



## COMPETITION TRIBUNAL OF SOUTH AFRICA

**Case no.: LM001Apr25**

In the large merger between:

**NINETY ONE LIMITED**

Primary Acquiring Firm

and

**SANLAM INVESTMENT MANAGEMENT  
PROPRIETARY LIMITED**

Primary Target Firm

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Panel:	I Valodia (Presiding Member) T Vilakazi (Tribunal Member) G Budlender (Tribunal Member)
Heard on:	19 September 2025
Order issued on:	19 September 2025
Reasons Issued on:	21 October 2025

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### REASONS FOR DECISION

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#### Introduction

- [1] On 19 September 2025, the Competition Tribunal ("Tribunal") conditionally approved the large merger whereby Ninety One Limited ("Ninety One") intends to acquire 100% of the issued share capital of Sanlam Investment Management Proprietary Limited ("Sanlam Investment Management" or "SIM"), a subsidiary of Sanlam Investment Holdings Proprietary Limited ("SIH").
- [2] Post implementation of the proposed transaction, Ninety One will exercise sole control over SIM.
- [3] Ahead of the Tribunal's hearing, we contacted various third parties that participated in the merger investigation by the Competition Commission ("Commission"), to ascertain whether they wished to participate in the Tribunal's

proceedings. Only the Black Business Council (the “BBC”) indicated that it would participate in the Tribunal’s proceedings. The other third parties were satisfied with the Commission’s recommendation and proposed conditions.

## **Parties to the transaction and their activities**

### *Primary acquiring firm*

- [4] Ninety One is a public company incorporated in accordance with the laws of South Africa with a primary listing on the Johannesburg Stock Exchange (“JSE”).
- [5] Ninety One wholly controls numerous firms in South Africa. Relevant for the purposes of assessing the proposed transaction is Ninety One Investment Platform Proprietary Limited (“Ninety One Investment Platform”), a firm that provides investment administration services as a Linked Investment Service Provider (“LISP”).
- [6] Ninety One and its controlled firms are collectively referred to as the “Ninety One Group”. The Ninety One Group is an active global investment manager. It manages a diverse range of financial products and services including equities, fixed income, multi-asset and alternative investments on behalf of its clients globally.

### *Primary target firm*

- [7] SIM is a private company incorporated in South Africa and is a wholly owned subsidiary of SIH, which is ultimately controlled by Sanlam Limited (“Sanlam”). Sanlam is a public company incorporated in South Africa with a primary listing on the JSE, and it is not controlled by any firms.
- [8] Apart from SIH and Sanlam Investment Management, Sanlam controls various other firms. Relevant for the proposed transaction are the following firms: Sanlam Life; Glacier Financial Solutions Proprietary Limited (“Glacier”); and Glacier Financial Solutions Proprietary Limited (“GFS”); among others (collectively, the “Sanlam Group”).

- [9] The Sanlam Group is an international financial services group comprising several insurers, financial services providers (“FSPs”) and other financial institutions in and outside of South Africa. Its services include asset management, wealth management, international investments, corporate credit, and debt and equity structuring.
- [10] SIM primarily provides active (single) manager asset management and risk management services to retail and institutional clients in South Africa and Europe. These offerings are designed to cater to various risk preferences and investment opportunities, ensuring alignment with clients' financial objectives. Apart from third-party institutional and third-party retail South African assets under management (“AUM”), Sanlam Investment Management's AUM also consist of Sanlam balance sheet assets and intra-group South African bulk assets.

