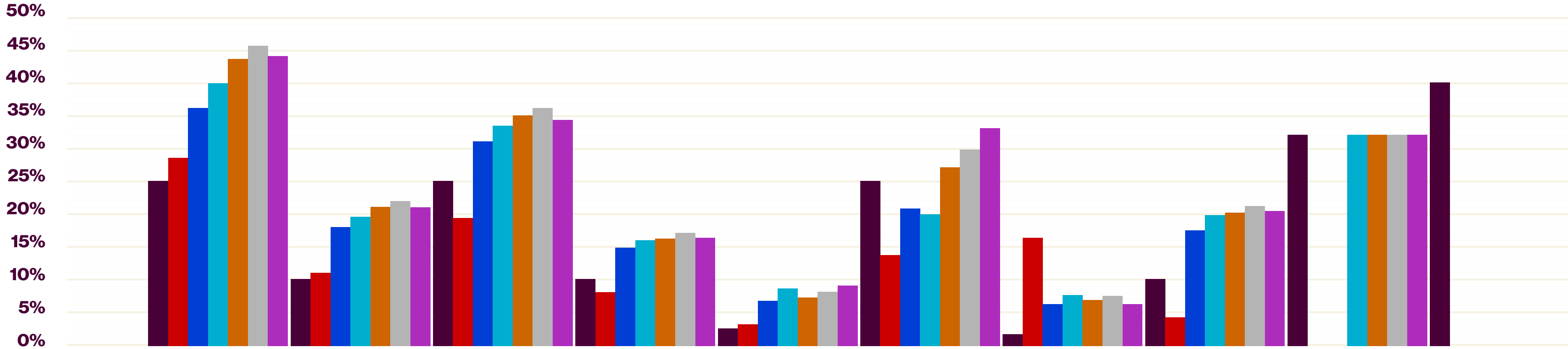
Black ownership in the Asset Management industry remains strong and above all targets. Voting rights held by Black people are nearly 50% (49.94%), double the 25% target. Only 13% of the participating Asset Managers did not meet the 25% requirement. The rest averaged more than 56% in voting rights and 54% in economic interest.

Overall Net Equity Interest rose to 45.79% in 2025, up from 38.75% in 2024. This shows a strong effort to increase the unencumbered value held by Black people in the Asset Management industry.

Equity Ownership:

Life Offices

Life Offices Ownership Scorecard per Indicator as a % achieved



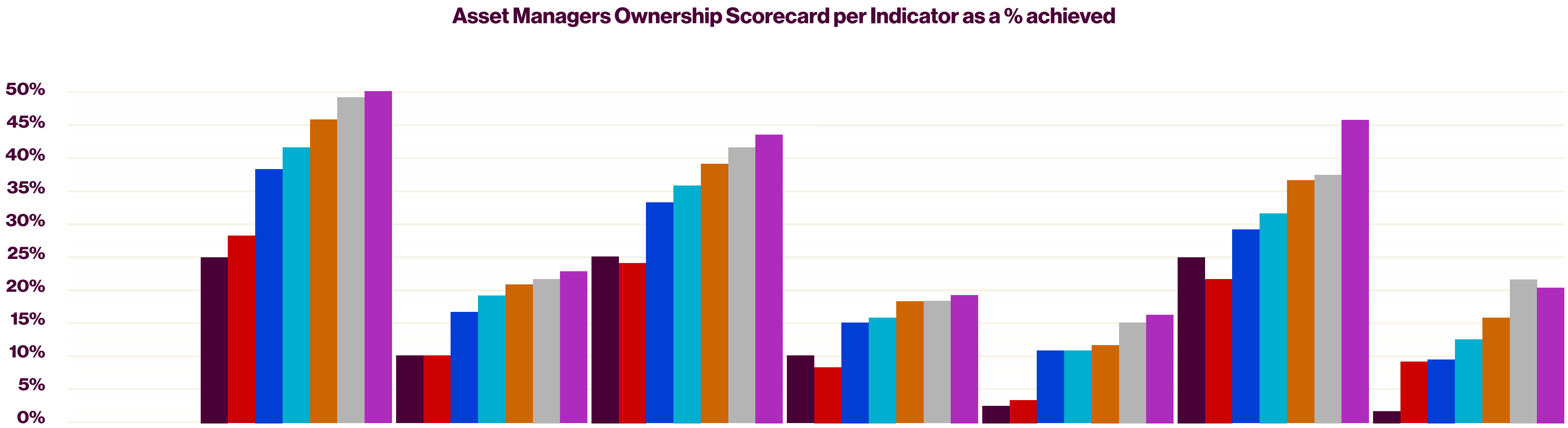
	VOTING RIGHTS BLACK PEOPLE	VOTING RIGHTS BLACK WOMEN	ECONOMIC INTEREST BLACK PEOPLE	ECONOMIC INTEREST BLACK WOMEN	ECONOMIC INTEREST DESIGNATED GROUPS	NET VALUE	BLACK NEW ENTRANTS	BONUS - DIRECT OR INDIRECT OWNERSHIP*	BONUS - ECONOMIC INTEREST AND VOTING RIGHTS**	BONUS - ECONOMIC INTEREST AND VOTING RIGHTS**
TARGET	25.00%	10.00%	25.00%	10.00%	3.00%	25.00%	2.00%	10.00%	32.50%	40.00%
2018	28.73%	11.12%	19.25%	8.09%	3.37%	13.73%	16.39%	4.25%	0.00%	0.00%
2021	36.37%	17.66%	31.22%	14.85%	6.92%	20.91%	6.29%	17.54%	0.00%	0.00%
2022	40.08%	19.81%	33.46%	15.92%	8.69%	20.20%	7.80%	19.78%	32.50%	0.00%
2023	43.83%	21.22%	35.19%	16.26%	7.37%	27.20%	6.85%	20.19%	32.50%	0.00%
2024	45.77%	22.30%	36.24%	16.97%	8.29%	29.93%	7.53%	21.56%	32.50%	0.00%
2025	44.21%	21.07%	34.75%	16.30%	9.41%	33.11%	6.40%	20.65%	32.50%	0.00%

* A measured entity with 15% direct Black Economic Interest, can receive a maximum of 3 Bonus Points for an additional 10% Black Economic Interest held as direct or indirect ownership.

** Bonus Points to incentivise Economic Interest and Voting Rights of more than 32.5% (1 point) and 40% (1 point). These targets are an absolute value, which measures whether targets of 32.5% and 40% with regard to Economic Interest and Voting Rights were jointly achieved. A value of 0% in the graph above indicates non-achievement, whereas 32.5% or 40% indicates achievement of the targets.

Equity Ownership:

Asset Managers



	VOTING RIGHTS BLACK PEOPLE	VOTING RIGHTS BLACK WOMEN	ECONOMIC INTEREST BLACK PEOPLE	ECONOMIC INTEREST BLACK WOMEN	ECONOMIC INTEREST DESIGNATED GROUPS	NET VALUE	BLACK NEW ENTRANTS
TARGET	**25.00%**	**10.00%**	**25.00%**	**10.00%**	**3.00%**	**25.00%**	**2.00%**
2018	28.51%	10.33%	24.97%	8.94%	8.49%	22.22%	8.97%
2021	38.22%	17.21%	34.22%	15.01%	11.71%	29.57%	9.56%
2022	42.50%	19.87%	36.80%	16.71%	11.79%	32.76%	12.89%
2023	46.24%	21.90%	39.97%	18.55%	12.56%	37.58%	15.96%
2024	49.35%	22.19%	42.72%	18.33%	15.77%	38.75%	21.74%
2025	49.94%	22.90%	43.74%	19.22%	16.22%	45.79%	20.52%

Management Control

The Management Control element measures Black participation in Board and Executive Management. This is assessed through voting rights on the Board of Directors and the racial composition of executive directors and executive management. Board turnover is generally low.

Life Offices

Black representation on Life Office Boards decreased slightly from 41.78% in 2024 to 41.67% in 2025. This change mainly reflects a shift in the total number of board members across reporting Life Offices, from 146 in 2024 to 144 in 2025. The number of Black board members remained the same. Over the longer term, however, Black board representation has declined from 45.24% in 2018 to below 42% in 2025. Representation of Black women has remained fairly steady at around 22%, slightly below the 25% target.

The limited number of executive directors makes the results sensitive to change. For example, the percentage of executive directors decreased by more than 3 percentage points, from 29.03% in 2024 to 25.81% in 2025, even though the change involved only one individual.

The industry has made progress in increasing female representation on boards. However, growth for Black women in executive director roles has been slow. Their representation increased from 7.69% in 2018 to 12.9% in 2025, showing a positive but gradual upward trend.

Asset Managers

Black representation at Board level improved in 2025, while the overall number of board positions remained unchanged. Black women representation remained broadly stable, moving from 26.50% in 2024 to 26.32% in 2025, and remained above the 25% FSC target. More than 70% of Black board members were African.

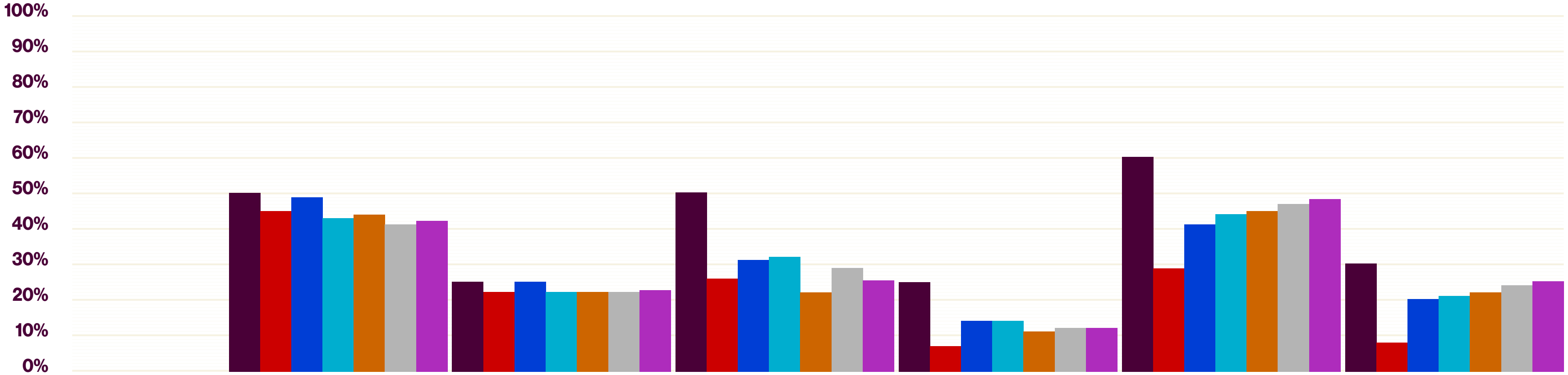
At Executive Director level, the percentage of Black representation declined, although the actual number of Black Executive Directors remained unchanged. The movement was therefore driven by an increase in the overall number of Executive Directors rather than a reduction in Black representation.

Executive Management showed further progress, with Black representation reaching 54% in 2025. This remains below the FSC target but represents a clear improvement from the beginning of the reporting period. Black women representation also improved, although it remains below target.

For broader context, Black representation at Executive Management level among Asset Managers was higher than the approximately 44% representation at Top Management level reported for the broader Financial and Insurance Activities sector in the 26th CEE Annual Report. While the two measures are not directly equivalent, the comparison provides useful context on progress at senior management level.

Management Control:
Life Offices

Life Offices Management Control Scorecard per Indicator as a % Achieved

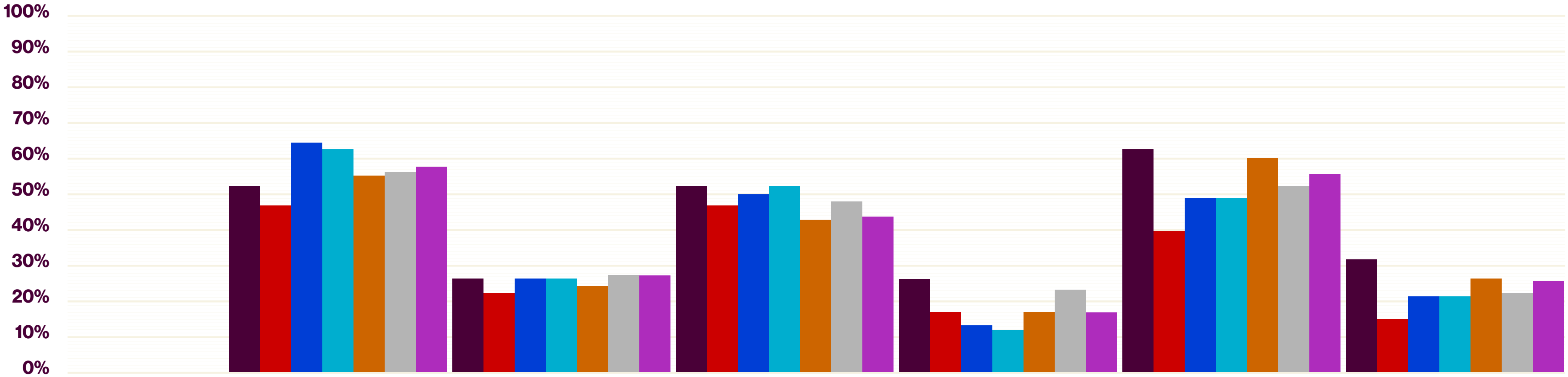


	BOARD REPRESENTATION BLACK PEOPLE	BOARD REPRESENTATION BLACK WOMEN	EXECUTIVE DIRECTORS BLACK PEOPLE	EXECUTIVE DIRECTORS BLACK WOMEN	EXECUTIVE MANAGEMENT BLACK PEOPLE	EXECUTIVE MANAGEMENT BLACK WOMEN
TARGET	**50.00%**	**25.00%**	**50.00%**	**25.00%**	**60.00%**	**30.00%**
2018	45.24%	22.62%	26.92%	7.69%	29.44%	8.23%
2021	49.14%	25.35%	31.43%	14.29%	41.38%	20.69%
2022	43.31%	22.05%	32.35%	14.71%	44.38%	21.91%
2023	44.16%	22.08%	22.86%	11.43%	45.69%	22.34%
2024	41.78%	22.60%	29.03%	12.90%	47.19%	24.72%
2025	41.67%	22.92%	25.81%	12.90%	48.82%	25.88%

Management Control:

Asset Managers

Asset Managers Management Control Scorecard per Indicator as a % Achieved



	BOARD REPRESENTATION BLACK PEOPLE	BOARD REPRESENTATION BLACK WOMEN	EXECUTIVE DIRECTORS BLACK PEOPLE	EXECUTIVE DIRECTORS BLACK WOMEN	EXECUTIVE MANAGEMENT BLACK PEOPLE	EXECUTIVE MANAGEMENT BLACK WOMEN
TARGET	50.00%	25.00%	50.00%	25.00%	60.00%	30.00%
2018	45.24%	21.43%	45.83%	16.67%	38.81%	14.93%
2021	62.20%	25.61%	48.00%	12.00%	47.30%	20.27%
2022	60.24%	25.30%	50.00%	11.54%	47.22%	20.83%
2023	53.10%	23.89%	41.86%	16.28%	58.49%	25.47%
2024	54.70%	26.50%	46.00%	22.00%	50.00%	21.95%
2025	56.14%	26.32%	43.75%	16.67%	53.85%	24.79%


50%
32%
32%
32%
82%
32%

Employment Equity

The Employment Equity scorecard measures the participation of Black people in company management structures. It looks at the racial makeup of different management and skilled levels and shows the percentage of Black people in each category. Reporting must match the Employment Equity submissions made to the Department of Employment and Labour, which now include sector numerical targets after recent changes to the law.

Life Offices

There has been an improving trend in the representation of Black people in the management of Life Offices. The rise in Black representation in Junior Management in 2025 is a positive signal, suggesting that the decline experienced since 2020 is beginning to stabilise, even though the level remains below the 88% target and the 2020 benchmark of 90%. This improvement strengthens the pipeline of Black employees ready for promotion. Except for Black women in Junior Management roles, none of the targets have been met. However, given the large workforce of almost 78,000 employees in Life Offices, the overall percentages are less sensitive to small movements.

In 2025, Black representation across Life Office management levels was broadly in line with the 26th CEE Annual Report. Life Offices reported 54.66% at Senior Management, 65.18% at Middle Management and 86.78% at Junior Management, against CEE figures of 53.9%, 70.8% and 85.6% respectively. Middle Management is the only level where Life Offices came in below the CEE figure.

The increase in the number of Black people with disabilities, from 0.05% in 2018 to 1.23% in 2025, is significant. This rise is likely linked to the uptake of unemployed learners through targeted learnership programmes, which are often used to strengthen performance on the Skills Development scorecard. It is also possible that the reported figures include existing employees who are participating in these programmes.

The method used to calculate Employment Equity at an industry level places greater weight on larger institutions, meaning changes in their figures have a more significant impact than those from smaller members with fewer staff.

Asset Managers

The Asset Management industry reported an increase at all levels of management, compared to 2024. It is encouraging to note the increase in Junior Management despite the continued downward trend since the highest levels reported in 2019. However, the percentages achieved across the management levels for 2025 are still lower than the figures in the 26th CEE Annual Report (Senior Management: 53.9%; Middle Management: 70.8%; Junior Management: 85.6%). None of the targets, except for Black Employees with Disabilities, were met.

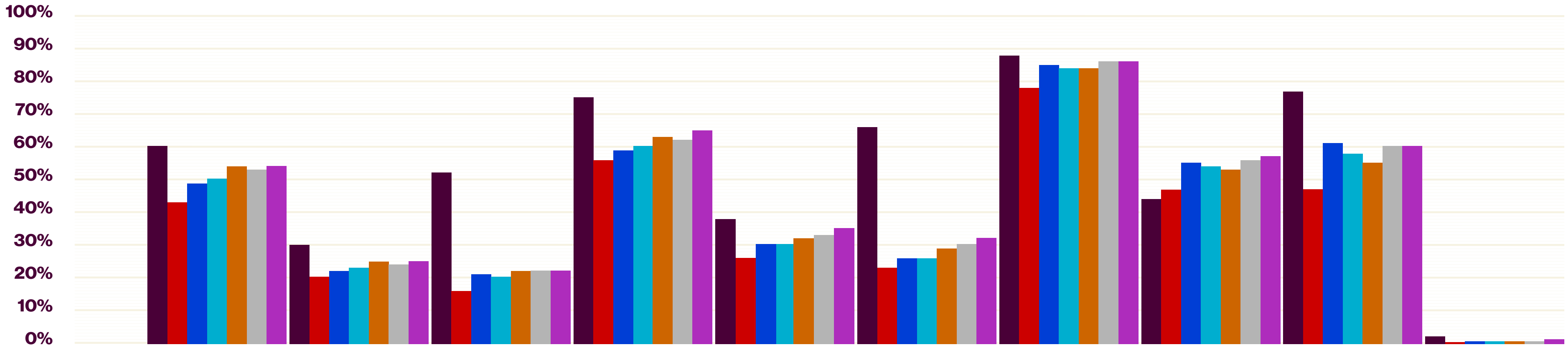
The Asset Manager industry increased the number of Black people with disabilities employed to 5.68% in 2025, up from 0.75% percent in 2018. The sharp increase was due to the appointment of unemployed Black learners with disabilities through dedicated learnership programmes.

The method used to calculate Employment Equity at an industry level places greater weight on larger institutions, meaning changes in their figures have a more significant impact than those from smaller members with fewer staff.

Employment Equity:

Life Offices

Life Offices Employment Equity Scorecard per Indicator as a % Achieved



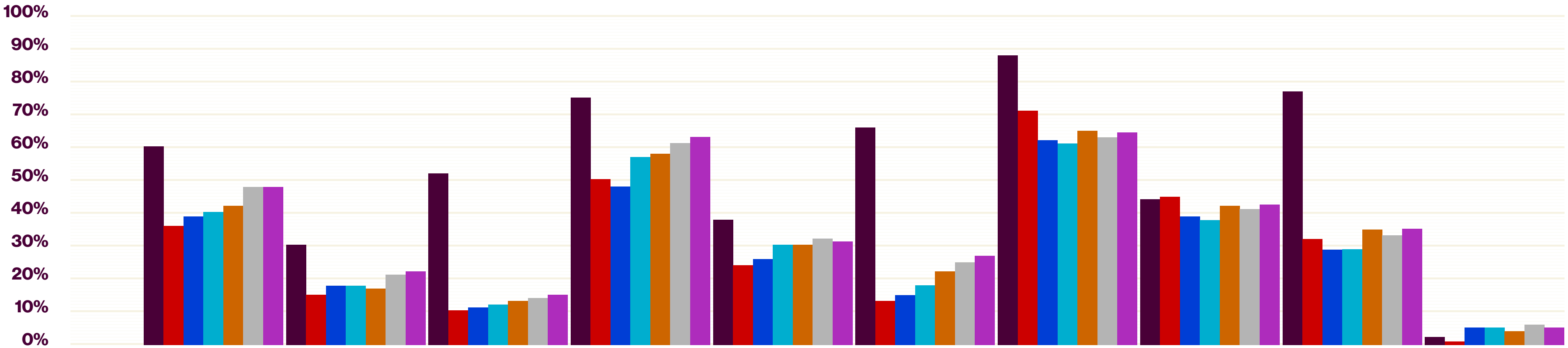
	BLACK PEOPLE AS % OF SM	BLACK WOMEN AS % OF SM	AFRICAN SM AS % OF SM	BLACK PEOPLE AS % OF MM	BLACK WOMEN AS % OF MM	AFRICAN MM AS % OF MM	BLACK PEOPLE AS % OF JM	BLACK WOMEN AS % OF JM	AFRICAN JM AS % OF JM	BLACK DISABLED EMPLOYEES
TARGET	60%	30%	52%	75%	38%	66%	88%	44%	77%	2%
2018	43.96%	20.67%	16.54%	56.44%	26.63%	23.08%	78.40%	47.38%	47.62%	0.05%
2021	49.14%	22.27%	21.06%	59.69%	30.38%	26.11%	85.24%	55.25%	61.10%	0.91%
2022	50.72%	23.22%	20.51%	60.48%	30.65%	26.93%	84.03%	54.21%	58.05%	0.88%
2023	54.43%	25.32%	22.45%	63.05%	32.95%	29.45%	84.04%	53.63%	55.51%	0.99%
2024	53.81%	24.93%	22.93%	62.97%	33.44%	30.15%	86.13%	56.85%	60.72%	0.97%
2025	54.66%	25.66%	22.87%	65.18%	34.90%	31.78%	86.78%	57.56%	60.10%	1.23%

SM - Senior Management, **MM** - Middle Management and **JM** - Junior Management

Employment Equity:

Asset Managers

Asset Managers Employment Equity Scorecard per Indicator as a % Achieved



	BLACK PEOPLE AS % OF SM	BLACK WOMEN AS % OF SM	AFRICAN SM AS % OF SM	BLACK PEOPLE AS % OF MM	BLACK WOMEN AS % OF MM	AFRICAN MM AS % OF MM	BLACK PEOPLE AS % OF JM	BLACK WOMEN AS % OF JM	AFRICAN JM AS % OF JM	BLACK DISABLED EMPLOYEES
TARGET	60%	30%	52%	75%	38%	66%	88%	44%	77%	2%
2018	36.32%	15.59%	10.12%	50.30%	24.59%	13.67%	71.80%	45.26%	32.92%	0.75%
2021	39.37%	18.24%	11.25%	48.67%	26.26%	15.34%	62.86%	39.47%	29.52%	5.97%
2022	40.63%	18.34%	12.77%	57.36%	30.41%	18.37%	61.90%	38.94%	29.06%	5.57%
2023	42.18%	17.35%	13.53%	58.62%	30.82%	21.66%	65.33%	42.11%	35.50%	4.91%
2024	48.06%	21.75%	14.68%	61.92%	32.06%	25.44%	63.35%	41.62%	33.98%	6.67%
2025	48.64%	22.66%	15.08%	63.23%	32.65%	27.57%	64.65%	42.58%	35.16%	5.68%

SM - Senior Management, **MM** - Middle Management and **JM** - Junior Management

Skills Development

The Skills Development element evaluates how effectively Black individuals, both within and outside the workforce, are included in training and development initiatives. Measurement is based on training expenditure, taking into account racial representation at different employment levels and the participation of unemployed and non-employed Black people. Internships, learnerships, and apprenticeships are central to building the skills base of learners and play a significant role in scorecard performance. Stipends paid to participants in these programmes are recognised as notional training expenditure, which is included alongside actual training costs and learner numbers when calculating points on the Skills Development scorecard.

Life Offices

A decreasing trend is observed on most of the Skills Development indicators for 2025 compared to 2024. This is not due to a lack of training investment, as can be seen from the cost analysis, but rather an increase in remuneration, which determines the Skills Development scorecard targets specifically from the largest reporting members. The reasons for these increases in remuneration vary and may include business formations, consolidations, and improved reporting by some members in earlier periods. There has, however, been a clear upward trend in the Skills Development element since 2018.

The B-BBEE scorecards measure the investment and spend on training to assess the level of transformation. However, the monitoring and evaluation of training outcomes are not included in this measurement, despite their importance in supporting career progression and the broader advancement of Black people in the workplace and the economy at large.

The average cost of training per individual follows the same pattern as in previous years, with Senior and Executive Management receiving the highest reported training spend. Employers continue to prioritise internship-type training interventions, which allow salaries to be counted as training costs and help explain the high averages recorded for these programmes.

Spending on training for the benefit of unemployed Black people remains low, with targets not being met. This is largely due to the ambitious target of 1.50% of the total salary bill, which translates to an annual spend of approximately R690 million to achieve the full weighting points. Members collectively reported a spend of R89 million towards this sub-indicator (2024: R45 million), almost double the spend from 2024.

MANAGEMENT LEVEL	2025 *Average Cost*
SENIOR & EXECUTIVE	R74 000
MIDDLE	R53 000
JUNIOR	R26 000
NON-MANAGEMENT	R20 000

The target has been achieved for Black people in Learnerships, Internships and Apprenticeships for 2025, however; a declining trend is observed. These training programmes consist of both theoretical learning and practical workplace experience, aimed at obtaining a qualification from a registered institution. They are generally geared towards Middle and Junior Management levels. The costs of training, as well as salaries or stipends paid during the training period, may be recognised as part of the overall training expenditure. An increase in the growth in the costs incurred on Skills Development programmes in general, aligns with the improved achievement of targets within the Middle and Junior Management categories.

The Absorption of Unemployed Learners who have participated in a learnership remained at levels of 60% between 2018 and 2025.

LEVIABLE AMOUNT	2025
SENIOR MANAGEMENT AND EXECS	R10bn
MIDDLE MANAGEMENT	R14bn
JUNIOR MANAGEMENT	R17bn
NON-MANAGEMENT AND BLACK PEOPLE	R4bn
TOTAL	**R46bn**

Table of total Skills Development Expenditure: 2018–2025

2018	2021	2022	2023	2024	2025
R1,59bn	R1,62bn	R1,82bn	R2,2bn	R2,0bn	R2,4bn

Asset Managers

Investment in training initiatives aimed at employees in Middle, Junior, and Non-management levels continues to show an upward trend.

Only the targets for Skills Development expenditure on Non-management employees, persons with disabilities, and learnerships have been achieved, largely due to their relatively low monetary targets in comparison to the number of weighting points allocated to them on the scorecard. Factors which include Artificial Intelligence, availability and willingness of learners to register for training and budgets, specifically impact the training targets achieved.

The Skills Development scorecard measures training expenditure allocated for the benefit of Black people (including African, Coloured, and Indian individuals), with specific focus also placed on spend directed towards African people.

The number of Black people participating in Learnerships, Internships, and Apprenticeships has grown significantly during the past few years, with a nearly 52% increase between 2023 and 2024, and a 34% increase between 2024 and 2025. This sharp increase is still largely driven by the rise in unemployed learners, particularly Black unemployed learners with disabilities, who are being brought into dedicated learnership programmes.

These training programmes include both theoretical instruction and practical, on-the-job experience, and are designed to lead to a qualification issued by a registered learning institution. They are generally targeted at Middle, Junior, and Non-management levels. Training costs, including salaries or stipends paid during the programme, can be recognised as part of the total training expenditure.

The Absorption of Unemployed Learners who have participated in a learnership has decreased from 76.18% in 2024 to 52.35% in 2025. In 2025, a total of 892 (2024: 361) unemployed learnerships were completed, with 467 (2024: 275) of the learners being absorbed. The fluctuations in these percentages reflect the timing of learnerships and when learners complete their programmes.

Table of total Skills Development Expenditure: 2018–2025

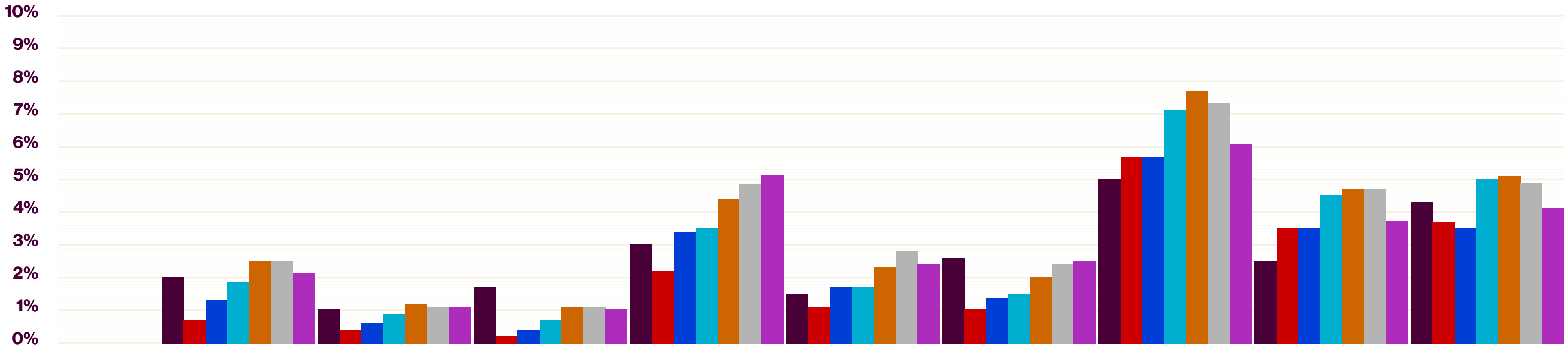
2018	2021	2022	2023	2024	2025
R116m	R207m	R258m	R217m	R417m	R420m

LEVIABLE AMOUNT	2025
SENIOR MANAGEMENT AND EXECS	R4bn
MIDDLE MANAGEMENT	R3bn
JUNIOR MANAGEMENT	R3bn
NON-MANAGEMENT AND BLACK PEOPLE	R284m
TOTAL	**R10bn**

Skills Development:

Life Offices

Skills Development Scorecard per Indicator as a % Achieved for Management Levels

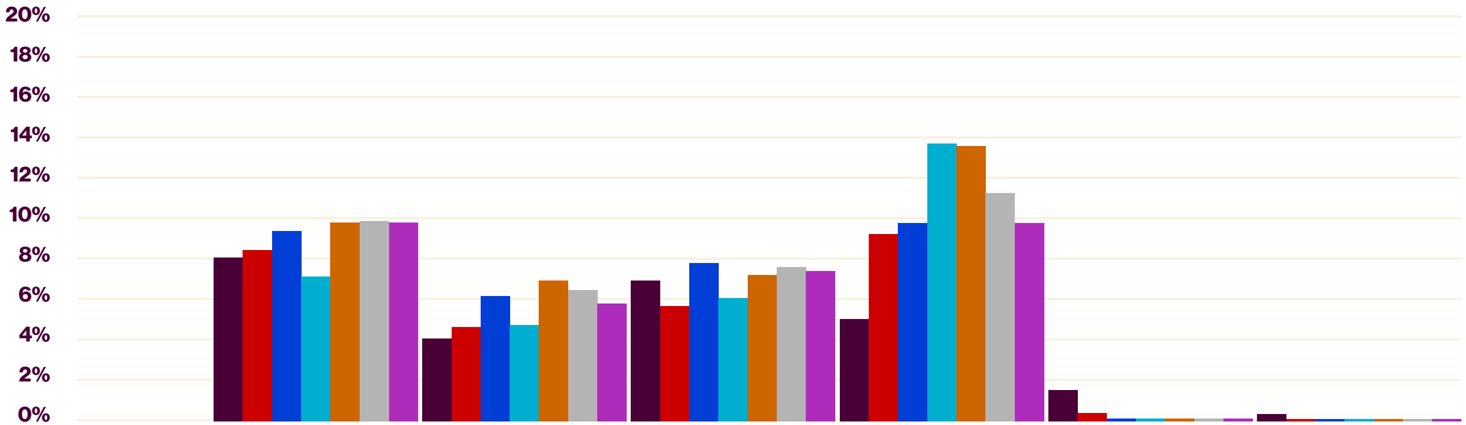


	EXECUTIVE & SENIOR MANAGEMENT BLACK PEOPLE	EXECUTIVE & SENIOR MANAGEMENT BLACK WOMEN	EXECUTIVE & SENIOR MANAGEMENT AFRICAN PEOPLE	MIDDLE MANAGEMENT BLACK PEOPLE	MIDDLE MANAGEMENT BLACK WOMEN	MIDDLE MANAGEMENT AFRICAN PEOPLE	JUNIOR MANAGEMENT BLACK PEOPLE	JUNIOR MANAGEMENT BLACK WOMEN	JUNIOR MANAGEMENT AFRICAN PEOPLE
TARGET	2.00%	1.00%	1.03%	3.00%	1.50%	1.92%	5.00%	2.50%	4.37%
2018	0.71%	0.41%	0.29%	2.24%	1.12%	1.06%	5.74%	3.59%	3.79%
2021	1.33%	0.66%	0.47%	3.41%	1.76%	1.47%	5.78%	3.56%	3.56%
2022	1.92%	0.97%	0.72%	3.52%	1.75%	1.51%	7.12%	4.54%	5.01%
2023	2.50%	1.26%	1.15%	4.41%	2.34%	2.05%	7.74%	4.76%	5.18%
2024	2.50%	1.18%	1.13%	4.95%	2.86%	2.47%	7.34%	4.77%	4.91%
2025	2.18%	1.15%	1.04%	5.23%	2.47%	2.50%	6.06%	3.89%	4.12%

Skills Development:

Life Offices

Skills Development Scorecard per Indicator as a % Achieved for Non-Management, Unemployed, Disabled and Learnerships

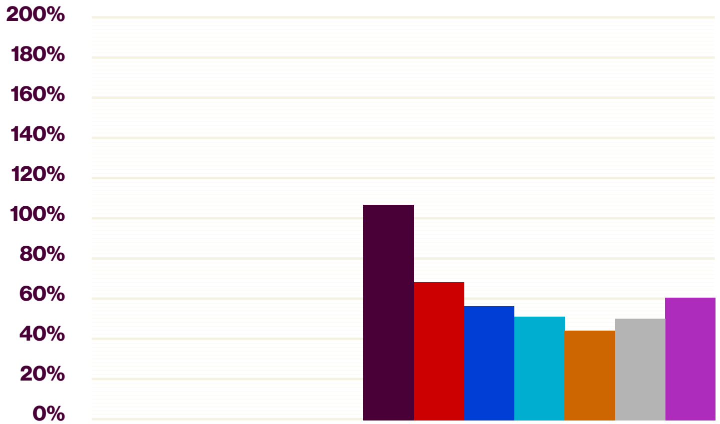


	NON-MANAGEMENT BLACK PEOPLE	NON-MANAGEMENT BLACK WOMEN	NON-MANAGEMENT AFRICAN PEOPLE	LEARNERSHIPS	BLACK UNEMPLOYED	BLACK DISABLED
TARGET	**8.00%**	**4.00%**	**6.99%**	**5.00%**	**1.50%**	**0.30%**
2018	8.49%	4.62%	5.76%	9.22%	0.35%	0.05%
2021	9.45%	6.15%	7.86%	9.81%	0.13%	0.07%
2022	7.19%	4.74%	6.04%	13.76%	0.12%	0.05%
2023	9.83%	6.94%	7.14%	13.69%	0.13%	0.04%
2024	9.96%	6.45%	7.67%	11.36%	0.14%	0.08%
2025	9.16%	5.90%	7.34%	9.28%	0.19%	0.07%

Skills Development:

Life Offices

% Absorption of Black Learners at the End of the Learnership, Internship or Apprenticeship Programme

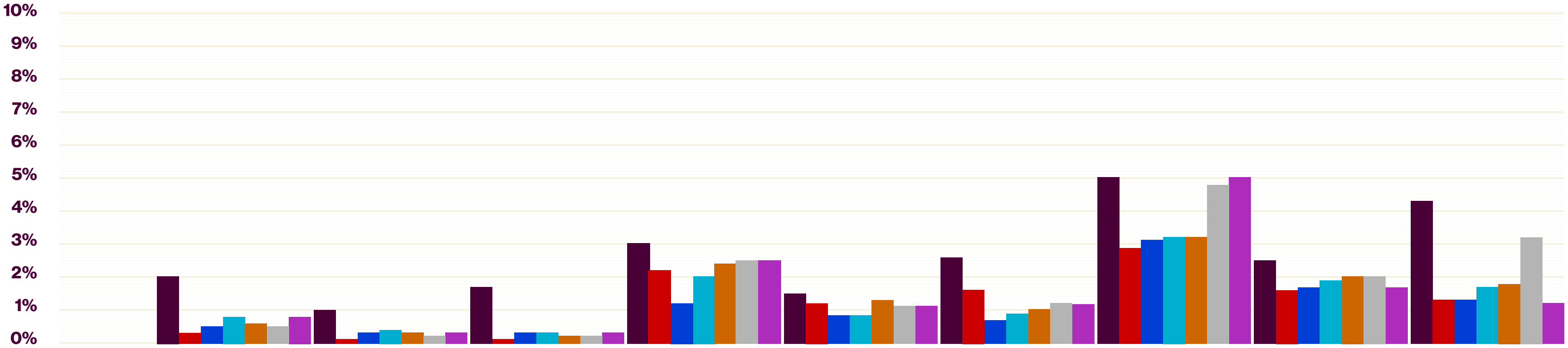


	BONUS POINT: ABSORPTION
TARGET	100.00%
2018	62.29%
2021	53.66%
2022	48.66%
2023	41.23%
2024	47.16%
2025	60.57%

Skills Development:

Asset Managers

Skills Development Scorecard per Indicator as a % Achieved for Management Levels

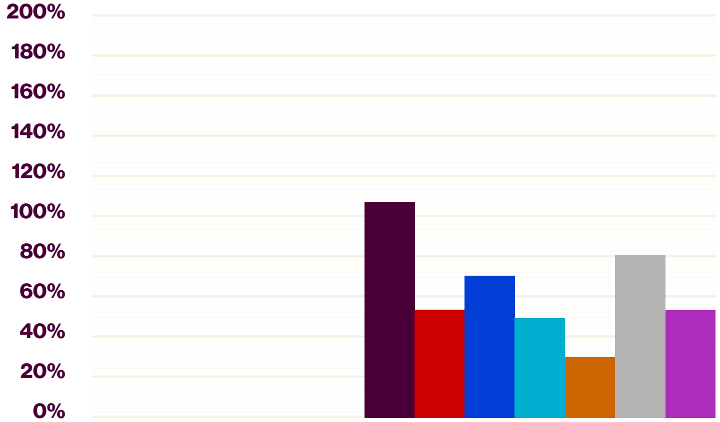


	EXECUTIVE & SENIOR MANAGEMENT BLACK PEOPLE	EXECUTIVE & SENIOR MANAGEMENT BLACK WOMEN	EXECUTIVE & SENIOR MANAGEMENT AFRICAN PEOPLE	MIDDLE MANAGEMENT BLACK PEOPLE	MIDDLE MANAGEMENT BLACK WOMEN	MIDDLE MANAGEMENT AFRICAN PEOPLE	JUNIOR MANAGEMENT BLACK PEOPLE	JUNIOR MANAGEMENT BLACK WOMEN	JUNIOR MANAGEMENT AFRICAN PEOPLE
TARGET	**2.00%**	**1.00%**	**1.75%**	**3.00%**	**1.50%**	**2.62%**	**5.00%**	**2.50%**	**4.37%**
2018	0.36%	0.17%	0.13%	2.24%	1.12%	1.06%	2.90%	1.65%	1.36%
2021	0.58%	0.32%	0.30%	1.28%	0.85%	0.71%	3.10%	1.79%	1.33%
2022	0.87%	0.43%	0.32%	2.02%	0.80%	0.99%	3.28%	1.92%	1.70%
2023	0.67%	0.34%	0.20%	2.41%	1.31%	1.06%	3.24%	2.00%	1.82%
2024	0.56%	0.20%	0.20%	2.58%	1.14%	1.22%	4.87%	2.09%	3.28%
2025	0.84%	0.38%	0.39%	2.59%	1.06%	1.17%	3.00%	1.95%	1.65%

Skills Development:

Asset Managers

% Absorption of Black Learners at the End of the Learnership, Internship or Apprenticeship Programme

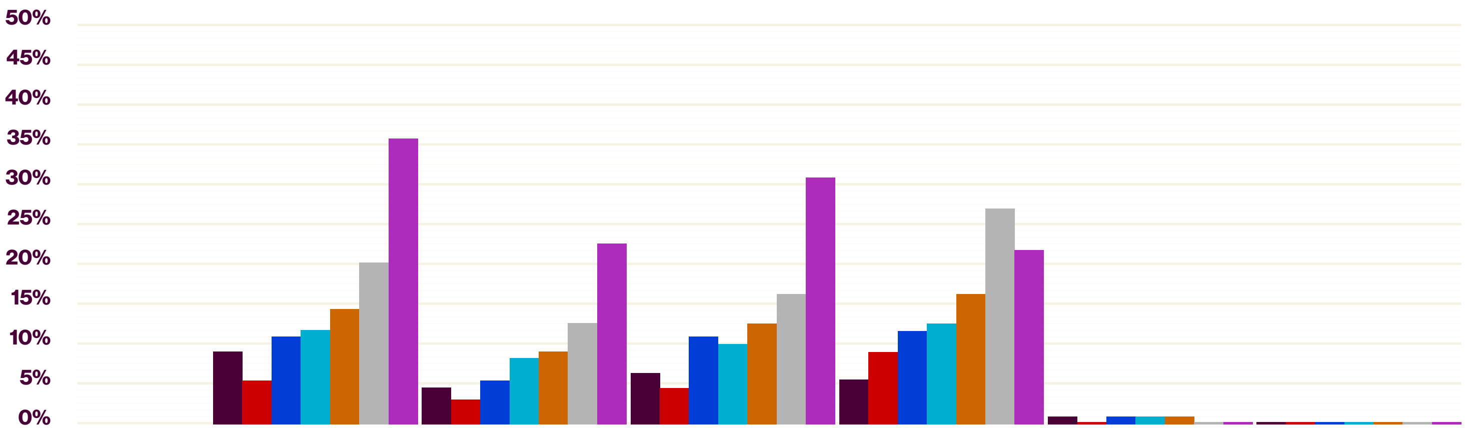


	BONUS POINT: ABSORPTION
TARGET	100.00%
2018	51.20%
2021	65.78%
2022	46.00%
2023	29.14%
2024	76.18%
2025	52.35%

Skills Development:

Asset Managers

Skills Development Scorecard per Indicator as a % Achieved for Non-Management, Unemployed, Disabled and Learnerships



	NON-MANAGEMENT BLACK PEOPLE	NON-MANAGEMENT BLACK WOMEN	NON-MANAGEMENT AFRICAN PEOPLE	LEARNERSHIPS	BLACK UNEMPLOYED	BLACK DISABLED
TARGET	**8.00%**	**4.00%**	**6.99%**	**5.00%**	**1.50%**	**0.30%**
2018	5.80%	3.56%	4.37%	8.95%	0.88%	0.05%
2021	11.24%	5.72%	10.31%	11.69%	1.27%	0.38%
2022	12.89%	8.22%	9.40%	12.06%	1.59%	0.46%
2023	14.20%	9.80%	12.42%	15.09%	1.07%	0.44%
2024	20.27%	13.87%	15.81%	25.22%	0.98%	0.33%
2025	36.18%	23.51%	30.94%	21.84%	0.84%	0.35%

Preferential Procurement

Preferential Procurement measures how the industry uses its purchasing power to support transformed suppliers and broaden access to institutional supply chains. The Financial Sector Code measures procurement across a range of supplier categories, including EMEs, QSEs, 51% Black-Owned suppliers and 30% Black Women-Owned suppliers.