#### **Additional arrangements between Ninety One and Sanlam**

- [11] The primary transaction contemplates the sale and transfer of Sanlam’s active asset management business (presently conducted by SIM) to Ninety One. However, post-merger, the broader Sanlam Group will still require active asset management services for its own assets (i.e., ‘on balance sheet’ active asset management) and as a component of other financial products that remain within the Sanlam Group’s broader portfolio.
- [12] Pre-merger, the active asset management services required by the Sanlam Group are provided by SIM. Post-merger, Ninety One will replace SIM to provide active asset management services to the Sanlam Group pursuant to five arms-length commercial arrangements governed by an agreement (the “Relationship Agreement”).
- [13] The Relationship Agreement will remain in force for an initial term of 15 years (“Initial Period”) [REDACTED]  
[REDACTED]

## **Competition assessment**

- [14] The Commission found that the proposed transaction results in a horizontal overlap in the provision of asset management services and specifically in the provision of traditional, single-manager active asset management services.
- [15] In addition, the Relationship Agreement that will be entered into pursuant to the proposed transaction results in a vertical overlap in that Ninety One will be granted access to the Sanlam distribution network in South Africa for the purpose of distributing Sanlam products.
- [16] The Commission also found that outside of traditional, single-manager active asset management services, the activities of the Ninety One Group and the Sanlam Group also overlap in relation to the provision of (i) products and services through a LISP in South Africa and (ii) alternative private and specialist credit solutions, particularly solutions with a geographic investment focus on Africa, including South Africa.

### *Relevant markets*

- [17] The proposed transaction results in a horizontal overlap in the following markets:
- 17.1. The broad national market for the provision of traditional, single-manager asset management services to institutional and retail customers;
  - 17.2. The narrow national market for the provision of traditional, single-manager asset management services to institutional customers; and
  - 17.3. The narrow national market for the provision of traditional, single-manager asset management services to retail customers.

### *Market shares*

- [18] In determining the merging parties' market shares in the relevant markets for the provision of traditional, single-manager active asset management services, the Commission relied on the AlexForbes Manager Watch Annual Survey ("AlexForbes Survey"), and shares were verified through submissions from market participants.

- [19] Within the broad national market for the provision of traditional, single-manager active asset management services, the merged entity will have an estimated combined post-merger market share (based on share of total AUM) of approximately 18.51%, with an accretion of 5%.
- [20] Within the narrow national market for the provision of traditional, single-manager active asset management services to institutional customers, the merged entity will have a combined post-merger market share of approximately 17.61%, with an accretion of 4.47%.
- [21] Within the narrow national market for the provision of traditional, single-manager active asset management services to retail customers, the merged entity will have a combined post-merger market share of approximately 23.06%, with an accretion of 5.73%.

#### *Horizontal analysis*

- [22] Active asset managers compete primarily based on fund performance and quality of service. In particular, they compete on their ability to outperform the market through their investment strategies.
- [23] Customers within the market such as [REDACTED] and the Municipal Gratuity Fund all indicated that they holistically consider a range of factors when selecting preferred asset managers such as the experience/skillset of the investment team, track record of delivering consistent returns on the assets, management fees, and investment philosophy amongst others. Further, price/fee is only one aspect of the criteria applied by customers in selecting an active asset manager.
- [24] The proposed transaction is unlikely to result in any unilateral effects in the market for traditional, single-manager active management services as:

- 24.1. The SIM market share for the provision of traditional, single-manager asset management services is comprised of the Sanlam Balance Sheet SA Assets, which account for approximately 28% of the total SIM AUM. These assets were not contestable pre-merger as they were exclusively managed by Sanlam Investment Management. Post-merger, these assets will remain uncontestable as they will be managed exclusively by Ninety One. Ninety One's appointment is subject to it being able to perform and meet Sanlam's investment goals and terms for managing its balance sheet assets. In light of the above, the Commission was of the view that Sanlam, as a customer of Ninety One in relation to the active management of the Sanlam Balance Sheet SA Assets, has countervailing power. Further, in the event that Ninety One is unable to meet Sanlam's investment performance goals, it can utilise the active asset management services of competitors. In addition, Sanlam could also re-enter the active asset management market.
- 24.2. The SIM market share for the provision of traditional, single-manager asset management services is comprised of the assets managed for third-party clients, which amount to approximately 72% of the total AUM of Sanlam Investment Management. This segment of the Sanlam Investment Management business is contestable both pre- and post-merger. Notably, while the management function of these assets will transfer to Ninety One post-merger, these third-party customers are not forced to continue using Ninety One. These customers are able, in the ordinary course, to opt for the asset management services of another asset manager, and will post-merger still be able to switch from Ninety One to any other asset manager. Like any other asset management customer, these third-party customers also consider the performance and track record of an active asset manager and are likely to switch away from Ninety One if it is unable to meet their investment performance goals.
- 24.3. There are no substantial switching costs and/or penalties for customers switching from one active asset manager to another. Notably, customers

of SIM will be able to switch to other reputable large and specialised active asset managers. Further, some of these alternative asset managers have also invested in strengthening their investment capabilities and expertise through strategic global partnerships with international asset managers.

24.4. In addition, we have had regard to the evidence that the parties to the merger have recently experienced clients switching away from their businesses to competing asset managers, which speaks to the alternatives available in the market, the feasibility of switching, and the presence of countervailing power on the part of customers. We note that there are a number of large, reputable competing providers in the market, such as Allan Gray, Stanlib, M&G Investments, OMIG and others, that are likely to continue to constrain the merging parties post-merger.

24.5. Lastly, we considered that customers did not raise any unilateral effects concerns likely to arise pursuant to the proposed merger.

[25] Given the diverse activities of the merging parties in the asset management industry, the Commission also assessed the levels of concentration in the broader market for asset management in South Africa. The evidence points to a market in which the largest ten firms account for three quarters or more of the share of total AUM, which reflects high levels of concentration. The evidence further showed that the structure of the market has not significantly changed over the last decade, despite a significant number of new entrants in the market.

[26] As it relates to the instant transaction, however, the proposed merger does not significantly alter the structure of the market. This is confirmed in the Commission's analysis of changes in the Herfindahl-Hirschman Index ("HHI") comparing the pre- and post-merger scenario.

[27] Given the factors above, including the notable presence of alternative asset managers in the market, the ability of customers to switch, and the relatively moderate combined market shares and small accretions in each market, we

found that the proposed transaction is unlikely to raise (horizontal) unilateral effects concerns within each of the identified relevant markets.

### *Vertical analysis*

- [28] The Relationship Agreement gives rise to a vertical overlap between the activities of Ninety One and Sanlam, as Ninety One will be granted preferential access to Sanlam's South African distribution network, as well as the ABSA distribution network<sup>1</sup>, for purposes of distributing Sanlam's financial products.
- [29] The Sanlam South African distribution network comprises independent financial advisors ("IFAs"), Tied Advisors and a LISP platform (i.e., Glacier). The Commission found that Sanlam operates four distinct distribution channels serving all market participants, including Glacier, Sanlam Risk and Savings ("SRS") product provider, Sanlam Multi-Manager Investments ("SMMI"), and Amplify Investment Partners Proprietary Limited ("Amplify"). According to the merging parties, of the four channels, three channels (i.e., Glacier, SMMI and Amplify) fall outside the perimeter of the proposed transaction and will remain unchanged in both structure and access principles (for third parties).
- [30] The Commission considered the upstream market for the provision of distribution network services and the downstream market for the provision of traditional, single-manager active asset management services to retail customers. Sanlam (including the ABSA arrangement) is active in the upstream market, while Ninety One is active in the downstream market.

### Input foreclosure

- [31] Regarding input foreclosure, the Commission found that there are other distribution network services providers active in the upstream market for the

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<sup>1</sup> As a result of a recent acquisition by SIH of the Asset Management Business of ABSA Group Limited ABSA (Tribunal Case No.: LM190MAR22), SIH entered into a 10-year distribution agreement with ABSA in terms of which ABSA granted SIH and its subsidiaries (including the Target Firm) access to its distribution network. Therefore, the preferred access to be granted to Ninety One will also extend to the ABSA distribution network.



provision of distribution networks for investment products, which remain accessible to third-party asset managers who do not have their own distribution networks. Given the presence of other distribution networks, the Commission was of the view that Sanlam is unlikely to exercise market power in the provision of distribution networks.