The scale of this activity is significant. In 2025, participating Life Offices and Asset Managers reported approximately R70 billion in qualifying procurement spend. Within this spend, approximately R28 billion was directed to 51% Black-Owned suppliers and R16 billion to 30% Black Women-Owned suppliers. Procurement from EMEs and QSEs exceeded R20 billion.

These flows provide an important link between transformation investment and market access. Enterprise and Supplier Development can help businesses build capability, but sustainable growth ultimately depends on businesses gaining customers, generating revenue and participating in established supply chains.

Life Offices

Life Offices performed above most of the FSC procurement targets in 2025. Procurement from all qualifying suppliers reached 89.41% of total measured procurement spend against the 80% target. Procurement from 51% Black-Owned suppliers reached 36.54% against a target of 30%, while procurement from 30% Black Women-Owned suppliers reached 21.99% against a target of 10%.

Procurement from EMEs also exceeded target at 14.57%, compared with the FSC target of 12%. This represents an increase from 8.70% in 2018 and reflects growing participation by smaller enterprises in Life Office supply chains. QSE procurement reached 13.78% against the 18% target and remains an area for further progress.

The Life Office procurement base changed materially from December 2020, when commissions paid to insurance brokers and intermediaries were included in measured procurement spend. This broadened the procurement base against which performance is measured and should be taken into account when comparing results before and after 2020.

In rand terms, Life Offices reported approximately R61 billion in procurement expenditure in 2025, including around R25 billion with 51% Black-Owned suppliers, R15 billion with 30% Black Women-Owned suppliers and R19 billion with EMEs and QSEs.

Table of total Preferential Procurement Expenditure: 2025

TOTAL QUALIFYING SPEND	EME	QSE	51% BLACK OWNED	30% BLACK WOMEN OWNED	51% BLACK DESIGNATED GROUPS
R61bn	R10bn	R9bn	R25bn	R15bn	R2bn

Asset Managers

Asset Managers also recorded strong performance across several procurement measures in 2025. Procurement from all qualifying suppliers reached 103.33% of total measured procurement spend against the 80% FSC target.

Procurement from 51% Black-Owned suppliers reached 31.34%, exceeding the 30% target, while procurement from 30% Black Women-Owned suppliers reached 12.02% against a target of 10%.

Procurement from EMEs and QSEs remained below their respective targets, at 5.63% and 7.48%. These categories continue to present an opportunity to broaden the participation of smaller businesses in Asset Manager supply chains.

Asset Managers reported approximately R9 billion in procurement expenditure in 2025, including around R3 billion with 51% Black-Owned suppliers and R1 billion with 30% Black Women-Owned suppliers.

Taken together, the data shows substantial procurement activity directed towards Black-Owned and Black Women-Owned businesses, while also identifying areas where participation by smaller enterprises can be strengthened. It reinforces the importance of linking Enterprise and Supplier Development with procurement and sustained access to markets.

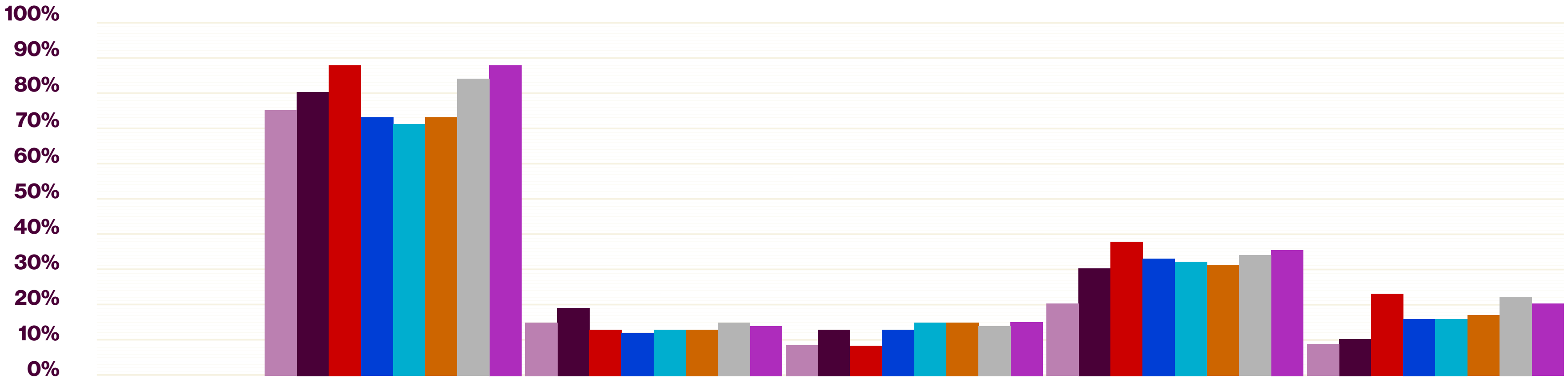
Table of total Preferential Procurement Expenditure: 2025

TOTAL QUALIFYING SPEND	EME	QSE	51% BLACK OWNED	30% BLACK WOMEN OWNED	51% BLACK DESIGNATED GROUPS
R9bn	R483m	R642m	R3bn	R1bn	R94m

Preferential Procurement:

Life Offices

Preferential Procurement Scorecard per Indicator as a % of Total measured Procurement Spend

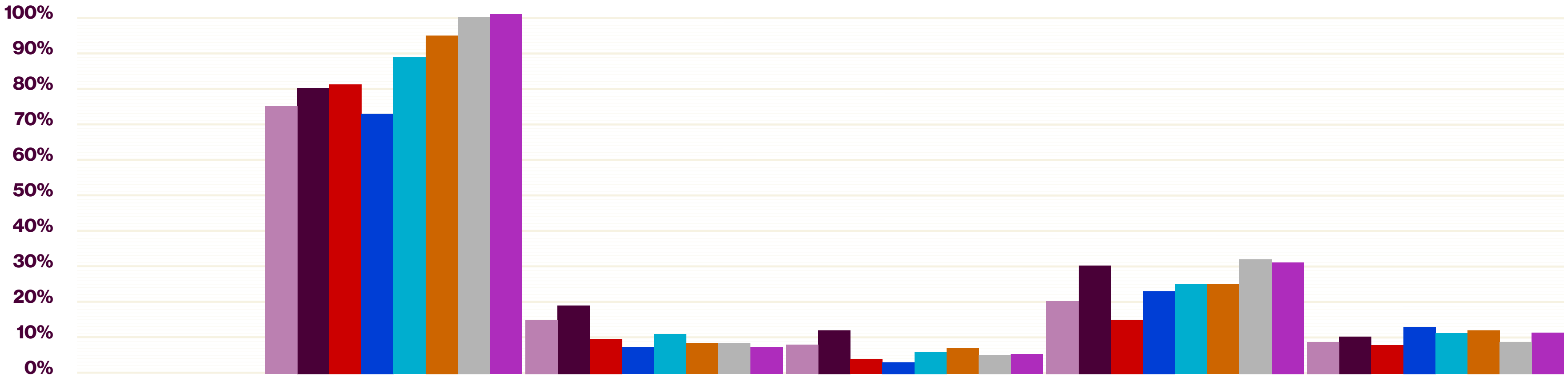


	ALL SPEND	QSE SPEND	EME SPEND	51% BLACK-OWNED SPEND	30% BLACK-OWNED WOMEN SPEND
TARGET 2018-2020	75.00%	14.00%	8.00%	20.00%	9.00%
TARGET POST 2020	80.00%	18.00%	12.00%	30.00%	10.00%
2018	88.31%	12.50%	8.70%	38.76%	23.12%
2021	73.74%	11.48%	12.08%	33.96%	16.55%
2022	71.13%	12.54%	14.91%	32.06%	16.18%
2023	73.08%	12.40%	14.16%	31.62%	17.34%
2024	84.18%	14.05%	13.90%	34.76%	22.02%
2025	89.41%	13.78%	14.57%	36.54%	21.99%

Preferential Procurement:

Asset Managers

Preferential Procurement Scorecard per Indicator as a % of Total measured Procurement Spend



	ALL SPEND	QSE SPEND	EME SPEND	51% BLACK-OWNED SPEND	30% BLACK-OWNED WOMEN SPEND
TARGET 2018-2020	75.00%	14.00%	8.00%	20.00%	9.00%
TARGET POST 2020	80.00%	18.00%	12.00%	30.00%	10.00%
2018	81.89%	9.88%	4.69%	15.57%	8.39%
2021	73.03%	7.89%	3.60%	23.16%	13.15%
2022	89.36%	10.69%	6.26%	25.92%	11.17%
2023	95.04%	8.95%	7.92%	25.15%	12.24%
2024	100.10%	8.14%	5.49%	32.69%	9.45%
2025	103.33%	7.48%	5.63%	31.34%	12.02%

Empowerment Financing

(Applicable only to Life Offices and Banks)

Empowerment Financing evaluates the extent to which Life Offices invest in Targeted Investments, such as debt funding, credit facilities, or equity contributions to South African projects situated in areas that have traditionally lacked support from mainstream financial institutions for economic development and job creation.

This element also acknowledges B-BBEE Transaction Financing, focusing on funding or investments in B-BBEE transactions concluded before 1 December 2017. Additionally, the introduction of Black Business Growth Funding aims to support the expansion of large Black-Owned enterprises by providing operational capital geared toward stimulating job creation and economic growth.

Life Offices

The Life Office industry continues to exceed its targets for Targeted Investments and exceeded levels achieved in 2020. Targeted Investments include various forms of debt funding, some in the form of listed debt instruments such as bonds, issued by institutions involved in Transformational Infrastructure, Affordable Housing, and Agricultural Finance directed at Black-Owned entities within the agricultural sector.

Black Business Growth Funding decreased since 2024.

Implementation of new Black Business Growth Funding initiatives is often seen as complex to roll out and, at times, misaligned with the mandate and risk appetite typically associated with such funding.

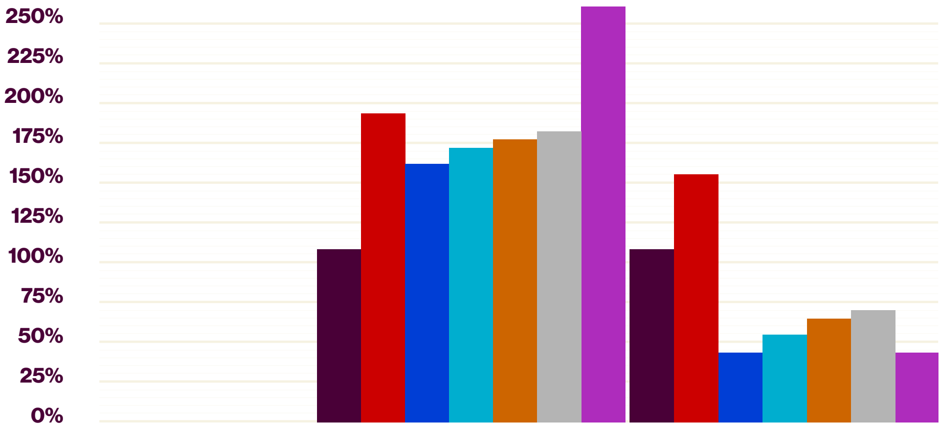
Table of Empowerment Financing investments: 2018–2025

ELEMENT	2018	2021	2022	2023	2024	2025
Targeted Investments	R48bn	R62bn	R65bn	R67bn	R69bn	R106bn
Black Business Growth Funding	R33bn	R9bn	R12bn	R14bn	R15bn	R9bn

Empowerment Finance:

Life Offices

Empowerment Financing Achieved as a % of the Industry Target



	TARGETED INVESTMENTS	BLACK BUSINESS GROWTH FUNDING
TARGET	100.00%	100.00%
2018	178.00%	147.00%
2021	151.58%	41.31%
2022	160.73%	51.47%
2023	164.96%	62.43%
2024	168.93%	66.49%
2025	260.78%	41.72%

*Net Profit After Tax (NPAT)

Enterprise and Supplier Development

Enterprise and Supplier Development (ESD) supports the growth and sustainability of qualifying Black-Owned businesses through financial and non-financial support.

Enterprise Development focuses on building business capability, while Supplier Development strengthens businesses that are, or can become, part of institutional supply chains. Effective ESD therefore requires more than funding. It requires business development support, access to markets and the capability to help enterprises grow into sustainable suppliers.

ESD has been a consistently strong area of performance for participating ASISA members. Across the eight-year reporting period, members invested on average more than R814 million each year in Enterprise and Supplier Development. In 2025 alone, Life Offices and Asset Managers reported approximately R953 million in ESD contributions through investments, loans, grants and other qualifying forms of support.

Around half of the industry's ESD contributions are channelled through the ASISA Enterprise and Supplier Development Initiative, with the balance implemented through members' own ESD programmes. This provides the industry with both collective and institution-specific delivery capability.

The ASISA ESD Initiative illustrates what this capability looks like in practice. Since inception, it has combined investment capital with Business Acceleration Programmes, mentorship, operational and financial support and access-to-market interventions for Black-Owned SMEs. Refer to the ASISA Transformation Initiatives section of this report for more details.

Importantly, the model connects enterprise development to the wider commercial ecosystem. Programme beneficiaries are supported to strengthen their operations and become procurement-ready, while investment support includes finance, strategy, governance, human resources, sales and market development. This recognises that sustainable enterprise growth depends on the combination of capital, capability and market access.

Life Offices

Life Offices exceeded both FSC ESD targets in 2025. Enterprise Development contributions represented 0.31% of previous-year NPAT against a target of 0.20%, while Supplier Development contributions reached 1.81% against a target of 1.80%.

Previous-year NPAT, against which these contributions are measured, increased by more than 30% between 2024 and 2025. Despite this higher base, Life Offices increased their actual ESD contributions and continued to exceed both FSC targets.

In rand terms, Life Offices contributed R84 million to Enterprise Development and R495 million to Supplier Development in 2025. Supplier Development remains the larger component and is supported mainly through interest-free funding directed towards the development of suppliers to Life Offices.

The results continue a sustained record of ESD investment. Enterprise Development has remained above target throughout the reporting period, while Supplier Development has exceeded target from 2021 onwards.

Table of Enterprise and Supplier Development invested: 2018–2025

ELEMENT	2018	2021	2022	2023	2024	2025
Enterprise Development	R88m	R63m	R46m	R66m	R73m	R84m
Supplier Development	R369m	R703m	R263m	R452m	R441m	R495m

Asset Managers

Asset Managers continued to exceed both FSC targets in 2025. Enterprise Development contributions reached 2.07% of previous-year NPAT against a target of 1.00%, while Supplier Development reached 3.48% against a target of 2.00%.

Asset Managers contributed R140 million to Enterprise Development and R234 million to Supplier Development in 2025. Enterprise Development investment increased from R92 million in 2024 to R140 million in 2025, while Supplier Development contributions remained at R234 million.

Asset Managers have exceeded both Enterprise and Supplier Development targets throughout the reporting period, demonstrating sustained support for the development and growth of qualifying Black-Owned businesses.

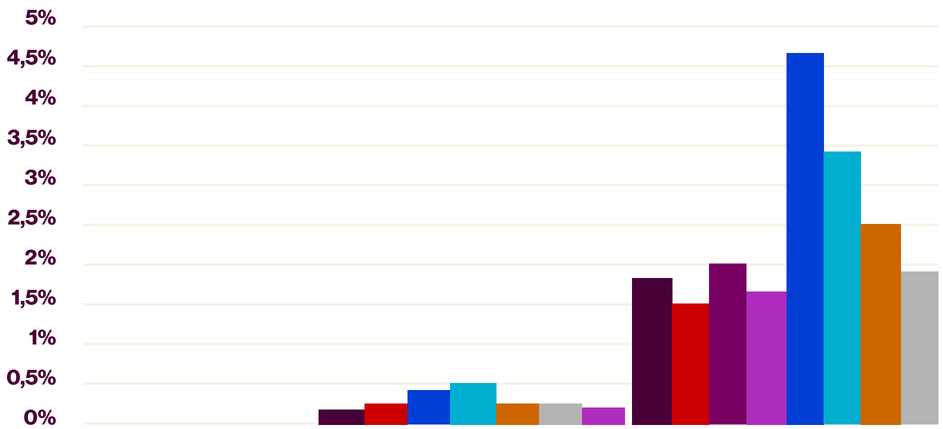
Table of Enterprise and Supplier Development invested: 2018–2025

ELEMENT	2018	2021	2022	2023	2024	2025
Enterprise Development	R73m	R114m	R106m	R128m	R92m	R140m
Supplier Development	R151m	R173m	R202m	R215m	R234m	R234m

Enterprise and Supplier Development:

Life Offices

Enterprise and Supplier Development Achieved as a % of Previous Year NPAT*



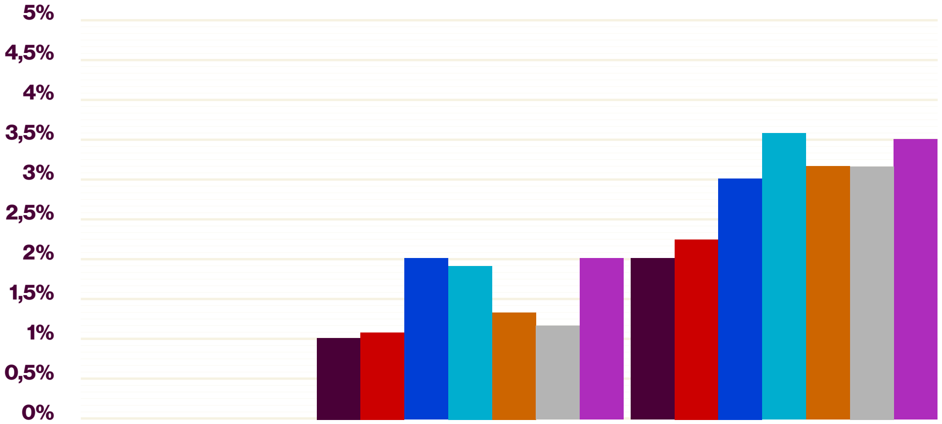
	ENTERPRISE DEVELOPMENT	SUPPLIER DEVELOPMENT
TARGET	0.20%	1.80%
2018	0.36%	1.50%
2021	0.42%	4.70%
2022	0.59%	3.41%
2023	0.37%	2.56%
2024	0.35%	2.10%
2025	0.31%	1.81%

*Net Profit After Tax (NPAT)

Enterprise and Supplier Development:

Asset Managers

Enterprise and Supplier Development Achieved as a % of Previous Year NPAT*



	ENTERPRISE DEVELOPMENT	SUPPLIER DEVELOPMENT
TARGET	1.00%	2.00%
2018	1.13%	2.31%
2021	2.00%	3.03%
2022	1.92%	3.64%
2023	1.36%	3.20%
2024	1.27%	3.22%
2025	2.07%	3.48%

*Net Profit After Tax (NPAT)

Socio-Economic Development & Consumer Financial Education

Socio-Economic Development (SED) and Consumer Financial Education (CFE) are separate elements of the Financial Sector Code. SED supports qualifying initiatives that contribute to broader socio-economic development, including education, training, youth development, health, environmental initiatives and job creation. Consumer Financial Education focuses specifically on equipping consumers with the knowledge and skills needed to make informed financial decisions.

For Life Offices and Asset Managers, the FSC targets are 0.60% of previous-year Net Profit After Tax (NPAT) for SED and 0.40% for Consumer Financial Education.

Life Offices

Life Offices exceeded both the SED and Consumer Financial Education targets in 2025, with contributions equivalent to 0.71% and 0.42% of previous-year NPAT respectively.

In rand terms, SED expenditure increased to R193 million in 2025, while Consumer Financial Education expenditure increased to R116 million.

Contributions to the Fundisa Retail Fund or similar qualifying initiatives amounted to R5 million in 2025.

Table of Socio-Economic Development, Consumer Education and Fundisa Retail Fund spend: 2018 – 2025

ELEMENT	2018	2021	2022	2023	2024	2025
Socio-Economic Development	R219m	R164m	R154m	R214m	R177m	R193m
Consumer Education	R72m	R63m	R62m	R130m	R105m	R116m
Fundisa Retail Fund	R3m	R13m	R5m	R10m	R6m	R5m

Asset Managers

Asset Managers also exceeded both targets in 2025, with contributions equivalent to 1.39% of previous-year NPAT for SED and 0.59% for Consumer Financial Education.