- [32] Despite the presence of numerous distribution networks, third-party asset managers that currently distribute their investment products through both the Sanlam distribution network and through other distribution networks, consider these networks to not have the same reach and scale as the Sanlam distribution network. Thus, asset managers within the market consider the Sanlam distribution network to be an important route to market.
- [33] Third-party submissions received during the Commission's investigation suggested that third-party asset managers consider the Sanlam distribution network to be an important route to market. As such, any strategy by the merged entity to limit access to third-party asset managers is likely to negatively impact their ability to compete.
- [34] The evidence on record reveals that Sanlam's distribution network operates using an open architecture distribution model where Sanlam offers customers access to a wide range of active asset managers, multi-managers and investment managers. To mitigate the concerns raised by market participants, the merging parties tendered a condition that third-party asset managers will continue to access the Sanlam distribution network on fair, reasonable, and non-discriminatory terms post-merger in line with its open architecture model.
- [35] The Commission tested the open architecture access condition tendered by the merging parties with market participants. There was a proposal that the merging parties should commit that third-party asset managers will have equal access to Sanlam's guided architecture network post-merger. In addition, another third-party indicated that the commitment tendered by the merging parties does not address concerns regarding preferential access, potential dilution of independent managers' market share and possible reduced allocations for

independent managers. It was further submitted that the conditions do not address the substantial lessening of competition in the market, increased barriers to entry and the erosion of product delivery and consumer choice.

[36] The merging parties reiterated that Sanlam typically operates on an open architecture basis and that many other South African asset managers have access to its distribution network. According to the merging parties, this will not be impacted by the proposed transaction. In response to questions from the Tribunal in the hearing, the merging parties explained that the proposed transaction only gives Ninety One, amongst other providers as has been Sanlam's practice, a preferred opportunity (such as at Sanlam investor events) to engage clients using Sanlam's distribution network alongside Sanlam's other core investment offerings. Such preferred access is provided on a non-exclusive basis and other providers will continue to have access in this regard.

[37] Furthermore, we understand that Ninety One is largely stepping into the role previously played by SIM. The ultimate decision as to the choice of provider, being Ninety One or any other competitor, would continue to rest with the end customers.

[38] In terms of the differentiation between open access and guided architecture, the merging parties submitted that open architecture refers to a distribution model where a large number of funds that are available in the market are listed on a product platform (e.g., Glacier LISP). On the other hand, guided architecture refers to a distribution model where only a subset of available funds is listed on a product platform. Alternatively, it can be where only a subset of the available funds are integrated with the advice provided by tied financial advisors.

[39] While Sanlam's guided architecture inherently guides clients to a subset of available funds, the goal of the subset selection is to ensure responsible and appropriate fund recommendations for each client and not to inhibit competing asset managers or distort normal industry competition. Moreover, the merging parties submitted that it is inherent in Sanlam's approach that third-party

providers will not be excluded from guided architecture lists without sound justification.

- [40] Further, although the guided architecture approach is specifically designed for tied agents, its purpose is to ensure that these advisors are supported in providing suitable solutions for their clients. According to the merging parties, this approach does not exclude other asset managers or reduce a client's access to diverse investment portfolios.
- [41] Finally, the merging parties submitted that Sanlam Risk and Savings (Sanlam's guided distribution platform) will not be transferring to Ninety One as part of the proposed transaction. Ninety One, just like any other third-party asset manager, will need to perform in order to stay relevant on the guided architecture subsets. Further, industry players will retain fair access to distribution channels, and retail investors remain free to choose from a broad spectrum of providers, ensuring that competition and choice are preserved.
- [42] At the hearing, we queried whether any of the affected brands or platforms of the parties constituted must-have offerings that must be part of the offering or distribution channel to clients.<sup>2</sup> In addition, we questioned the preferential access to the distribution network that Ninety One would acquire in light of the type of access that another customer or provider might get on these platforms.<sup>3</sup>
- [43] The parties made submissions that the principles and the model that is used to assess which funds are loaded will remain the same and that includes the criteria that is used to assess the level of risk that the funds can pose for the customers.<sup>4</sup> In addition, Sanlam operates on open architecture and the products of many other asset managers have access to its distribution network. Therefore, the approach that it currently adopts now as regards SIM and the rest of its distribution network will not be changed by the transaction.<sup>5</sup> Furthermore, the

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<sup>2</sup> Transcript at p 19.

<sup>3</sup> Transcript at p 29.

<sup>4</sup> Transcript at p 31.

<sup>5</sup> Transcript at p 33.

merging parties submitted that the arrangement will only give Ninety One a preferred opportunity to compete for clients using Sanlam's distribution network along Sanlam's other investment products and third-party products. Winning business is certainly not guaranteed, as the decision as to whether to use Ninety One's products will depend on decisions of the autonomous business units within Sanlam and secondly, the ultimate decision to invest with Ninety One through Sanlam will typically rest with the customer.<sup>6</sup>

[44] In light of the concerns of third parties, we considered it important to ensure that market participants that rely on the Sanlam South African distribution network are not negatively affected by the proposed transaction, especially smaller and/or black-owned fund managers. In this regard, the conditions subject to which we have approved the merger contain a commitment by the parties to continue operating on open access/architecture model which allows third-party fund managers and other financial services providers to continue accessing and marketing their funds and financial products on the Sanlam South African distribution network.

[45] We found that the condition was appropriately tendered in this transaction and that the proposed transaction is unlikely to raise input foreclosure concerns.

#### Customer foreclosure

[46] The Commission assessed whether Ninety One will have the ability and incentive to stop procuring distribution services from competitors of Sanlam post-merger.

[47] Pre-merger, Ninety One distributes its asset management products through the distribution networks of Alex Forbes, PSG Investments, Old Mutual MultiManagers, Standard Bank, Discovery and Momentum.

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<sup>6</sup> Transcript at p 33. Merger Record p 1080.

[48] Regarding the incentive to foreclose, the value of the AUM managed on other third-party distribution networks utilised by Ninety One far outweighs the value of AUM managed by it on behalf of various Sanlam entities on the Sanlam distribution network. Considering this, Ninety One is unlikely to have the incentive to stop procuring these services from competitors of Sanlam in the provision of investment product distribution services. Furthermore, we considered that there is a large number of asset management firms (over sixty) active in the downstream market such that foreclosure is unlikely.

[49] Having heard the parties in the merger hearing and considered submissions in the merger record, we found that the proposed transaction is unlikely to raise customer foreclosure concerns.

#### Coordinated effects assessment

[50] The proposed transaction will result in Sanlam (through SIH and Sanlam Life) acquiring an equity stake in Ninety One and Ninety One plc, thereby creating structural links between the Sanlam Group and the Ninety One Group which did not exist pre-merger. In this regard, the Commission considered whether the proposed merger could enhance or facilitate coordination in any other market/s outside the relevant active asset management services market.

[51] Ninety One and Sanlam currently also compete in the national market for the provision of LISP platforms to third-party asset managers in South Africa. Ninety One competes in this market through its Ninety One Investment Platform ("91IP"), while Sanlam competes through its Glacier platform. In addition, Ninety One and Sanlam also compete in the national market for the provision of alternative private and specialist credit solutions.

[52] The Commission was concerned that the proposed transaction could be used as a platform to exchange competitively sensitive information to the detriment of competition in relation to the platforms and credit solutions offered by Ninety One and Sanlam. In particular, the Commission considered whether Sanlam's 19.5% shareholding in Ninety One Limited confers on it any control over Ninety

One Limited and/or rights to appoint directors and/or senior managers in Ninety One Limited.