In rand terms, SED expenditure amounted to R93 million in 2025, while Consumer Financial Education expenditure reached R40 million.

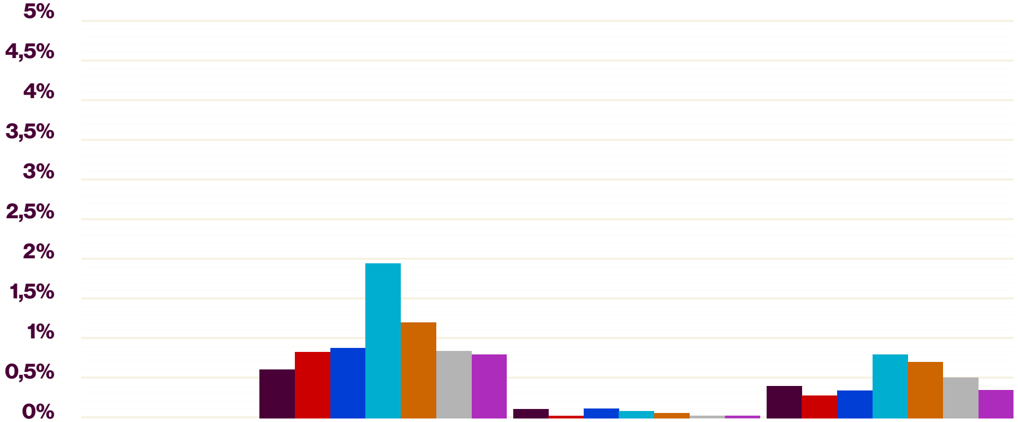
Contributions to the Fundisa Retail Fund or similar qualifying initiatives amounted to R12 million in 2025.

Table of Socio-Economic Development, Consumer Education and Fundisa Retail Fund spend: 2018 – 2025

ELEMENT	2018	2021	2022	2023	2024	2025
Socio-Economic Development	R46m	R71m	R241m	R73m	R76m	R93m
Consumer Education	R25m	R21m	R26m	R31m	R35m	R40m
Fundisa Retail Fund	R8m	R8m	R10m	R12m	R10m	R12m

SED & CFE:
Life Offices

Socio-Economic Development, Consumer Education and Fundisa Performance Achieved as a % of Previous Year NPAT*



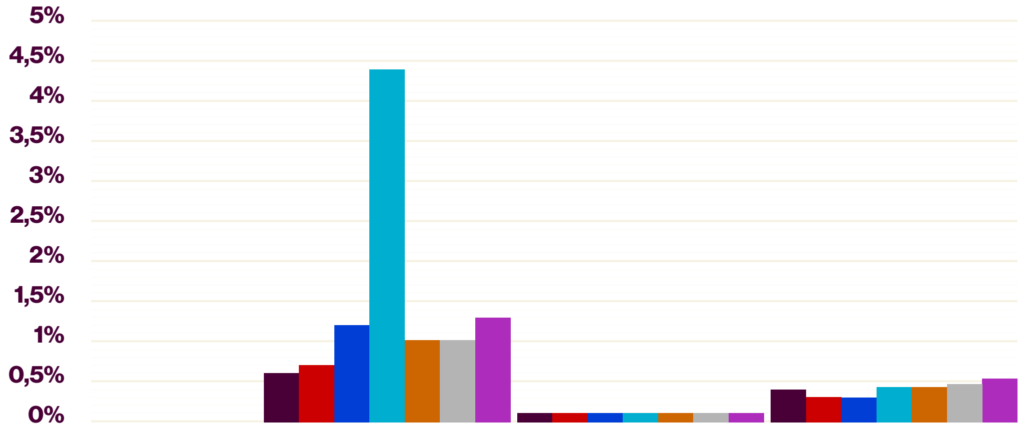
	SED SPEND	FUNDISA (OR SIMILAR)	CONSUMER EDUCATION
TARGET	**0.60%**	**0.10%**	**0.40%**
2018	0.89%	0.01%	0.29%
2021	0.86%	0.12%	0.39%
2022	1.99%	0.07%	0.80%
2023	1.21%	0.06%	0.74%
2024	0.84%	0.03%	0.50%
2025	0.71%	0.02%	0.42%

*Net Profit After Tax (NPAT)

SED & CFE:

Asset Managers

Socio-Economic Development, Consumer Education and Fundisa Performance Achieved as a % of Previous Year NPAT*



	SED SPEND	FUNDISA (OR SIMILAR)	CONSUMER EDUCATION
TARGET	**0.60%**	**0.10%**	**0.40%**
2018	0.71%	0.13%	0.38%
2021	1.25%	0.13%	0.37%
2022	4.34%	0.18%	0.47%
2023	1.09%	0.18%	0.47%
2024	1.05%	0.14%	0.49%
2025	1.39%	0.18%	0.59%

*Net Profit After Tax (NPAT)

Access to Financial Services

(Applicable only to Life Offices, Short-term Insurers and Banks)

Access to Financial Services measures the extent to which financial products are available and accessible to underserved and lower-income consumers. For life offices, this includes products such as funeral policies and credit life insurance, as well as consumers' ability to access and service these products. The element therefore provides a measure of the industry's contribution to financial inclusion.

Life Offices

Performance across the three Access measures was mixed in 2025.

Market Penetration remained the strongest-performing measure. Against the FSC target of 100%, Life Offices achieved 135.32% in 2025, compared with 89.14% in 2024. The measure was therefore above target in 2025.

Transactional Access measures consumers' ability to purchase a product, pay premiums, make changes to a policy, lodge a claim and receive payment. Performance improved over the longer term, increasing from 61.52% in 2018 to 69.31% in 2025, against the FSC target of 80%.

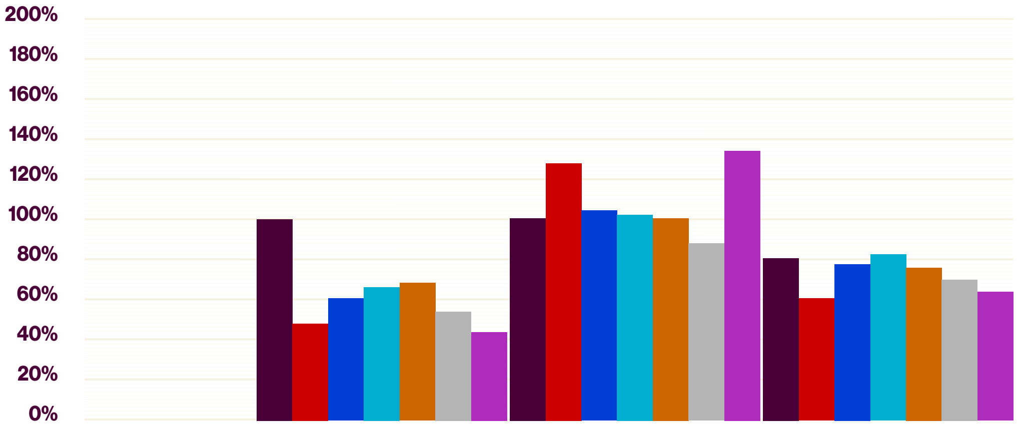
Appropriate Products measures products designed to meet identified consumer needs and the standards prescribed under the FSC. The Code provides for six qualifying product types. While participating Life Offices continue to design products in line with these standards, the average number of qualifying products per participating member in 2025 was approximately three out of six.

Overall, Market Penetration performed above target in 2025, while Transactional Access and Appropriate Products remained below their respective targets.

Access to Financial Services:

Life Offices

Access to Financial Services Performance Achieved as a % of the Industry Target



	APPROPRIATE PRODUCTS	MARKET PENETRATION	TRANSACTIONAL ACCESS
TARGET	100.00%	100.00%	80.00%
2018	47.39%	127.42%	61.52%
2021	60.42%	104.24%	77.34%
2022	66.67%	102.42%	81.60%
2023	68.52%	101.36%	76.48%
2024	54.44%	89.14%	70.51%
2025	45.00%	135.32%	69.31%

5

Impact Stories
An Industry in Action

Contextualising Our 2026 Impact Stories

An Industry in Action

This report shows how the industry is making real progress in transformation under the Financial Sector Code. The impact stories that follow reveal how these commitments are creating real benefits for people, businesses, and communities.

These stories come from across the savings and investment industry. Each one is different, but together they show the many ways ASISA members are helping more people take part in the economy and supporting long-term, sustainable development.

The industry also recognises that South Africa's transformation challenges are too complex for any one organisation to solve alone. Over time, ASISA and its members have responded by building institutions, forging partnerships and learning continuously. Together, these efforts demonstrate that sustainable transformation is strengthened through collective action, evidence and long-term commitment. The stories in this report therefore represent more than examples of good practice. They provide insight into the diverse ways in which transformation is being advanced across the industry: through investment in people, support for enterprises, stronger communities, innovation and partnerships. They demonstrate that there is no single pathway to transformation; rather, meaningful progress is shaped by context, collaboration, continuous learning and a shared commitment to expanding opportunity.

No single story represents transformation in its entirety. Together, these stories reflect the diversity of approaches, partnerships and innovations through which ASISA members are contributing to a more inclusive, resilient and sustainable South Africa. **Ultimately, these stories demonstrate that transformation is not driven by isolated interventions. It grows from the combined efforts of organisations working together to open up opportunities, strengthen resilience, and build a more inclusive, sustainable South Africa.**

The lenses for 2026

The impact stories that follow are grouped around the key transformation themes in the Financial Sector Code and the industry's evolving response to South Africa's development priorities.

This year's stories are presented through the following lenses:

- **Ownership and broader Financial Sector Code themes -** illustrating innovative approaches to ownership, participation and inclusive transformation.
- **Employment Equity and Skills Development -** demonstrating how the industry is investing in demand-led talent pipelines, capability development and future skills.
- **Enterprise and Supplier Development -** showcasing initiatives that strengthen SMME growth, entrepreneurship and inclusive economic participation, while reinforcing the industry's position on sustainable enterprise development and the proposed Transformation Fund.
- **Socio-Economic Development and Consumer Financial Education -** highlighting initiatives that address structural barriers to financial inclusion, resilience and long-term socio-economic participation.

You've seen the numbers. Now meet the people, partnerships and initiatives behind them.

Impact Story: Equity Ownership

When 100% Black owned and female ownership is not the B-BBEE finishing line

How one asset manager kept broadening ownership beyond the Black-Owned construct.

Most transformation ownership stories have an ending: a deal closes, a stake changes hands, a percentage is reached, and the story is filed. Terebinth Capital's story is unusual because it refuses to end. Its ownership has been broadened, and then broadened again, and then again, across more than a decade, and by the company's own account it is not finished yet.

The firm opened its doors on 1 April 2013 with a single stated ambition: to become a fully manager-owned business. At the start it was anything but. An external shareholder held 75%, and a single internal shareholder, Erik Nel, held the remaining 25%. The distance between that starting point and the stated goal is the story.

By 2018, the external partner had been fully diluted out, and the business became 100% manager-owned. Crucially, the shareholding did not simply consolidate into a few hands. It was split, with Nomathibana Okello holding the majority stake, making Terebinth a majority Black female owned and led asset manager, a designation that remains rare in South African investment management.

What happened next is what makes the story distinctive. Rather than treating that milestone as the finish line, Terebinth kept redistributing ownership downward and outward, returning to its shareholding structure every couple of years and widening it each time.

TEREBINTH CAPITAL: AN OWNERSHIP REGISTER THAT KEEPS MOVING	
2018	The company became 100% manager-owned following the full dilution of the external partner.
2020	Nicole Le Riche diluted her full shareholding to Erik Nel, increasing his holding to 49%.
Sept 2021	Terebinth launched its equity unit.
March 2022	The Terebinth Ubuntu Employee Scheme was launched, placing a 10% shareholding in Terebinth Holdings in the hands of staff by diluting the larger shareholders.
2024	The shareholdings of Nomathibana Okello and Erik Nel reduced so that the new Head of Equities, Ann Sebastian, could acquire a 2% shareholding.
2025	Terebinth proactively reviewed its structure again, reducing the larger shareholders by a combined 15.5% and distributing that stake to internal key individuals through a Shareholding Purchase Proposal, further diversifying ownership and empowering internal talent.

Read as a sequence, the shareholding story tells you something the individual numbers do not. This is a company that treats ownership not as a transaction to be completed, but as a discipline to be practised, returned to every couple of years and pushed a little further each time.

The logic behind it is partly about risk. Concentrated ownership in a small asset manager creates key-person risk, the danger that a business depends too heavily on one or two individuals. By broadening ownership and building what the firm describes as a culture in which every team member acts as an owner, whether or not they hold shares, Terebinth spreads both the reward and the responsibility. As custodians of clients' retirement savings, the team sees this as a matter of long-term accountability, not just compliance.

It is also, quite deliberately, about who gets developed. Terebinth positions itself as a firm intent on advancing young female talent in investment management, and it links its ownership philosophy directly to skills transfer. Growth in assets under management, the company notes, is what makes it possible to hire new analysts. The focus is on developing Black and female talent, which in turn helps build the next generation of potential owners. Ownership, skills development and business sustainability are treated as one system rather than three separate obligations.

The approach reflects a broader argument this report makes about ownership: that its value lies not in the percentage recorded on a certificate at a single moment, but in what that ownership is structured to do over time. A stake that is broadened intentionally and shared with the people building the business reflects ownership working as the B-BBEE framework intended. When it is also tied to the development of scarce Black and female talent, it becomes a living mechanism of inclusion rather than a one-off transfer.

Terebinth Capital's ownership journey is, on its own terms, still incomplete, and that is precisely the point. The firm has built a model in which broadening ownership is a recurring act of management rather than a historical event. In this model, the question is never whether the transformation is finished, but who joins the register next, who becomes part of the broad-based Black spectrum the 2003 B-BBEE framework set out to build.

Impact Story: Ownership & Skills Development

When ownership does the work

How a 2% shareholding became a 15-year engine for first-generation graduates.

The sharpest criticism levelled at black economic empowerment is that its ownership deals move shares without moving anything else, that equity changes hands on paper while the lives the policy was meant to reach stay exactly where they were. It is a serious charge, and in some cases a fair one. The most useful answer to it is not an argument. It is an example.

In 2011, Old Mutual Investment Group placed 2% of its equity into a trust and gave those shares a single job: to educate. The Imfundo Trust, named for the isiZulu word for education, holds its shareholding through a dedicated vehicle, Imfundo SPV Holdings, which collects the dividends the shares pay and passes them to the Trust. Every year those dividends fund scholarships for black students, most of them the first in their families to reach university, studying the disciplines the economy is short of.

The choice to fund it this way was deliberate. A company can pay for bursaries out of each year's profit, and many do; but that funding rises and falls with the results and competes every year with every other call on the budget. By attaching the scholarships to ownership, OMIG built something steadier. The shareholding sits inside the business permanently, and the dividends it generates are ring-fenced for education. In stronger years the vehicle banks reserves; in leaner ones it draws on them, so the scholarships hold steady even when the market does not. Ownership, in this design, is not the reward at the end of the transaction. It is the machine that does the work.

R72.1 million, 125 graduates, and a 95% graduate completion rate.

Those are the numbers after 15 years, confirmed to the end of 2025. The Trust has awarded R72.1 million in scholarships and seen 125 students through to graduation across six South African universities. In 2025 it supported 38 students, 21 of them women; it funds 39 today.

The figure that deserves the most attention is the quietest one. Around 95% of the students go on to graduate, a completion rate that would be impressive for any cohort, and is remarkable for one drawn largely from first-generation university students, the group the system most often loses.

That number is not luck, and it is not only money. The Trust learned early that its students' hardest moment was often the leap from school to university, where the academic demands intensify and the familiar supports often fall away. So it doubled its budget for one-on-one tutoring and wrapped the funding in things a cheque alone cannot buy: psychosocial support, mentoring and access to Old Mutual's employee wellbeing programme, for both scholars and their immediate families – an acknowledgement that a student carrying a household's worries carries them into the exam room, too. Five graduates have now come back as mentors to the students who follow them.

Bafana Zwane, Intermediate Actuarial Specialist at Old Mutual, understands exactly what the impact of the Imfundo Trust feels like from the inside.

The Imfundo Trust did not simply provide a cheque for tuition; it removed the constant financial uncertainty that shadows so many students. The Trust funded his undergraduate and honours degrees in actuarial science at the University of Cape Town, covering tuition, transport, tutoring and a living allowance.

"To say the Imfundo Trust was a game changer is a bit of an understatement," says Zwane.

> **"Without the Trust, I probably wouldn't have a degree right now, or I would have a lot of student debt. Just knowing that things were being handled made it easier to focus on the things I was supposed to be focusing on, rather than stressing over fees and other expenses."**
>
> *— Zwane, Intermediate Actuarial Specialist*

The Trust's impact on his life extended beyond graduation. Although the scholarship and his job at Old Mutual, which he started in February 2025, were entirely separate, the Trust's internship opportunities and professional network helped bridge one of the hardest gaps for any graduate: getting into the corporate world. "They introduced me to the network," he says. "You need to have your foot in the door, and I think this programme did that for me."

For Zwane, the Trust illustrates why educational opportunity is about far more than paying fees. It doesn't just help students reach the door; it helps them walk through it.

What the scholarships fund has moved with the times. The early cohorts studied commerce, accounting and statistics; today's are as likely to be in data science, computer science, engineering or postgraduate climate studies, the disciplines a modern investment industry is scrambling to hire.

Imfundo is not a recruitment pipeline into OMIG. It and the firm's Investment Analyst Programme are separate things, and OMIG is clear that the diversity of its own investment team is not the Trust's doing. Of the 60 graduates the Trust has so far been able to trace, 31 are working in financial services, a few of them in investment roles, and three at Old Mutual. None has yet reached a chief investment officer's chair, or another senior decision-making seat.

Fifteen years is a long time for a scholarship fund and a short time for a career, and an education engine does not manufacture executives on demand. What it manufactures, year after year and at a rate of 19 in 20, is graduates with degrees in the fields that matter, often from families that had never sent anyone to university before.

That is the answer to the paper-shares criticism, and it is a better answer than any argument. A 2% stake, left alone, would have been exactly the kind of ownership the critics describe: real on a certificate, invisible everywhere else. Put to work, the same 2% has funded 125 graduations in 15 years. It will fund the next 15 years' worth without another cent being voted for it, because the machine that pays for them is built into the business itself.

Ownership did not sit still. It went to work. That is transformation that compounds.

Impact Story: Management Control & Skills Development

The opportunity multiplier

Why transformation depends on creating pathways, not just entry points.

For Lindokuhle Ngqulungo, Head of Claims at Discovery Insure, career progression has never simply been about climbing the corporate ladder. Every promotion, every secondment and every new challenge creates opportunities for others, even just for someone else to step into the role he is leaving.

It is a mindset that perfectly captures one of the most powerful aspects of transformation: bringing people into an organisation is only the beginning. Lasting transformation depends on creating deliberate pathways for talented people to keep growing, while ensuring each step forward opens the door for someone else.

Ngqulungo's career is a compelling example of how Discovery connects opportunity to talent or, as articulated in one of the company's values, "liberates the best in our people".

Growing up in what he describes as "not the most privileged" circumstances, Ngqulungo understood from an early age that opportunities would not simply come to him. While still at school, he actively sought exposure to the world of work. He was assisted in this mission by a couple for whom one of his relatives worked as a domestic servant. Recognising his potential, both the husband and the wife took him to work with them during school holidays. Once at the office, he would shadow everyone from data capturers to broker consultants.

Elsewhere, he volunteered his time at a furniture store where an aunt worked, greeting customers, directing them to payment counters and learning the basics of customer service. "I was mainly trying to build a CV," he says. "But I also got to learn about customer experience, engaging with customers and the corporate environment."

Perhaps more importantly, he discovered that university was not the only route into a meaningful career. While still in Grade 11 and 12, he researched learnerships, created an online profile and began applying for opportunities, including the Discovery Insure learnership and programmes run through Harambee.

When Discovery interviewed him, he was still in high school and did not have the matric certificate that was necessary to progress. He asked them to give him a conditional opportunity; Discovery agreed to take a chance on him.

At the same time, another employer offered him a learnership that paid R1,000 more a month and was a significantly easier daily commute. "Everything pointed to the other offer being better for me," he recalls. "But I knew then that I wanted to join an organisation like Discovery."

That decision proved life-changing.

His learnership provided a structured programme of study, but Ngqulungo continued to seek out opportunities to get ahead. While still a learner, he studied for and passed his Regulatory Examination (RE), making himself fully compliant before many experienced advisers. He volunteered for additional responsibilities, built relationships across the business and constantly looked for ways to distinguish himself.

He also benefited from coaching at key moments in his early career. When his enthusiasm to progress led him to pursue an internal opportunity before discussing it with his manager, a senior leader used the moment to guide him on navigating ambition, relationships and professional judgement.

It was one of many examples of leaders seeing not only performance, but potential. Over the next decade, Discovery repeatedly entrusted Ngqulungo with bigger challenges. He progressed through broker servicing, upselling, retentions and client servicing before accepting what many regarded as the toughest assignment in the business: helping to turn around the claims division.

The challenge appealed to him for two reasons. He thrives in situations where others see uncertainty, but also, he says, "I realised that I've got a great opportunity to take a lot of people with me on this journey of growth."

Within five years, the claims environment had been stabilised. Teams were functioning more effectively, claims events were being resolved faster and, importantly, "we've been able to grow a lot of people in claims".

Today, Ngqulungo credits his success to early mentoring (and leaps of faith) and leaders who challenged him to stretch beyond what he thought he was capable of. Alongside on-the-job opportunities, Discovery invested in his development through programmes such as the High Impact Leadership Programme.

Today, at just 31, he is already looking ahead to the next stage of his development. He is working closely with Discovery Insure COO Susan Dalby building the capabilities he believes will prepare him for executive leadership in the years to come.

His ambitions continue to extend well beyond his own career. As a teenager, he founded a non-profit initiative to help high school students make better subject choices and access alternatives to university, including learnerships. Although work commitments interrupted the project, youth development remains one of his greatest passions.

"I've been helped. People poured effort into me," he says.

"That's why I value growing others so much."

— Lindokuhle Ngqulungo, Head of Claims at Discovery Insure

Opening doors, changing the room

How widening the entry corridor changes who shapes investment decisions

Transformation does not always begin when someone is hired. It can begin much earlier, when they first feel they belong. By intentionally recruiting graduates from a wide range of disciplines and career pathways, Ninety One's Investment Acceleration Programme (IAP) widens the corridors of entry to South Africa's asset management sector and challenges one of the industry's deepest assumptions: who belongs and who does not.

Historically, South Africa's asset management industry has drawn talent through relatively narrow channels. Finance graduates, chartered accountants and actuaries have traditionally dominated the recruitment pipeline, while talented graduates from many other disciplines often assumed the industry simply was not for them. The IAP deliberately challenges that assumption, recruiting exceptional people from diverse academic and professional backgrounds, including engineers, medical doctors and economists, recognising that investment teams increasingly benefit from interdisciplinary expertise as much as from traditional financial knowledge.

Importantly, the programme also changes perceptions. Transformation is often measured by who enters an industry. At a deeper level, it is also about who believes they can aspire to enter it. Every visible example broadens the pipeline for those who follow.

> **"When people see that a medical doctor, a chemical engineer or an actuarial science graduate has been accepted into a programme like this, from thousands of applicants, it starts breaking down the first barrier people place on themselves. They stop thinking, 'I shouldn't apply because I didn't study finance."**
>
> *— Ziyaad Banderker, Analyst in the Investment Acceleration Programme, Ninety One*

Ninety One invests time in meeting talented students where they are, with senior leaders visiting universities to speak to them about careers in asset management. It was during one such visit to the University of Cape Town, led by Ninety One's Global Chief Operating Officer, Khadeeja Bassier, and Nkhumeleni Thavhiwa, Fixed Income Managing Director and the architect of the IAP, that actuarial science graduate Ziyaad Banderker was introduced to the programme.

The IAP's commitment to doing things differently extends well beyond recruitment. Unlike traditional graduate programmes built around highly prescribed training and rotational structures, the IAP expects participants to contribute as analysts from the start. They are trusted to develop their own thinking rather than simply replicate existing approaches.

> **"The first thing my boss, who prefers to be called my colleague, told me was that he wasn't going to teach me how he analyses investments. He warned me that it might feel uncomfortable, but that if everyone thinks the same way, we won't create anything new."**
>
> *— Ziyaad Banderker*

Initially unsettling, that freedom accelerated his development. Only months into his career, Banderker found himself leading research into SpaceX's landmark initial public offering. The fact that he was a junior, he says, did not make people disregard his views and turn to the senior analyst sitting next to him. They sought out his views, asked him questions, and listened to his reasoning. It is a culture of trust that has accelerated his development while reinforcing an important principle: diversity creates value only when different voices are genuinely heard.

The IAP creates diversity within teams in a deeper sense than demographics alone. Participants bring different academic training, life experiences and professional backgrounds into discussions, often approaching identical challenges in entirely different ways. Sitting next to a doctor, an engineer and an economist, Banderker notes, means everyone looks at the same problem differently, and together they often reach better solutions much faster.

His own entrepreneurial experience, having co-founded a podcast production business while at university that is still operating and growing, has proved just as valuable as his actuarial training. While his degree provided rigorous analytical foundations, his experience as an entrepreneur taught him how to solve problems in real time and develop original solutions.

> **"I firmly believe that discomfort is the price of progress."**
>
> *— Ziyaad Banderker*

That observation applies well beyond his own experience. Transformation rarely comes from making existing systems slightly more representative. It comes from redesigning those systems to welcome different people, different experiences and different ways of thinking.

By widening access, investing in potential rather than conventional career pathways, and empowering new analysts to contribute meaningfully from day one, Ninety One's Investment Acceleration Programme is doing more than developing future investment professionals. It is helping to reshape who participates in South Africa's financial sector, whose perspectives influence investment decisions and, ultimately, how the industry contributes to a more inclusive economy.

In Ziyaad Banderker's story, the programme demonstrates that transformation is not simply about opening the door. It is about changing who walks through it, what they bring with them, and how they are enabled to change the room once they arrive.

Impact Story: Skills Development and Education

Compounding the potential of South Africa's youth: Growing talent for the long term

As an independent asset manager, Coronation's long-term success has always relied on talented people with the expertise to steward clients' capital and the values to earn their trust. The same principle applies to the investment industry, which is only as strong as its pipeline of skilled, principled people.

Coronation's youth development initiatives focus on unlocking the considerable potential of South African youth. Since 1993, our programmes have supported young people at different stages of their educational and career journeys. The impact of these programmes is best understood through the stories of those who have benefited from them.

The investment industry nearly missed out on Avuyile Madiba. Like many talented graduates, he knew where he wanted to build his career but was unsure how to get started.

"I always had an interest in financial markets but could never find the correct pathway to get involved in a meaningful way."

Coronation's Catapult programme, in collaboration with local stockbrokers, opened the door to an equity research intern role. There, he gained the experience and mentorship to help fulfill his potential.

Talent is far more widely distributed than the investment industry currently reflects. Removing the barriers that prevent capable young people from pursuing the wide range of careers available in investment management is essential to the industry's future.

"People often regard transformation and talent development as separate priorities, but we think they are deeply integrated," explains Anton Pillay, CEO of Coronation.

"Every investment professional is likely to point to someone who gave them their first opportunity or believed in them before they had a track record. "

"We want more young South Africans to have the same experience as Avuyile. Youth development therefore requires the continued commitment of the investment industry to building a diverse cohort of young talent and ensuring high levels of inclusion. This is essential if we want to establish a vibrant future not only for our industry but society as well. "

"Our experience at Coronation has shown us that an inclusive approach to developing our young employees and interns improves the team's cognitive diversity, enabling us to make better decisions, ask better questions, and better serve our stakeholders."

Creating opportunity requires more than a single intervention

Providing young people with access to the investment industry requires an approach tailored to each stage of their education and career development. This may include financial support to make tertiary education possible, a mentor willing to share their knowledge, a comprehensive internship, or a workplace that invests in their potential. Coronation's suite of youth development initiatives is designed to meet these needs, recognising that access is only a first step: a diverse and inclusive investment industry requires sustained investment in young talent over time.

Access to the profession begins years before graduation

The foundation of this approach is the Coronation Exceptional Student Bursary Programme. Established in 1993, the programme provides comprehensive financial and developmental support to high-performing students from disadvantaged backgrounds who wish to pursue commerce-related degrees. Beyond funding tertiary education, bursary recipients receive academic support, mentorship, and guidance to help them navigate the complex transition to university life.

For bursary recipient Hopewell E. Monareng, the programme has provided more than financial support. "It does more than alleviate financial pressure. They pay great attention to my development."

To date, the programme has supported 176 students from across South Africa, many of whom have gone on to build successful professional careers. Since 2017, 100% of graduates who completed their studies have been offered permanent employment opportunities, either within Coronation or elsewhere in the industry.

Early exposure can change career trajectories
Understanding the range of careers available in investment management, what they entail, and how young people might see themselves in those roles is key. To address this, Coronation has introduced several programmes that create opportunities for students and graduates to engage directly with the industry.

Future You, a vacation programme launched in 2025, provides high-potential university students with an immersive introduction to asset management, exposing participants to both the technical and interpersonal skills required to succeed in the industry.

Reflecting on the programme, 2026 participant Hrishit Gandhi says,

"I was surprised by how engaging and interactive the programme was. Working on practical projects and hearing from different members of the Coronation team made asset management feel both accessible and enjoyable. I didn't expect everyone to be so approachable and genuinely invested in helping us."

Turning qualifications into careers
The transition from university to the workplace is supported through initiatives such as the Coronation Graduate Development Programme and the ASISA Academy Investment Management Administration & Client Servicing (IMACS) @ TSIBA Programme. These are designed to bridge the gap between academic study and professional employment, providing structured workplace experience, technical training, and mentorship.

Since 2012, the Graduate Development Programme has helped more than 100 graduates transition into the world of work, while the IMACS partnership has played a role in addressing critical skills shortages in investment administration and client servicing.

Growing talent across the industry
Coronation has also sought to contribute to the broader transformation of the financial services industry. This is perhaps most evident in the Coronation Catapult Programme, launched in 2023 in partnership with Black-Owned stockbroking firms.

Participants spend 23 months gaining practical workplace experience, technical training, access to professional qualifications, and ongoing mentorship from experienced industry practitioners. In doing so, the programme supports not only young professionals, but also businesses that play an important role in diversifying South Africa's financial markets.

While the technical training is central to the programme, graduates also have the opportunity to learn from the people around them. For Catapult participant Aphelele Morgan, the programme offered a more collaborative environment than he expected: "I expected a highly competitive environment, but instead I found professionals who are genuinely willing to share knowledge and invest in young talent."

"It was inspiring to see how diverse perspectives and backgrounds can strengthen decision-making within the industry."

Catapult is also broadening perceptions of who belongs in investment management. Participants have joined the programme from backgrounds as varied as biotechnology, law, statistics, data science, and business, demonstrating that there is no single route into the sector.


Coronation Catapult Programme Graduates


The 2026 Future You Cohort

Since 2023, the programme has supported 49 young professionals. Notably, every member of the inaugural cohort secured permanent employment upon completion.

Alongside Catapult, Coronation continues to support the ASISA Academy's Fezeka Graduate Programme, which focuses on increasing the participation of black women in investment management, as well as ORT South Africa's learnership and youth employment initiatives, which contribute to broader youth employability and educational outcomes beyond the financial sector.

Youth development and inclusion strengthen our society and industry
Together, these programmes reflect a shared conviction: talent should never be limited by a lack of opportunity.

For Catapult participant Nkuthalo Dlomo, the value extends beyond the individuals these programmes support.

"The investment industry is definitely evolving, particularly in terms of diversity, accessibility, and the integration of new perspectives."

"Programmes like Catapult play an important role in accelerating this change by creating pathways for talented individuals from different backgrounds to enter and contribute meaningfully to the industry."

33 YEARS OF INVESTING IN YOUNG PEOPLE

>R100m *Invested in youth development*	**>500** *Supported through bursaries, internships, and learnerships*
176 *Exceptional Student Bursary recipients*	**105** *Graduate Development Programme trainees are employed*
49 *Catapult Programme graduates*	**100%** *Employment rate for the 1st Catapult cohort*

TOTAL FIGURES SINCE 1993, AS AT 30 JUNE 2026.

Impact Story: Skills Development

The first of many

How a single bursar became a fully qualified investment professional

Most bursaries end at graduation. The measure of a good one is whether anything happens after the cap and gown, whether the student the money backed actually crosses into the career it was meant to open. Nassar de Kock's story is worth telling because it did not end at graduation. It is still going, and today he is not a bursary recipient. He is an investment professional.

De Kock grew up in Cape Town and came through Bishops Diocesan College, where, despite serious personal hardship and loss in his family, he excelled both academically and on the sports field, earning full colours in rugby and athletics and full academic colours. That resilience, and the grounded relationship he keeps with the family he credits as his motivation, is where the story starts. But it is what happened at the point most bursary stories quietly stop that makes this one matter.

Many talented young men from Bishops, like students everywhere, falter after matriculation, not for lack of ability but for lack of funding and structured support through the years that follow. Recognising that gap, the Bishops Old Diocesans Union partnered with Citadel, the wealth management firm, to launch the Invest in Our Future Foundation in June 2021. It was designed to be more than a bursary: financial assistance paired with mentorship, coaching, holiday work experience and career guidance, support through the transition, not just a cheque at the start of it.

In 2022, following an interview process led by Citadel's Director of Human Capital, Marina Knox, Nassar de Kock became the first recipient of Citadel's tertiary bursary under the programme, taking up a BCom in Economics and Finance at the University of Cape Town.

> **"Nassar is an authentic individual. His integrity shines through even at such a young age, and his passion for people and the grounded relationships he has with his family are remarkable."**
>
> *— Marina Knox, Director of Human Capital, Citadel*

He has since completed that degree and joined Citadel as an employee, and this is where a good bursary story becomes a genuine skills-development one. Entering the savings and investment industry takes more than a degree; it takes regulatory qualifications, technical training, and the harder-to-teach qualities of judgement and confidence. Since joining, de Kock has worked with a mentor and supervisor and has completed his RE1, RE3 and RE5 regulatory examinations, the first level of the CFA programme, and product training, the concrete building blocks of a career in advice and investment.

Nassar de Kock (in the middle) his mom and dad.

That progression is the whole point. The industry does not only need Black graduates; it needs Black professionals with the qualifications, competence and gravitas to advise clients and manage money, and those are built in the years after graduation, not before. A bursary that stops at a degree produces a graduate. One that carries through mentorship, professional qualifications and real work produces a practitioner. Citadel's model is deliberately the latter.

"At Citadel the measure of our success is not simply the wealth we create, but also the future we help create. When good businesses do the right things for the right reasons, they don't just grow, they help build the South Africa we all believe is possible."

— Sajeel Maharaj, CEO, Citadel

The design behind De Kock's story, funding a student, then walking with them through university, qualification and into the profession itself, is exactly the kind of structured, demand-led skills development the industry needs far more of.

"I'm deeply grateful to Citadel - not only for the opportunity to study and now proudly call myself a Citadelion, but also for their unwavering support. It's rare to find a company where the CEO personally calls to check in and ask how you're doing."

— Nassar De Kock, Bursar, Citadel

Impact Story: Employment Equity & Skills Development

Solving staffing gaps and shaping futures

Developing people is what drives Norman Petersen, HR Business Partner at Allan Gray. But he is clear that the firm's relationship with the ASISA Academy's IMACS@TSIBA Internship is, first and foremost, about addressing a recruitment challenge.

Allan Gray's relationship with the IMACS@TSIBA Internship began in 2013. At the time, Petersen was managing one of Allan Gray's Retail Operations teams and was "always looking for talent". When he heard about the internship, he thought it would be a great way to give potential employees work experience and to identify potential hires for Allan Gray.

"It was 50-50," he says, "they got the opportunity to gain work experience and to graduate, and I got to find potential candidates to hire."

The IMACS@TSIBA Internship connects companies with high-potential undergraduate students completing a Bachelor of Business Administration (BBA) Finance degree through TSIBA Business School. Students participate in the ASISA Academy's investment management administration programme, which offers a powerful combination of theoretical knowledge and work-readiness training.

Companies interview BBA Finance students at TSIBA, select candidates to sponsor for the academic component over 12 months, and host them for a 16-week internship during their final year of study.

Petersen says working with people is what gets him to the office every day, but he emphasises that the benefits of the internship go both ways. The programme helps Allan Gray and other businesses to assess potential employees while giving students the workplace experience they need to graduate.

"Sometimes when these stories are told, the focus is placed entirely on the development side, and what gets forgotten is how valuable these young people are to businesses," he says. "The internship over that four-month period is a great time for us to assess whether they will fit into our business, and whether Allan Gray is the right environment for them to realise their potential."

"There is a lot of potential for the students and for Allan Gray," says Petersen. "We hire throughout the year, and this is a great channel to assess how candidates would fit into the business – and for them to do the same," he adds.

"I get requests almost daily from students asking to do job shadowing or similar but, as a financial institution, we are limited in what we can offer. The internship with the ASISA Academy and TSIBA is a gateway to introduce promising young people to the working environment. They do real work during those four months so, by the time the internship is done, they know exactly whether this is the right environment for them."

Norman Petersen (right) pictured with ASISA Academy alumni employed by Allan Gray.

ASISA ACADEMY
In Partnership with Allan Gray

The relationship between Allan Gray and the ASISA Academy's IMACS@TSIBA Internship has been extremely successful. Petersen says almost all interns have been offered permanent roles.

It's now nearly 10 years since Allan Gray welcomed its first IMACS@TSIBA intern, and most are still with the business. In fact, according to Petersen, many former interns have worked their way into key roles at the company.

"We've got senior specialists in the investment admin team, team leaders, someone working in private clients... They all started in junior roles but have progressed over time into much more senior positions."

From the start, Petersen saw enormous potential in the TSIBA students. Many come from disadvantaged backgrounds and, he says, and they are "very ambitious and exceptionally resilient".

"Over the years, I've noticed that candidates from TSIBA are unique. They have so much potential."

Petersen adds that the work the ASISA Academy does to prepare interns also plays a major role in the success of the partnership.

"The ASISA Academy does a great job prepping them for the real-world work environment. What you learn at university and what you experience in the workplace can be quite different. That is also true of Allan Gray and other asset managers – culture and expectations can vary widely."

The ongoing support from the ASISA Academy during the internship is also key, he says.

"When the interns are with us, there's someone from the ASISA Academy who guides them, someone they can ask questions and who supports them throughout."

As driven by people as he is, Petersen was not always in human resources. He started off his career as a consultant at a bank doing mortgage bonds, then moved into personal banking. Over time, he realised that he didn't enjoy the front-office work and that he preferred to engage with people and teams.

When he joined Allan Gray in August 2005, he focused on improving efficiencies within the business through people. Now, 20 years later, "people are definitely what drive me to come to the office every day. I love to see people grow and develop".

But it's clear he still keeps business needs and efficiency front of mind. What he values most about the IMACS@TSIBA Internship is how it combines people development with business outcomes.

Impact Story: Enterprise & Supplier Development

Talent infrastructure, not working capital

What one graduate analyst and the 30-fold growth of a Black-Owned boutique Asset Manager reveal about Alexforbes's ESD model

A talented Black portfolio manager decides to leave a large institution and start their own asset management firm. They have the skill, the track record and, often, the early clients. What they usually do not have is the one thing the industry quietly demands before it will trust them with serious money: the infrastructure of a grown-up investment business. A risk system an institutional investor can interrogate. A credit rating for a fund. A Bloomberg terminal. The salary of a first analyst the founder cannot yet justify paying out of management fees. These are the unglamorous, awkwardly-timed costs that sit between a credible boutique and a competitive one, and they are where many promising Black-Owned managers stall.

This is the gap the Alexforbes BAM Programme was built to close. Launched in 2021 in partnership with the Majority Black-Owned Independent Asset Managers (MIAA) Fund, the programme supports majority Black-owned asset managers through targeted development funding and business support. In 2023, it evolved from a grant-based intervention to include a revolving interest-free loan model. Since then, Alexforbes has deployed R10.1 million in interest-free loans and grants to five majority Black-owned asset managers, which today collectively manage more than R35 billion in assets.

The programme is Alexforbes's flagship Enterprise and Supplier Development initiative, and it is built around a specific insight: that the obstacle facing emerging Black asset managers is rarely talent or track record. It is that bounded, awkwardly-timed cost of a growth inflection point, and it is precisely what discretionary grant funding handles poorly.

> **"The greatest barrier is seldom investment skill. More often, it is access to talent, infrastructure and networks. By moving from grants to recyclable interest-free loans, we have extended the reach of every rand invested while helping build sustainable, competitive businesses."**
>
> *— Hloni Mphahlele, Head of Transformation, Alexforbes*

Independent Alternatives Investment Managers, a majority Black owner-managed boutique, had a different and often overlooked challenge. When it applied to the programme in early 2022, the constraint was not capital for its funds, but the ability to build a team. With assets then in the low hundreds of millions, the firm says it could not yet justify hiring junior quant talent on management fee revenue alone. Without the ESD funding, it says, it would have delayed hiring its first graduate analyst by a year or more, or not hired at all, leaving its two co-founders to carry all the research and portfolio management themselves.

Instead, the funding paid a full year's salary, training and equipment for the firm's first Hedge Fund Academy candidate, and let the Academy launch on schedule. It funded the hire of Ziyanda Zulu in 2022, now a Junior Portfolio Manager and Senior Analyst, and, through later support, Kgaugelo Mphahlele in 2023, now a Quant and Junior Portfolio Manager. Both remain with the firm. A later tranche funded a Bloomberg terminal, a client risk portal and a full corporate rebrand, the kind of institutional infrastructure a firm of that size could not easily self-fund.

The trajectory that followed is striking. The firm reports that assets under management grew from roughly R200 million in 2019 to approximately R6.5 billion today, a more than thirty-fold increase, while the team grew from two founders to a full portfolio management and analyst bench across twenty-two funds and five strategies. Two of those team members were direct hires funded through the Academy, and the Bloomberg and risk infrastructure became permanent parts of the firm's investment process.

“Treat the funding as talent infrastructure, not working capital. Use it to bring in people you couldn’t otherwise justify hiring yet, because that’s the investment that compounds.”

— Independent Alternatives Investment Managers

For Cartesian Capital, the constraint was the one every small business knows: cash flow. The firm was in a growth phase in which its people costs were running ahead of its revenue, and the BAM loan, it says, allowed it to keep paying competitive salaries in an industry where the banks pay over the odds for scarce Black talent. That, in turn, let it retain the people it had and take on more.

What makes Cartesian’s account particularly relevant to this report is the alternative it describes. Without the loan, the firm says, it would have had to sell equity, and possibly dilute its own Black ownership, or borrow at a punitive interest rate. In other words, patient ESD capital did more than smooth a cash flow gap. It protected a Black-Owned firm from having to trade away the very ownership the transformation framework exists to build. The firm has since grown its assets under management to R3.7 billion, with further mandates promised.

“Staff retention is crucial in our business, and yet highly competitive. The BAM loan has assisted in ensuring continuation of corporate knowledge and the ability to maintain a diversified pool of talent.”

— Cartesian Capital

These are not ESD outputs in the compliance sense. They are competitive businesses becoming more competitive, and Black ownership being defended rather than diluted. The programme’s strategic maturity also shows in its evolution. What began as a grant-based intervention has developed into a revolving interest-free loan model, enabling capital to be recycled to support successive Black-owned asset managers. ESD capital therefore functions as an accelerant for firms approaching profitability rather than simply as a once-off subsidy.

What makes this evidence matter beyond Alexforbes is what it reveals about how effective ESD actually works. None of these outcomes came from simply writing a cheque. They came from knowing this industry well enough to see that the binding constraint was a first analyst’s salary, or a Bloomberg terminal, or the risk of a founder having to dilute their own Black ownership to raise growth capital, and then deploying exactly the right instrument, at exactly the right moment, to a manager the programme knew by name. That precision, sector-specific, relationship-driven and commercially disciplined, is the source of the leverage. It is not something a distant, centralised fund can easily replicate.

This is the evidence behind the position this report sets out on the proposed Transformation Fund. The industry does not argue against the Fund’s goal, it shares it. Results like these prove that industry-led and sector-driven ESD models can mobilise capital for Black business development with a level of precision and impact worth preserving. They also show that the strongest path forward is for these models to operate alongside the Fund, not be replaced by it. R10.1 million deployed since 2023 across five majority Black-owned asset managers that today collectively manage more than R35 billion in assets, alongside the talent and infrastructure those businesses need to compete, is not a case for less transformation. It is a case for keeping what demonstrably works.

Impact Story: Targeted Investments

When capital meets the township

How R75 million in private capital is delivering housing where the market said it could not.

South Africa's township housing market is demonstrating how purpose-driven private capital can help address one of the country's most pressing social and economic challenges.

Sanlam Investments stewards R1.3 trillion in assets under management and administration, ultimately the retirement savings and investments of ordinary people. As a sustainability-led asset manager, it has committed to helping capital move further, delivering long-term value for investors while contributing to inclusive economic growth. A recent transaction shows what that commitment looks like in practice.

Sanlam Alternative Investments, the group's private markets business, provided a R75 million credit facility to affordable housing developer Indlu. That facility has enabled the delivery of more than 500 rental units across Gauteng townships, significantly exceeding the original target of approximately 351 units over two years.

"What makes this investment particularly meaningful is that its impact is visible on the ground. Every completed unit represents improved housing for a family, additional income for a township property owner, and work opportunities for local contractors, artisans and suppliers."

— Keamogetswe Monama, Investment Analyst, Sanlam Alternative Investments

Backyard rental accommodation has become one of South Africa's fastest-growing sources of affordable housing as rapid urbanisation continues to outpace formal housing delivery. Yet despite strong demand, many township property owners have historically been unable to access development finance, because of the perceived risks associated with informal property markets. This is precisely the kind of market failure that patient, well-structured private capital is able to address, and that conventional lending has not.

Indlu, the funding vehicle established by Melana Housing Developments, combines development finance with planning, design, construction support and digital rental management through its Indlu Living platform. By integrating funding with technical expertise and tenant management, the business enables property owners to develop income-generating rental units while maintaining standards of quality and operational efficiency.

The developmental reach extends well beyond the units themselves. Funding supports previously disadvantaged South African property owners, while construction work is undertaken by local Black-Owned contractors and suppliers. The programme generates employment through construction, property management and related services, and creates sustainable rental income streams for township entrepreneurs.

The investment forms part of Sanlam Alternative Investments' SME Debt strategy, which provides growth capital to underserved sectors with resilient cashflow characteristics and measurable social impact. Over the past fifteen years, that team has deployed R2.9 billion across 150 transactions. This is in addition to R3.1 billion invested in private equity, R17 billion in renewable energy projects, and R1.3 billion invested into climate resilience projects. In total, Sanlam Investments has invested 85% of client assets in line with responsible investing best practices.

The transaction also reflects the growing role that innovative partnerships can play in addressing South Africa's infrastructure and social development needs. As government continues to strengthen collaboration with the private sector to accelerate infrastructure delivery through public-private partnerships, scalable investment models of this kind demonstrate how capital can unlock practical, community-based solutions that deliver both financial and developmental outcomes.

That is the wider significance of a R75 million facility in Gauteng's townships. It is evidence that when private capital is deployed with developmental intent and specialist expertise, it does not have to choose between return and impact. It can deliver both, in places the market had previously written off.

"For us, this investment is about far more than financing buildings. It is about backing a model that empowers township property owners, expands access to dignified housing and creates sustainable economic opportunities within local communities. By combining private capital with specialist development expertise, we can help address critical housing needs while delivering resilient long-term value for investors."

Impact Story: Enterprise and Supplier Development

Scaling MSMEs for Growth:
How 104+ is Driving Inclusive Economic Growth

South Africa's economic future depends on the success of its small, medium and micro enterprises (MSMEs). As key contributors to employment, innovation and economic inclusion, MSMEs play a critical role in driving sustainable growth; yet many continue to face challenges such as limited access to finance, constrained market opportunities, and insufficient business support.

To address these barriers, the 104+ SMME Solutions, a catalytic initiative established and seeded by Sanlam, has shown a significant impact in strengthening South Africa's entrepreneurial ecosystem.

Launched in 2022 with an initial investment of R50 million from Sanlam Life, 104+ has evolved into a diversified MSME ecosystem platform that combines patient capital, strategic partnerships, enterprise development support and market access to accelerate business growth and economic participation. By the end of 2025, the platform had raised R275 million in funding and deployed R193 million across multiple sectors, supporting 458 SMMEs and contributing to the creation and sustainability of 707 direct jobs.

A holistic approach to enterprise development

104+ recognises that MSMEs are not all at the same stage of development and therefore require targeted and nuanced support frameworks. The platform deploys its resources through three complementary mandates:

- **Empowerment Mandate –** supporting Black-Owned enterprises and strengthening supplier and enterprise development outcomes.
- **Growth Mandate -** providing patient capital to larger, scalable businesses with strong job creation potential.
- **Development Mandate –** supporting micro and small enterprises through business development, mentorship, market access and ecosystem integration.

This blended approach ensures that businesses receive the right combination of finance, skills development, mentorship and market access at the appropriate stage of their growth journey. It also enables investors to participate through various funding mechanisms, including grants, debt, equity and guarantees, while balancing financial returns with social and economic impact.

Delivering impact across key economic sectors

The current investments support enterprises operating across sectors that are strategically aligned to South Africa's development priorities. These include renewable energy, manufacturing, financial services, technology and innovation, housing finance, tourism, entrepreneurship development and the creative economy.

By funding enterprises in these sectors, 104+ contributes to inclusive economic growth, industrialisation, innovation, energy resilience and sustainable employment creation. The platform's work is aligned with South Africa's National Development Plan, Broad-Based Black Economic Empowerment (B-BBEE) objectives and several United Nations Sustainable Development Goals.

Supporting transformation and job creation

Transformation remains central to 104+'s strategic intent. The Fund prioritises support for Black-Owned, Women-Owned and youth-led enterprises, recognising their critical role in creating a more inclusive and representative economy. By the end of 2025, all smaller MSMEs supported through the platform were Black-Owned, while five of the six larger MSMEs funded were more than 51% Black-Owned.

The platform's portfolio has also demonstrated significant employment impact. Total employment across reporting portfolio companies increased from 171 employees in 2024 to 363 employees in 2025. Approximately 70% of employees across reporting businesses were Black employees, 43.9% were women, and 40.1% were youth under the age of 35. These figures highlight the Solution's contribution to both economic transformation and meaningful employment opportunities.

Building sustainable MSME ecosystems

A distinctive feature of 104+ is its ecosystem approach. Rather than focusing solely on funding, the platform brings together corporates, development finance institutions, specialist implementing partners and entrepreneurs to create sustainable value chains and long-term growth opportunities.

This is particularly evident within the Development Mandate. Through the Sanlam-SANParks SMME Support Programme, implemented by I Am An Entrepreneur (IAAE), MSMEs receive working capital support that enables them to fulfil procurement obligations and participate more effectively within the SANParks supply chain.

Since inception, the programme has disbursed R50.1 million, generated R24.6 million in profits for participating businesses, supported 61 women-owned enterprises and 63 youth-owned businesses, while creating and sustaining 507 jobs.

Similarly, the University of the Western Cape's Centre for Entrepreneurship and Innovation Fellowship Programme provides entrepreneurship training, mentorship and practical business support to Black-Owned enterprises. The objective of the programme is to implement structured support that facilitates the development of entrepreneurs within the various business sectors.

In the face of South Africa's deepening energy crisis, the SMME Solution's investment in Wetility Finance (Pty) Ltd is doing more than providing solar solutions, it is redefining who gets to participate in the country's energy transition. As a catalytic partner in the 104+ SMME Solution, the company fuses clean energy innovation with radical economic inclusion, demonstrating how youth-led enterprise can deliver climate resilience, gender parity and financial empowerment in tandem. Over 70% of the company's 72 employees are under the age of 35, a deliberate move to harness South Africa's untapped youth potential in one of the most technical and traditionally exclusive sectors.

Looking ahead

The Solution's long-term ambition is to catalyse sustainable economic growth at scale. It has raised capital commitments from Sanlam, Santam, GZ Industries, ABSA, Hyprop, and Simeka in the main, including other third-party investors. Its vision includes accelerating the Fund to drive high impact MSME development, supporting more than 60 larger MSMEs and over 500 smaller enterprises, and facilitating the creation of more than 3,400 direct jobs. The strategy places particular emphasis on empowerment, ESG outcomes, access to markets and access to finance.

The 104+ SMME Solution demonstrates how strategic funding, partnerships and enterprise support can unlock the potential of South Africa's entrepreneurs. By combining patient capital with business development, mentorship and market opportunities, the Solution is helping build resilient enterprises that create jobs, drive transformation and contribute to sustainable economic growth. As the platform continues to expand, it is well positioned to play a catalytic role in strengthening South Africa's MSME ecosystem and advancing inclusive economic participation for years to come.

Impact Story: Enterprise & Supplier Development

Beyond the scorecard: how industry expertise drives transformation

When Ivan Daniel first started helping friends and relatives understand money, he simply wanted people in his community to make better financial decisions. Today, he is one of Consult Momentum's top-performing advisers, and his real success extends beyond his own business. His story shows how a carefully designed Enterprise and Supplier Development programme can strengthen an adviser, expand access to financial advice and ultimately transform communities.

Momentum Group's Intermediary Development Programme (IDP) doesn't simply develop advisers. Its model that keeps evolving in response to the needs of entrepreneurs also expands access to financial advice improves financial inclusion, creates jobs and strengthens small and medium-sized enterprises.

It demonstrates how a business, by understanding its value chain and the bottlenecks, can use effective interventions that evolve as their ecosystem changes. Ultimately, the programme shows how responsive, industry-led ESD can drive meaningful transformation.

For many South Africans, financial advice and the wealth it helps to create, is something that happens to other people. Many communities remain underserved, not because they do not have financial aspirations, but often because they lack trusted advisers who understand their circumstances and speak their language. Unfortunately, and as a reflection of our divided history and unequal present, many people, including members of the emerging black professional class, still instinctively turn to white financial advisers.

Consult by Momentum adviser Ivan Daniel is an example of someone who is changing that. A beneficiary of Momentum Group's Intermediary Development Programme, Daniel has built a thriving business that began with him helping members of his own community improve their financial literacy.

Fiona Ally, Group Lead for ESD at Momentum Group, says the group sees financial advisers on the programme not as beneficiaries but as an integral part of its value chain.

"This is our supply chain," says Ally, who adds that helping advisers build stronger businesses strengthens the financial advice profession and ultimately, creates better outcomes for the business and its clients.

That philosophy has shaped the Group's IDP since its launch in 2017 with an offering of basic practice management support. Review quickly proved that this was not what advisers needed most. Instead, advisers needed support in areas like marketing, access to markets, branding, operational support and technology. The programme evolved accordingly.

Momentum has continued to refine its interventions using monitoring, evaluation and feedback from advisers themselves. Rather than providing generic business support, today's programme offers highly customised interventions, with each adviser receiving support tailored to their specific business needs.

Momentum didn't teach him how to become a financial adviser; it helped remove the barriers preventing him from becoming a successful business owner. By participating in the programmes over the two years, Daniel received support with marketing and branding, digital onboarding and client service. He also received an operational grant that funded the salary of an assistant, freeing him to focus on clients.

Having built his own momentum, Daniel voluntarily stepped back. He chose not to participate in the following year's programme because his business had reached a point where he wanted to invest his own energy and funds in growing the practice and developing his employees.

"For Momentum, that is a key metric of success," says Ally.

"Daniel's business continues to grow. In fact, he is in the top 20% performers at Consult by Momentum, and he no longer needs support."

— Fiona Ally, Group Lead for ESD at Momentum Group

Ally adds that Daniel is only one of many case studies. Increasingly, advisers are reaching the point where they say: "You have helped me. Now I will fund this myself."

Daniel's clients are predominantly families. He deliberately includes spouses in financial planning discussions because, as he says women are often the real financial decision-makers within households. Every new client represents more than an individual relationship; each one represents improved financial literacy, better long-term planning and stronger financial resilience across communities.

One of the Intermediary Development Programme's defining characteristics is that it is continually evolving. Each cohort generates new lessons. Each round of monitoring and feedback influences the next intake.

This model runs through all of Momentum Group's ESD programmes. Through a deep understanding of the supply chain and the challenges the participants face, they use those insights to build bespoke interventions that are continuously monitored, tested and adapted.

Transformation is often discussed in terms of funding and compliance; for Momentum, Ally says, real transformation happens when enterprises are prepared to invest in their development, understand gaps in their communities and industries to identify opportunities, and build long-term sustainable market and client solutions. Transformation must extend well beyond the individual beneficiary.

6

ASISA Transformation Initiatives

ASISA ACADEMY

ASISA ESD

ASISA FOUNDATION

ASISA
Transformation Initiatives

Transformation succeeds when policy commitments are matched by sustained investment in people, businesses and communities. It also needs strong institutions that bring industry together, build partnerships and show what works.

Recognising that many of South Africa's developmental challenges cannot be addressed by individual organisations acting alone, ASISA has established a portfolio of collective transformation initiatives that complement the efforts of member companies while advancing broader industry and national development priorities.

Together, these initiatives address different but connected parts of transformation. They develop specialist industry capability through the **ASISA Academy**, support inclusive economic participation through **Enterprise and Supplier Development**, and strengthen financial capability and resilience through the **ASISA Foundation**.

Viewed together, these initiatives tell a broader story of institutions that have evolved, strengthened partnerships and generated valuable insights into what enables sustainable transformation. The chapters that follow explore this journey through three recurring themes, namely **how we have grown**, **who we have grown with**, and **what we have learnt**.

ASISA ACADEMY

Transformation and Developmental Constraints

The ASISA Academy was established to address persistent transformation and skills development challenges within South Africa's savings and investment industry. While universities and higher education institutions provide an essential academic foundation, graduates often require industry-specific knowledge, practical workplace experience and exposure to the unique operating environment of the sector before they are fully prepared for professional practice.

Through industry-designed programmes, supported by ASISA member organisations, the Academy develops specialist industry capability by combining technical learning, workplace experience, mentorship and professional development. In doing so, it complements formal academic education while contributing to a more representative, skilled and future-ready savings and investment industry.

The Academy's programmes address several interconnected transformation and developmental challenges, including:

- Limited access to industry entry opportunities for graduates, particularly those from historically disadvantaged backgrounds.
- The need for specialist technical and professional skills that complement formal academic qualifications.
- The underrepresentation of Black professionals in specialist occupations across the savings and investment industry.
- The underrepresentation of women, particularly Black women, in investment management and related technical disciplines.
- The need to support talent development across firms of different sizes, including organisations that may not have the capacity to develop specialist programmes independently.

Rationale for ASISA's role

The capability challenges addressed by the Academy are industry-wide rather than organisation-specific. They require the collective expertise, experience and commitment of ASISA member organisations.

ASISA is uniquely positioned to coordinate this effort by providing a shared platform through which members collectively invest in developing specialist industry capability. Member organisations contribute funding, industry expertise, workplace learning opportunities, mentorship and programme design, enabling the Academy to deliver bespoke, industry-relevant learning programmes that complement formal academic education rather than compete with it.

By coordinating these efforts centrally, the Academy creates efficiencies in programme development, learner recruitment and quality assurance while enabling organisations of all sizes to participate in developing the industry's future workforce.

Nature of the intervention

The Academy develops and delivers specialist programmes that combine technical learning with practical workplace experience.

Current programmes include:

- **IFA Internship Programme -** preparing future financial advisers through structured workplace internships.
- **Fezeka Graduate Programme -** supporting Black female graduates pursuing careers in investment management.
- **Financial Markets Practitioner Learnership -** developing occupational capability across key financial market disciplines.
- **IMACS@TSIBA Internship Programme -** providing investment management administration training through academic and workplace partnerships.

In all programmes, industry practitioners and member organisations help shape the learning. This ensures that participants develop skills that are directly relevant to the changing needs of the savings and investment industry.

The ASISA Academy's Journey: Three Reflections

Over nineteen years, the ASISA Academy has grown through continuous learning, collaboration and evidence-based adaptation. Three reflections capture this journey.

- **How we've grown -** Nineteen Years of Learning
- **Who we've grown with -** Partnering for National Impact
- **What we've learnt -** What the Evidence Tells Us

These reflections show how the Academy has grown into a nationally recognised provider of tailored, industry-specific learning. The Academy complements formal academic education by helping professionals build the technical, regulatory and practical skills required in the savings and investment industry. Its growth reflects the value of industry-led learning in building the specialist skills needed to support transformation, professionalism and long-term sector growth.

How We've Grown

From Learning Provider to Industry Capability Builder

The ASISA Academy was established to address a shared industry challenge. The savings and investment sector needs access to specialist skills to respond to changing market demands, evolving regulation and rising consumer expectations.

Over time, the Academy has evolved beyond delivering technical training programmes. Through continuous engagement with member companies, educational institutions and industry experts, it has developed into a collaborative learning platform that helps shape the future capability of the sector.

This evolution reflects an important shift in thinking. Building a resilient financial services industry requires more than recruiting talented graduates. It requires continuous professional development, lifelong learning and the ability to respond to emerging skills needs throughout people's careers.

Today, the Academy helps develop the workforce and strengthens the long-term capability, professionalism and resilience of South Africa's savings and investment industry.

Who We've Grown With

Building Capability Through Partnership

Developing specialist industry capability is a shared responsibility that cannot be achieved by any single organisation. The Academy's success is built on collaboration across the broader education and financial services ecosystem.

This collaborative model brings together:

- **ASISA member companies**, who identify emerging skills needs, provide workplace learning opportunities and help shape programme content.
- **Universities and higher education institutions**, whose academic expertise provides the foundation upon which specialist industry learning is built.
- **Professional bodies and industry associations**, whose standards help ensure programmes remain relevant and aligned with professional practice.
- **Training providers, facilitators and subject matter experts**, who contribute practical industry knowledge and technical expertise.
- **Employers and workplace mentors**, who support the transition from learning into professional practice.
- **Learners and graduates**, whose experiences continually inform programme improvement and future curriculum development.

These partnerships ensure that learning remains responsive to industry needs while creating stronger pathways between education, employment and lifelong professional development.

What We've Learnt

Lessons from Building Industry Capability

Over years of implementation, several important lessons have emerged.

Capability extends beyond technical knowledge.
Professional judgement, ethical decision-making, communication and adaptability are increasingly important alongside technical competence.

Learning is continuous.
Rapid regulatory change, technological innovation and evolving consumer expectations require ongoing professional development throughout a person's career.

Industry involvement strengthens education.
Programmes are most effective when employers actively contribute to curriculum design, workplace learning and mentorship.

Partnership creates relevance.
Collaboration between academia and industry helps ensure graduates develop the practical skills required in the workplace.

Investment in people strengthens the industry.
Developing skilled professionals supports better consumer outcomes, stronger institutions and a more resilient financial sector.

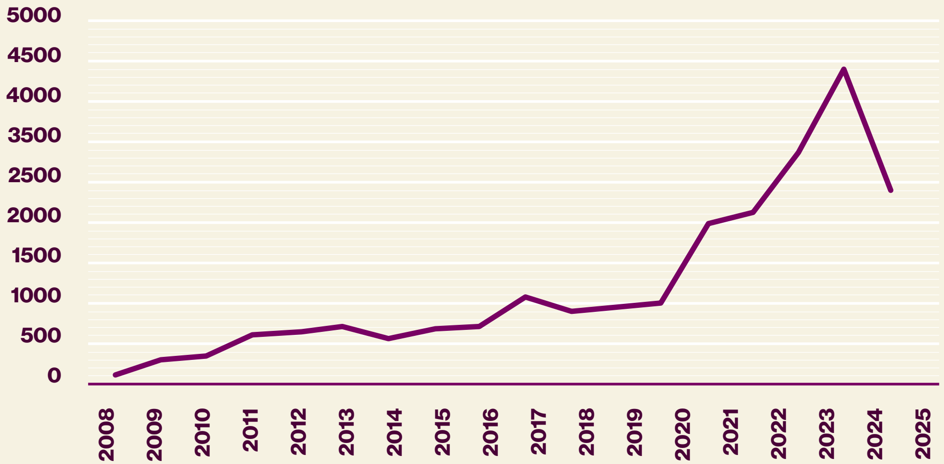
Observable Outcomes

The Academy has strengthened the industry's specialist capability by creating structured pathways into careers within the savings and investment sector.

Observable outcomes include:

- Increased participation of Black graduates in specialist financial services occupations.
- Expanded opportunities for women pursuing careers in investment management.
- Strong graduate employment outcomes following programme completion.
- Increased participation by both large institutions and smaller advisory businesses in industry-wide talent development.
- Continued progression of Academy alumni into specialist, management and leadership roles across the industry.

Total number of delegates trained from 2008 - 2025



Total delegates trained by the ASISA Academy, up to 31 December 2025

25 184

The total number of young people trained is as follows:

Work Readiness Course for university students, including ABSIP-affiliated students	787
Fezeka Graduate Programme	28
Financial Markets Practitioner Learnership, excluding Fezeka graduates	48
IFA Internship	323
IMACS@TSIBA Internship	284
Investment Management Work Ready Internship	92
TOTAL	**1 562**

This represents only 6% of the total number of delegates trained over the years. However, this should be understood in context. Apart from the work-readiness courses offered to university students, the internships and graduate programmes run for 12 to 19 months. By contrast, courses offered to industry employees and trustees range from two or three hours to 20 days.

INDUSTRY EMPLOYEES

A total of

9 709

industry employees were trained. This represents 39% of the overall total number of delegates.

RFTE DELEGATES

A total of

13 913

RFTE delegates were trained since inception. This represents 55% of the overall total number of delegates and includes a few paying (non-trustee) delegates.

Total number of delegates trained during 2025

ABSIP Work Readiness Course	38
Fezeka Graduate Programme	8
Financial Markets Practitioner Learnership (excluding the above 8 Fezeka graduates who also did this learnership)	5
IFA Internship	27
IMACS@TSIBA	53
TOTAL	**131**

This represents only 5% of the total number of delegates trained in 2025. However, this should be understood in context. Apart from the work-readiness courses offered to university students, internships and graduate programmes run for 12 to 19 months. Courses offered to industry employees and trustees range from two or three hours to 20 days.

GRADUATES

A total of

131

were trained during 2025

INDUSTRY EMPLOYEES

A total of

428

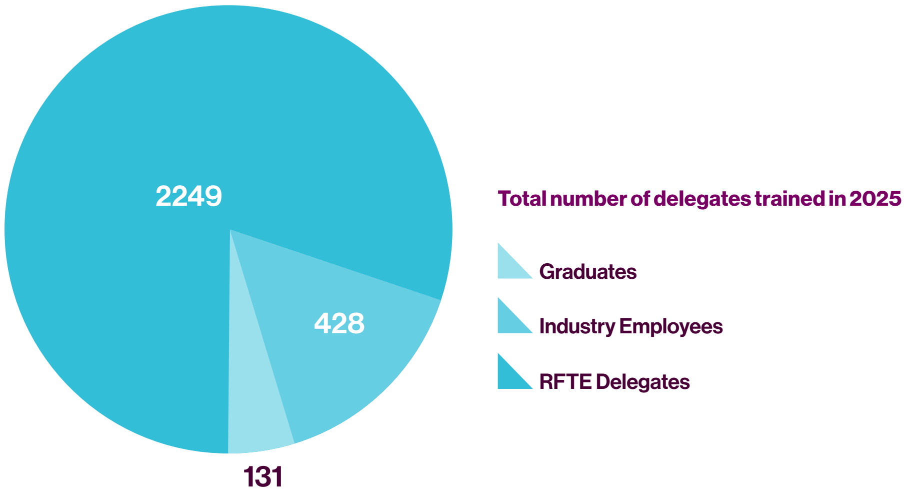
industry employees were trained, representing 15% of the overall total number of delegates trained in 2025.

RFTE DELEGATES

A total of

2 249

RFTE delegates represented 80% of all delegates trained in 2025. This number should be understood in context. It includes some participants who were not retirement fund trustees but paid to attend the RFTE workshops because they were interested in the content. These participants were not sponsored by the ASISA Foundation. In addition, the ASISA Foundation's financial year runs from March to February, so the Academy's RFTE delegate numbers may not align exactly with the ASISA Foundation's numbers, which count only sponsored beneficiaries.



Relationship to member-level accountability

The Academy complements, rather than replaces, member-level transformation responsibilities.

ASISA provides the shared platform through which member organisations collectively invest in developing specialist industry capability. Individual members remain responsible for recruitment, employment, career progression and transformation within their own organisations.

This shared responsibility enables members to contribute to industry-wide capability development while remaining accountable for transformation within their respective businesses.

Forward-looking considerations (2026-2030)

The Academy will continue to strengthen its role as a provider of specialist industry capability by expanding programme reach, increasing member participation and responding to the evolving skills needs of the savings and investment industry.

Future priorities include strengthening pathways into specialist occupations, broadening recruitment, building stronger partnerships with education institutions and industry practitioners. Efforts will be made to update programme content to reflect emerging areas such as digital financial services, data analytics, artificial intelligence and sustainable investing.

Through continued member action, the Academy will remain an important platform for developing the specialist capabilities needed to support a transformed, resilient and globally competitive savings and investment industry.

ASISA
ESD

Transformation and Developmental Constraints

South Africa's enterprise development landscape is often described as having a "missing middle", made up of businesses that are too large for informal or micro-finance, but not yet established enough to access traditional bank or institutional funding.

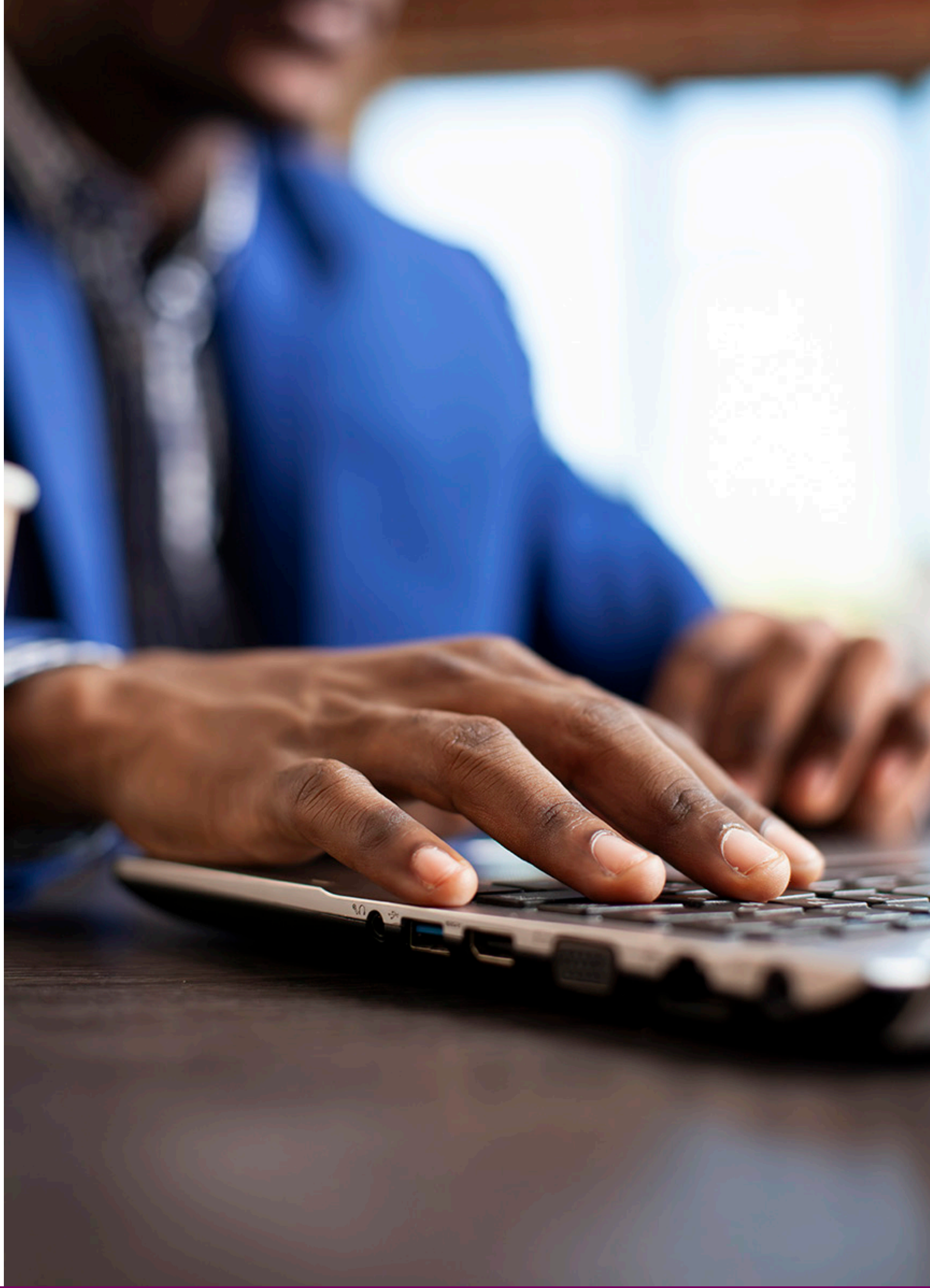
However, the experience of the ASISA ESD initiative suggests that access to capital is only one part of a much broader challenge.

Drawing on portfolio-level experience from the ASISA ESD Funds, including insights from the appointed Fund Manager (Edge Growth), the initiative has generated valuable evidence on the conditions that enable SMMEs to grow sustainably. Experience across the portfolio indicates that many SMMEs do not struggle because of a lack of viable business opportunities, but because they face multiple, interconnected constraints that limit their ability to scale.

In practice, these include:

- Limited access to markets, particularly large corporate procurement opportunities.
- Cash flow pressure driven by extended payment cycles.
- Capability gaps, particularly in financial management, governance and operational systems.
- Compliance and regulatory challenges, including tax and reporting requirements.
- Limited access to follow-on funding as businesses grow.

While funding remains an essential enabler, the experience of the ASISA ESD initiative demonstrates that sustainable enterprise growth depends equally on access to markets, business capability, working capital and an enabling ecosystem.



Rationale for ASISA's role

The challenges confronting SMMEs cannot be addressed through financing alone, nor can they be solved by individual organisations acting independently. They require coordinated action across investors, corporate buyers, enterprise development practitioners and the broader business ecosystem.

ASISA is uniquely positioned to provide this coordination.

As the representative body of South Africa's savings and investment industry, ASISA enables members to pool resources through a shared enterprise development platform while creating opportunities for collaboration that extend beyond funding. The initiative brings together capital providers, experienced fund management, growth support, industry networks and procurement opportunities to create a more integrated approach to enterprise development.

This collective approach enables member organisations to achieve outcomes that would be difficult to deliver individually while generating practical industry learning on what drives sustainable SME growth.

Rather than viewing enterprise development solely as a funding intervention, the ASISA ESD initiative aligns capital, business capability, market access and ecosystem coordination to support sustainable enterprise growth.

Nature of the intervention

The ASISA ESD initiative combines complementary interventions that work together to strengthen enterprise development outcomes.

Capital deployment
Funding is provided through a combination of:

- Equity
- Debt
- Guarantee instruments

This enables investment to be structured according to the stage, growth trajectory and financing requirements of individual SMMEs.

Growth support
Investment is complemented by structured business support that strengthens:

- Financial management and reporting.
- Governance and compliance.
- Business strategy and operational systems.
- Leadership and organisational capability.

This support recognises that businesses often struggle to scale not because opportunities are absent, but because internal systems and management capacity are unable to support growth.

Market access
A distinguishing feature of the ASISA ESD model is its emphasis on connecting SMMEs to sustainable market opportunities.

The initiative supports SMMEs to:

- Access procurement opportunities.
- Meet supplier requirements.
- Strengthen their readiness to supply larger organisations.
- Increase their visibility among potential corporate buyers.

Experience from the portfolio indicates that access to markets remains one of the strongest determinants of long-term enterprise sustainability.

Industry coordination
ASISA's convening role brings together:

- Investors.
- SMMEs.
- Fund managers.
- Co-investors.
- Strategic partners.

This creates opportunities for collaboration, shared learning, coordinated investment and broader ecosystem development.

The ESDi's Journey: Three reflections
Over twelve years, the ASISA ESDi has evolved through a process of continuous learning, collaboration and evidence-based adaptation

Three reflections capture this journey:

- **How we've grown:** Nineteen Years of Learning
- **Who we've grown with:** Partnering for National Impact
- **What we've learnt:** What the Evidence Tells Us

These reflections illustrate how the ESDi has matured from an industry-funded initiative into an evidence-based, collaborative platform for enterprise and supplier development. More importantly, they demonstrate that sustainable SMME development is achieved not through funding alone, but through long-term partnerships, practical support, continuous learning and a shared commitment to measurable outcomes.

ASISA ESD Funds

Impact Metrics

JOBS CREATED & SUPPORTED

13 301 jobs supported[2] (made up of)

3 122 jobs created[3]

681 jobs maintained[4]

9 498 indirect jobs created[5]

WOMEN MANAGED / OWNERSHIP

18 SMMEs with women representation in management **(34%)**

22 SMMEs with women representation in ownership **(35%)**

YOUTH MANAGED / OWNED

15 SMMEs with youth representation in management **(27%)**

18 SMMEs with youth representation in ownership **(41%)**

BLACK & BLACK-WOMEN OWNED OWNERSHIP

47 majority Black Owned SMMEs **(97%)**, of which;

25 100% Black Owned SMMEs **(29%)**

27 SMMEs with Black women ownership **(53%)**, of which;

10 majority Black women owned SMMEs **(12%)**

B-BBEE

EME / QSE[6]

31 exempt micro enterprises **(39%)**

15 qualifying small enterprises **(42%)**

PROCUREMENT SPEND

R445m in ASISA procurement spend was allocated to SMMEs

GREEN METRICS: IN THE PAST 12 MONTHS

5.6m kgs of waste avoided landfills

R1.1 m worth of energy saved

128k healthcare professionals benefitting from the EMG Platform

GEOGRAPHY

16 investees service the township/rural economy **(17%)**

26 SMMEs based in Gauteng **(64%)**

20 SMMEs based in Western Cape (35%)

Notes:
1. 2 exited investees were not majority Black-Owned at the time of investment as they were invested in before the Codes were revised (first two investments into the Fund). At the time of investment ED was defined only as being businesses under a certain revenue threshold. There was initially no ownership component. Furthermore, 1 investee has dropped below 51% Black-Owned due to international funding received.
2. Jobs Supported = Jobs Created + Jobs Maintained + Indirect Jobs
3. Jobs Created = Permanent + Temporary jobs created during the investment period
4. Jobs Maintained = Current Jobs in Existence - Net Jobs Created
5. Indirect Jobs = Indirect jobs created during the investment period (e.g. those created in Kandua)
6. QSE (Qualifying Small Enterprise): A South African business with annual turnover between R10 million and R50 million. QSEs have simplified B-BBEE requirements compared to larger firms. EME (Exempted Micro Enterprise): A South African business with annual turnover of R10 million or less. EMEs have simplified B-BBEE compliance and usually qualify for a high empowerment level automatically. Four investees have grown beyond R50m in annual revenue and no longer qualify as a QSE/EME (Waste Want, Sanari, Pineapple and Navigare)

*Metrics are as at 28 February 2026 (measured since inception).
() Percentages in brackets indicate% of portfolio by deployed capital

ASISA ESD Programmes

Impact Metrics

COMPLIANCE

100% compliance points awarded for ESD job creation, and ED to SD conversion bonus points.

JOBS CREATED & SUPPORTED

9 280 jobs supported

1 667 jobs created

SECTORS

12 sectors covered through programmes delivery supply change linked core business

BLACK & BLACK WOMEN OWNERSHIP

B-BBEE

2 155 100% black owned SMMEs

394 majority black owned SMMEs

CONTRIBUTIONS

R513m raised since inception for programmes

35 programme sponsors from Finance Sector

GEOGRAPHY

SMMEs are split across the country with majority being in;

50% Western Cape

30% Gauteng

20% KZN, FS, and others

PROCUREMENT SPEND

R206m* in ASISA procurement spend was allocated to SMMEs

PROGRAMMES EXECUTED

110 programmes run across the sectors, **of which;**

33 ED / SD supply chain

77 Broker / IFA / Stockbrokers

* Based on SME reporting
** Others includes the Eastern Cape, Northern Cape, North West, Limpopo and Mpumalanga

Who We've Grown With

Growing Stronger Through Partnership

Enterprise development is most effective when businesses are supported by a connected ecosystem rather than isolated interventions.

The ASISA ESD model brings together a diverse network of partners, each contributing different forms of expertise and support.

This collaborative approach includes:

- **ASISA member companies**, whose investment, procurement opportunities and strategic oversight create pathways for enterprise growth.
- **Small and medium enterprises (SMMEs)**, whose innovation and entrepreneurship drive inclusive economic participation.
- **Business development service providers, mentors and coaches**, who strengthen business capability and leadership.
- **Enterprise development specialists and implementing partners**, who provide tailored support throughout different stages of business growth.
- **Procurement professionals and corporate buyers**, who help businesses access sustainable markets.
- **Development finance institutions and ecosystem partners**, whose complementary support strengthens enterprise resilience.

Together, these partnerships create an enabling environment in which enterprises can develop the capability, confidence and market access needed to achieve sustainable growth.

What We've Learnt

Lessons from Supporting Enterprise Growth

The programme's experience has generated several important insights into what enables sustainable enterprise development.

Capital is necessary but seldom sufficient.
Finance creates opportunity, but long-term business success depends equally on capability, governance and access to markets.

Relationships create resilience.
Mentorship, coaching and trusted business networks often determine whether enterprises successfully navigate periods of growth and uncertainty.

Market access matters.
Inclusive procurement and integration into value chains provide more sustainable opportunities than funding alone.

Capability drives sustainability.
Entrepreneurs who strengthen financial management, governance and strategic planning are better positioned for long-term success.

Enterprise development is an ecosystem effort.
Lasting impact depends on collaboration between investors, businesses, mentors, procurement teams and development partners.

Observable outcomes

The ASISA ESD Funds have supported strong participation by Black-Owned, women-owned and youth-owned enterprises while contributing to employment creation, business growth and increased economic participation. Beyond these measurable outcomes, the initiative has generated valuable evidence on the factors that influence enterprise success.

Experience across the portfolio indicates that businesses most likely to achieve sustainable growth typically demonstrate:

- Diversified revenue streams that reduce reliance on a single customer.
- Strong and coachable leadership.
- Sound financial management and governance systems.
- Access to follow-on investment.
- Business models capable of expanding beyond individual contracts.

Conversely, businesses that struggle to scale commonly experience:

- Dependence on a single contract or market.
- Weak internal systems and governance.
- Cash flow constraints resulting from delayed payments.
- Limited access to procurement opportunities.
- Insufficient business development support.

These findings reinforce an important lesson from the ASISA ESD experience: while capital is an essential enabler, sustainable enterprise growth depends on combining finance with business capability, market access and ongoing growth support.

Relationship to member-level accountability

The ASISA ESD initiative complements, rather than replaces, the Enterprise and Supplier Development responsibilities of individual member organisations.

The initiative provides members with a shared platform through which they can collectively invest in enterprise development, access a professionally managed pipeline of SMMEs and contribute to broader transformation objectives.

However, experience from the portfolio also highlights an important opportunity for greater member participation.

While members have demonstrated strong commitment through investment in the ESD Funds, procurement opportunities remain concentrated among a relatively small number of participating organisations. This suggests that funding decisions and procurement decisions are often managed independently within organisations.

Strengthening the long-term impact of the initiative will therefore require:

- Greater alignment between transformation, procurement and business functions.
- Increased procurement participation across member organisations.
- Stronger integration of SMMEs into member supply chains.
- Continued collaboration to support enterprise growth beyond initial funding.

Forward-looking considerations (2026-2030)

Expanding what works

The next phase of enterprise development should focus on strengthening the conditions that enable SMMEs to scale sustainably.

Priority areas include:

- Broadening procurement participation across the industry.
- Expanding working capital solutions for growing SMMEs.
- Scaling Growth Support as a core component of the model.
- Strengthening co-investment and broader funding ecosystems.
- Deepening partnerships that improve market access and business growth.

Transformation Fund and ecosystem alignment

The proposed Transformation Fund represents an important development within South Africa's transformation landscape and has the potential to increase the scale of investment directed towards enterprise development.

The experience of the ASISA ESD initiative suggests, however, that increasing the supply of capital alone is unlikely to address the structural barriers that prevent SMMEs from scaling sustainably.

The industry's experience shows that long-term enterprise success requires more than capital. Businesses also need market access, business skills, working capital solutions and coordinated support from the wider ecosystem. As future transformation funding mechanisms evolve, there is a strong opportunity to build on proven enterprise development models, use experienced fund managers and strengthen collaboration between public and private sector initiatives.

Looking ahead

The experience of the ASISA ESD initiative reflects an important evolution in how enterprise and supplier development should be understood. While capital remains an essential enabler, the evidence demonstrates that sustainable enterprise growth depends on creating the broader conditions in which businesses can compete, expand and participate meaningfully in the economy.

Looking ahead, the greatest opportunity lies not only in increasing investment, but in strengthening procurement participation, business capability, ecosystem partnerships and coordinated industry support.

Through its convening role and the lessons generated by the ASISA ESD initiative, ASISA is well placed to advance an enterprise development model that delivers lasting transformation. This model combines finance, capability building, market access and collaboration to help businesses grow sustainably.

ASISA FOUNDATION

Transformation and Developmental Constraints

Financial capability is increasingly recognised as a critical enabler of financial inclusion, consumer protection, economic participation and long-term financial well-being. Yet many South Africans-particularly those living in diverse, underserved and vulnerable communities-continue to face significant barriers to accessing, understanding and confidently using financial products and services.

In an increasingly complex financial environment characterised by rising indebtedness, digital financial services, sophisticated scams, changing employment patterns and economic uncertainty, financial education has become more than a consumer awareness activity. It is a developmental intervention that equips individuals, households, entrepreneurs and community leaders with the knowledge, skills and confidence to make informed financial decisions throughout their lives.

For more than twelve years, the ASISA Foundation has addressed this challenge by designing and delivering evidence-based consumer financial education programmes tailored to the needs of different target audiences, including workers, members of community structures and co-operatives, micro-entrepreneurs, young adults and retirement fund trustees.

The ASISA Foundation's experience demonstrates that meaningful improvements in financial capability require more than the transfer of financial knowledge. Sustainable impact depends on programmes that build confidence, encourage positive financial behaviours and respond to the realities within which people make financial decisions.

Rationale for ASISA's role

The challenge of building financial capability cannot be addressed effectively through fragmented interventions delivered in isolation. It requires coordinated investment, strong governance, evidence-based programme design and collaboration across the financial sector and broader development ecosystem.

ASISA provides this collective platform on behalf of the savings and investment industry, through the ASISA Foundation (the foundation).

By pooling industry resources, the Foundation enables members to achieve greater scale, consistency and impact than would be possible through individual initiatives alone. The Foundation manages programme design, implementation, monitoring and evaluation, governance and reporting as a single trusted intermediary, reducing administrative complexity while ensuring accountability and effective stewardship of industry resources.

Over time, the Foundation has evolved beyond an implementation vehicle into a trusted strategic partner within South Africa's consumer financial education ecosystem. Through continuous learning, independent monitoring and evaluation, and collaboration with public and private sector partners, it has developed practical insights into what enables lasting improvements in financial capability and financial well-being.

ASISA and the ASISA Foundation's longstanding participation in the National Consumer Financial Education Committee (NCFEC), together with its partnerships across government, industry and civil society, enables it to contribute not only to programme delivery but also to the broader development of financial capability policy and practice in South Africa.

Nature of the intervention

The ASISA Foundation plays a capability-building role at multiple levels.

At beneficiary level, it develops and delivers financial education programmes designed specifically for diverse target audiences, recognising that financial capability is shaped by people's different life circumstances, literacy levels, economic realities and financial needs.

Its portfolio includes programmes focused on:
- Workers seeking improved financial resilience.
- Members of co-operatives and organised community structures.
- Micro-entrepreneurs operating in township, rural and informal economies.
- Young adults at tertiary institutions, entering economic participation and those operating micro-businesses.
- Retirement fund trustees responsible for safeguarding members' long-term financial security.

Beyond programme delivery, the Foundation strengthens the broader financial capability ecosystem by investing in programme refinement, monitoring and evaluation, stakeholder collaboration, implementing partner capacity and continuous learning.

Its Theory of Change reflects an integrated approach in which financial education progresses beyond knowledge transfer towards changes in confidence, attitudes, behaviours and ultimately improved financial capability, financial inclusion, financial resilience, economic participation and financial well-being.

Observable outcomes

Over more than twelve years, the ASISA Foundation has developed one of the country's most mature evidence bases on consumer financial education.

Independent monitoring and evaluation has enabled the Foundation not only to measure programme reach and outputs, but to understand how financial capability develops over time and which interventions produce meaningful and sustained behaviour change.

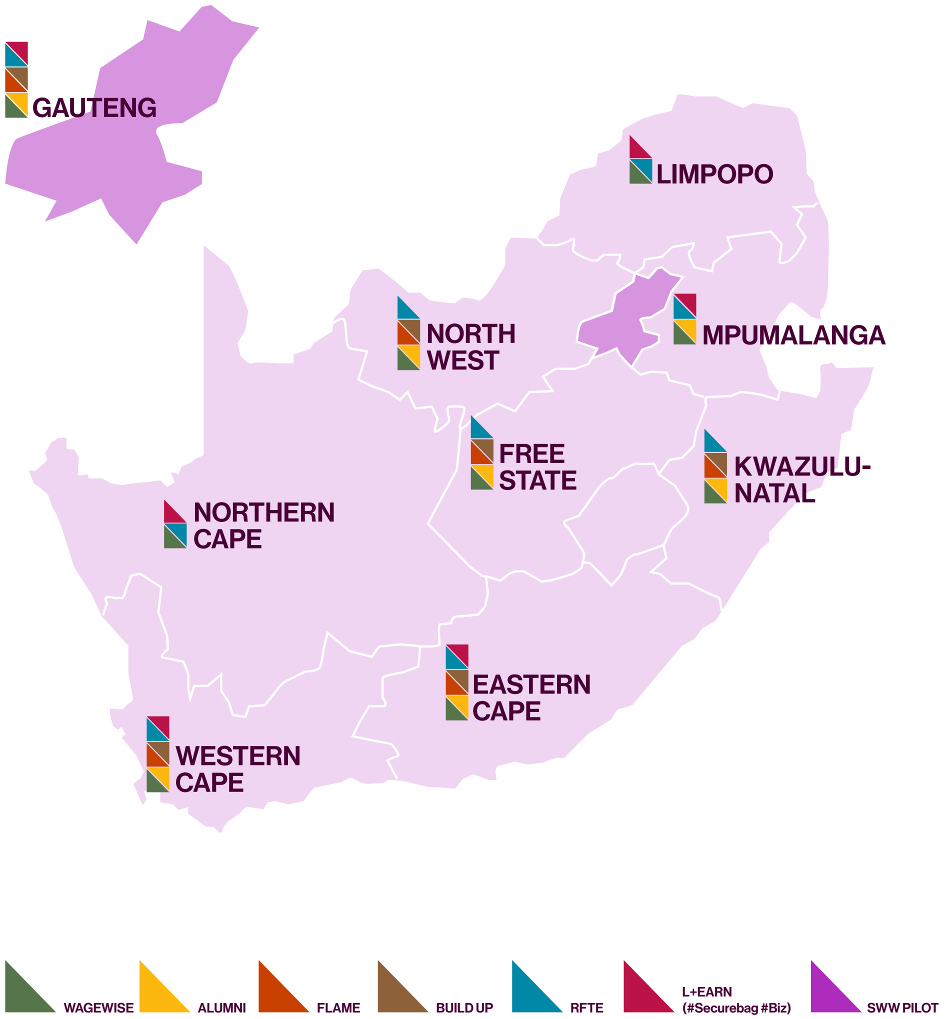
This evidence has consistently demonstrated improvements in participants':
- Financial knowledge and practical skills.
- Confidence levels in decision making.
- Financial decision-making.
- Savings behaviours.
- Business management practices.
- Governance capability among retirement fund trustees.

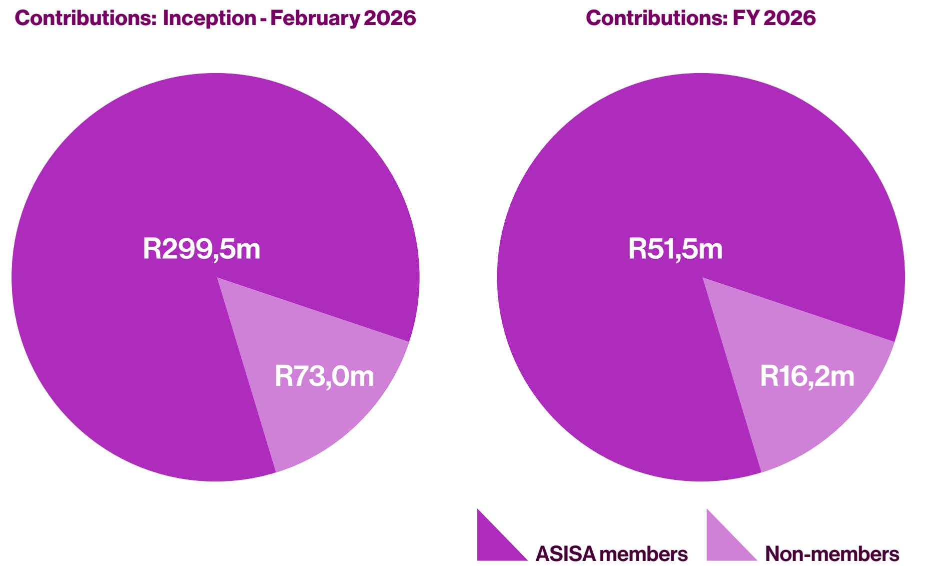
The Foundation has also demonstrated the value of tailoring programmes to different audiences, recognising that effective financial capability interventions must respond to people's lived realities rather than applying generic approaches.

Importantly, the Foundation's experience has shown that monitoring and evaluation should not be viewed simply as a reporting requirement, but as a strategic tool for continuous programme improvement and institutional learning.

Programme Reach and Financial Contributions

The map below highlights the ASISA Foundation's beneficiary reach across all provinces with its various programmes colour coded.





ASISA Foundation CFE Contributions

	FY 2026	Inception - FY 2026
Contributions from ASISA members	R51,46m	R299,49m
Contributions from non-members	R16,15m	R72,97m
TOTAL	**R67,61m**	**R372,46m***

ASISA Foundation CFE Programme Expenses

	FY 2026	Inception - FY 2026
Programme Expenses	R44,3m	R298,92m
TOTAL	**R44,3m**	**R298,92m**

*Includes amounts received from ESD entities totaling R7,235,024

176 617 TOTAL REACH, SINCE INCEPTION

Face to face, online and WAB Interventions

PROGRAMME VIA DIFFERENT CHANNELS

	FACE TO FACE	WEBINARS / DIGITAL	TOTALS
WAGEWISE	126 691	5 425	132 116
ALUMNI		33	33
FLAME	1 650		1 650
BUILD UP	2 116	360	2 476
RFTE	7 459	7 147	14 606
L+EARN (#Securebag)	10 772 *(#Securebag)*	6 198 *(#Securebag)*	16 970 *(#Securebag)*
L+EARN (#Biz)		439 *(#Biz)*	439 *(#Biz)*
SWW PILOT	8 327		8 327
TOTALS	157 015	19 602	176 617

29 548 TOTAL REACH, 1 MARCH 2025 TO 28 FEB 2026

Face to face, Webinar & WAB Interventions

PROGRAMME VIA DIFFERENT CHANNELS

	FACE TO FACE	WEBINARS / DIGITAL	TOTALS
WAGEWISE	25 314		25 314
ALUMNI		33	33
FLAME	87		87
BUILD UP	452		452
RFTE	927	1 384	2 311
L+EARN (#Securebag)		1 250 *(#Securebag)*	1 250 *(#Securebag)*
L+EARN (#Biz)		101 *(#Biz)*	101 *(#Biz)*
SWW PILOT			
TOTALS	26 780	2 768	29 548

The Foundation's Journey in Three Reflections
Over twelve years, the ASISA Foundation has evolved through a process of continuous learning, collaboration and evidence-based adaptation. Three reflections capture this journey:

- **How we've grown -** Twelve Years of Learning
- **Who we've grown with -** Partnering for National Impact
- **What we've learnt -** What the Evidence Tells Us

These reflections illustrate how the Foundation has matured from an industry-funded initiative into an evidence-based, collaborative platform that contributes to South Africa's financial capability ecosystem.

Twelve Years of Learning

Since its establishment, the ASISA Foundation has worked with diverse, underserved and vulnerable communities across South Africa, equipping individuals with the financial capability needed to make informed decisions, strengthen financial resilience and improve their financial well-being.

Over twelve years of implementation, the Foundation has continually refined its programmes through independent monitoring and evaluation, adapting its approach in response to evidence rather than assumption.

What began as an industry-funded consumer financial education initiative has matured into an evidence-based platform that generates practical insights into what enables lasting improvements in financial capability, financial resilience, financial inclusion and economic participation.

This journey has reinforced an important principle:
Sustainable transformation is achieved not through isolated interventions, but through continuous learning, collaboration and evidence-based adaptation.

Who We've Grown With

Partnering for National Impact.

One of the themes running through this year's report is that sustainable transformation cannot be achieved by individual organisations acting alone. The ASISA Foundation's journey over the past twelve years illustrates this principle in practice. Recognising that financial capability is a shared national responsibility, the Foundation has deliberately positioned itself within South Africa's broader financial capability ecosystem, building partnerships that strengthen programme relevance, extend reach, improve quality and support national development objectives.

This collaborative approach brings together the expertise, experience and resources of:

- **ASISA members and a few non members**, contribute monetary support to the ASISA Foundation, with their collective investment enabling greater scale, reach and impact than individual contributions could achieve on their own.
- **Our Board of Trustees' whose** governance and strategic oversight make industry-wide delivery possible.
- The **National Consumer Financial Education Committee (NCFEC)**, through which the Foundation contributes to and benefits from national coordination and policy development.
- National regulators and public institutions, including the **Financial Sector Conduct Authority (FSCA)**, **National Treasury**, the **South African Revenue Service (SARS)**, the **National Credit Regulator (NCR)** and the **Ombud Council**, ensuring programmes remain aligned with consumer protection priorities.
- Professional and industry bodies such as the **Financial Planning Institute of Southern Africa (FPI)** and the **Financial Intermediaries Association (FIA)**, provides funding support as part of their CFE solution/service to their members.
- National, provincial and **Local Economic Development** partners, including **Small Enterprise Development and Finance Agency (SEFDA)** and Provincial Departments responsible for economic development, who facilitate access to priority beneficiaries and local implementation networks.
- A diverse network of **skilled implementing partners,monitoring and evaluation specialists,facilitators, coaches and community organisations** that ensure programmes remain responsive to the lived realities of the communities they serve. A particular strength of the ASISA Foundation's implementation partners is their understanding of community dynamics, enabling programmes to be delivered in ways that are locally relevant and relatable.

These partnerships do far more than expand programme reach. They strengthen programme quality, create opportunities for shared learning, improve responsiveness to emerging challenges such as digital financial fraud and evolving consumer risks, and contribute to a more coordinated national approach to financial capability. Over time, this collaborative model has positioned the Foundation not only as a programme implementer, but as a trusted intermediary, convenor and systems partner within South Africa's financial capability ecosystem.

What the Evidence Tells Us

Over twelve years of implementation and independent monitoring and evaluation, several consistent lessons have emerged.

Knowledge alone is not enough.
Financial knowledge must be accompanied by confidence, motivation and practical support before behaviour changes.

Confidence bridges intention and action.
People who feel confident in managing their finances are significantly more likely to adopt positive financial behaviours.

Context matters.
Financial capability programmes are most effective when they reflect participants' lived realities and financial circumstances.

Coaching and reinforcement matter.
Sustainable behaviour change requires ongoing engagement rather than once-off interventions.

Monitoring and evaluation are strategic assets.
Evidence enables programmes to evolve, improve and contribute to broader sector learning.

Financial capability extends beyond the individual.
Households, community structures, entrepreneurs and trustees all influence financial resilience and inclusion.

Technology expands reach - but relationships drive change.
Digital delivery creates scale, while human engagement remains essential for meaningful and sustained behaviour change.

Relationship to member-level accountability

The ASISA Foundation supports, but does not replace, the consumer financial education responsibilities of individual member organisations.

By providing a shared platform, the Foundation enables members to pool resources, benefit from robust governance, access independently evaluated programmes and contribute collectively to national financial capability objectives.

At the same time, individual members continue to play an important role in embedding consumer education within their own businesses, supporting clients and employeesdeveloping suitable products which support financial inclusion, risk management and transformation. ASISA members also contribute expertise, funding and strategic oversight through the Foundation's governance structures.

This collective model allows the industry to reach more people, build stronger evidence and achieve deeper impact than separate, fragmented initiatives could deliver.

Forward-looking considerations (2026-2030)

Strengthening national financial capability

As South Africa places increasing emphasis on financial inclusion, consumer protection and financial well-being, the demand for high-quality, evidence-based financial education will continue to grow.

The Foundation is well positioned to expand its contribution by scaling programmes, strengthening partnerships and continuing to refine interventions through evidence and innovation.

Supporting the national policy agenda

The Foundation's experience aligns strongly with South Africa's evolving policy environment, including the Draft National Consumer Financial Education Policy and the Financial Education Conduct Standard.

Its long-standing commitment to governance, evidence-based programme design and independent monitoring and evaluation positions it to contribute meaningfully to the continued development of national financial capability initiatives.

Looking ahead

As South Africa enters a new era of consumer protection, financial inclusion and evidence-based financial education, the Foundation's greatest contribution may no longer be limited to the programmes it delivers, but to the knowledge it has generated about what enables lasting improvements in financial capability.

Building on twelve years of implementation, partnership and continuous learning, the ASISA Foundation is well positioned to support not only the delivery of quality financial education, but also the continued evolution of policy, practice and collaboration across South Africa's financial capability ecosystem.

Programme impact in practice:
two entrepreneurs

Julius Chauke: from break-even to a 60-strong workforce

FLAME - Garden Route 2024 - 2025 Programme

When Julius Chauke joined the Foundation's FLAME programme in August 2024, his township construction business in Thembalethu, George, was under serious pressure. Ribye Civils and Construction, which supplies labour to building sites across George and Mossel Bay, made R55,299 that month but had costs of R45,837. The margin was so small that he sometimes could not pay full wages. He had no clear way of knowing whether the business was making a profit, his administration was weak, he was not fully compliant, and the business depended entirely on him.

The programme focused on the barriers holding him back. It helped him strengthen his costing and pricing, improve VAT compliance, plan his workforce across multiple sites, and delegate responsibilities so the business no longer depended entirely on him. He appointed an admin assistant and a bookkeeper, introduced compliant invoicing, and completed a construction certificate alongside the programme.

By the end of the programme his average monthly revenue had reached R460,613, with R122,879 in profit, and he had raised a further R60,000 in external funding. His workforce grew from 13 to 60, creating 47 new jobs across five active sites, with repeat contracts from larger firms in the Ruwacon network. Chauke had made the shift from technician to contractor, laying the foundation for a business with the potential to grow.

ASISA FOUNDATION
FLAME
FINANCIAL LITERACY FOR MICRO-ENTERPRISE

Nompumelelo Xaba: from hand-to-mouth to holding stock

L+EARN BIZ, Gauteng, 2025

Nompumelelo Xaba turned her love of fashion into Zano Clothing, a Gauteng business that makes school uniforms, customised sleepwear and traditional attire, and teaches others to sew. The business was working, but it survived from one order to the next. She made items only after customers placed orders. Xaba had no proper budget, and could not clearly track where her money was going. "Money would flow in, but I wouldn't know where it goes," she said.

The Foundation's L+EARN BIZ programme has helped build the discipline her business needed. She introduced structured budgeting and expense tracking, set clear SMART goals, and developed a strategy to separate the business into two parts: the clothing line and a sewing academy. The programme also helped her map a path towards QCTO accreditation. One-on-one coaching and peer forums kept the support practical and focused.

The change showed up in the books and the way she ran the business. She moved from making items only on demand to producing stock in advance, which helped her meet demand instead of chasing it. Her average monthly revenue increased from about R13,000 to R22,000.

She also opened two savings accounts, including a 32-day account and an emergency fund. Zano Clothing has now started buying materials in bulk, and hired an additional part-time worker. The business has placed two learners for workplace experience.

"I am now in control of my finances," she said. "I can save, invest in materials, and grow the business."

ASISA FOUNDATION
L+EARN BIZ
FINANCIAL LITERACY FOR THE WORKPLACE

References, Glossary & Acknowledgements

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Glossary

ABSIP
Association of Black Securities and Investment Professionals

ASISA
Association for Savings and Investment South Africa

AUM
Assets Under Management

BAM
Black Asset Managers

B-BBEE
Broad-Based Black Economic Empowerment

B-BBEE Scorecard
The balanced B-BBEE scorecard measuring the various elements of the FSC

BBGF
Black Business Growth Funding

Black people
The term "Black people" refers to Africans, Coloureds and Indians

CFE
Consumer Financial Education

CIS
Collective Investment Schemes

Codes of Good Practice
Statements and all Codes of Good Practice issued in terms of section 9 of the B-BBEE Act No. 53 of 2003

COFI
Conduct of Financial Institutions

DoEL
Department of Employment and Labour

the dtic
Department of Trade, Industry and Competition

EAP
Economically Active Population, determined and published by Statistics South Africa

ED
Enterprise Development

EE
Employment Equity

EME
Exempted Micro Enterprise. A South African business with an annual turnover of R10 million or less

EMG
EMGuidance

ESD
Enterprise and Supplier Development

FASSET
Finance and Accounting Services Sector Education and Training Authority

FSC
Financial Sector Code

FSCA
Financial Sector Conduct Authority

FSTC
Financial Sector Transformation Council, the body responsible for administering the FSC

IAP
Investment Acceleration Programme

IDP
Intermediary Development Programme

IMACS
Investment Management Administration & Client Servicing

INSETA
Insurance Sector Education and Training Authority

MIAA
Majority Black-Owned Independent Asset Managers

MSME
Micro, Small and Medium Enterprise

NCFEC
National Consumer Financial Education Committee

NPAT
Net Profit After Tax

QCTO
Quality Council for Trades and Occupations

QSE
Qualifying Small Enterprise. A South African business with an annual turnover between R10 million and R50 million

RFTE
Retirement Fund Trustee Education

SANAS
South African National Accreditation System

SD
Supplier Development

SDG
Sustainable Development Goals

SED
Socio-Economic Development

SETA
Sector Education and Training Authority

SMME
Small, Medium and Micro Enterprise

Target
The targets for the various elements and indicators in the B-BBEE Scorecard

TMPS
Total Measured Procurement Spend

TSIBA
TSIBA Business School

WAB
WhatsApp for Business

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