- [53] In the instant transaction, SIH and Sanlam Life will not have the right to appoint any representatives on the boards of Ninety One Limited and Ninety One plc. In addition, SIH and Sanlam Life will not receive any special reporting or information by virtue of being shareholders in Ninety One. In particular, the merging parties submitted that SIH and Sanlam Life will only have access to the information that Ninety One makes publicly available to all its shareholders. This type of information includes SENS announcements, full-year and half-year financial results announcements and presentations, and quarterly assets under management updates. Further, Sanlam may be offered the opportunity to engage directly with Ninety One's management team as part of its annual financial results roadshows. These roadshows follow the public announcements of Ninety One's half-year and full-year results and would place Sanlam in the same position as Ninety One's other significant shareholders, such as the PIC.
- [54] The Commission received concerns from a third-party relating to the structural links created by the proposed transaction between Ninety One and the Sanlam Group. In particular, it was submitted that the proposed transaction raises concerns relating to potential conflicts of interest and the influence that Sanlam might have over Ninety One post-merger, to the detriment of other customers of Ninety One that compete with Sanlam. In addition, there was a concern that there is a risk of inadvertent or deliberate sharing of competitively sensitive information between Ninety One and Sanlam relating to the current or future product offerings and innovations of Ninety One's customers that compete with Sanlam. Further, it was submitted that Sanlam might receive preferential treatment in terms of new product opportunities and innovations, which could disadvantage Ninety One's other customers.
- [55] In response to the concerns raised, the merging parties proposed measures to mitigate any potential risks of competitively sensitive information being disclosed to Sanlam or the Sanlam Group. In terms of the proposed measures, the merging parties committed that where a third-party customer is developing a

new product with a traditional single-manager active asset management component with Ninety One, Ninety One shall not disclose any confidential details in relation to such new product to Sanlam. However, this shall not preclude Sanlam from creating and offering any product with similar features if these are known publicly and/or feature in products/services of competitors of the Third Party.

- [56] In addition, the merging parties have agreed to put in place an appropriate confidentiality and information exchange policy as well as a competition law compliance programme to ensure that representatives of Ninety One and Sanlam do not share competitively sensitive information relating to any of their operations.
- [57] Third parties were contacted by the Tribunal to ascertain whether the tendered conditions address the concerns identified, and the third parties indicated that they had no further submissions and would not participate in the proceedings.
- [58] We found that the tendered conditions would adequately address any likely concerns regarding the exchange and/or flow of competitively sensitive information.
- [59] The Commission also considered whether Ninety One and Sanlam can appoint directors onto the board of directors of their respective competing platforms, and the extent to which this could also give rise to an exchange of competitively sensitive information between Ninety One and Sanlam.
- [60] According to the merging parties, none of the directors of GFS and Glacier will have any access to the competitively sensitive information of Ninety One's LISP operations by virtue of the relationship between Ninety One and Sanlam. In addition, none of these directors would be members of the various management or operational forums envisaged under the Relationship Agreement (being the Operations, Management and Executive Forums respectively), where competitively sensitive information may be discussed.

- [61] However, it is envisaged that two of the board members appointed in GFS and Glacier will be part of the Executive Forum contemplated in terms of the Relationship Agreement to govern the engagements between Sanlam and Ninety One. According to the merging parties, this executive forum will not discuss, or have access to, competitively sensitive information and will be subject to the competition protocols.
- [62] The Commission noted that for each of the above specified governance and management forums, Ninety One and Sanlam are entitled to appoint at least one duly authorised representative. Thus, both Ninety One and Sanlam will at all times for the duration of the Relationship Agreement have representation in the Operations, Management and Executive Forums. The Commission was particularly concerned about the Executive Forum, which will result in engagement between individuals within the Sanlam Group and Ninety One Group who occupy senior positions (e.g., CEOs, Group Finance Director and/or Group Strategy Executive) that afford them insights into the entire operations of their respective groups. Given the positions of the Executive Forum members, the Commission was concerned that this forum could potentially be used to exchange competitively sensitive information.
- [63] In order to safeguard against the flow of competitively sensitive information relating to their competing operations (including LISP operations) and the excluded operations of Sanlam and Ninety One, the parties have tendered conditions. The conditions preclude Sanlam and Ninety One representatives who serve on any of the management and/or operational committees from disclosing any competitively sensitive information of Sanlam and Ninety One entities excluded from the envisaged post-merger strategic relationship between them. This also includes a requirement for the relevant representatives to sign confidentiality undertakings confirming the non-disclosure of any confidential information of entities not covered by the Relationship Agreement. The Commission is of the view that the confidentiality commitments offered by the merging parties sufficiently address the information sharing concerns it had with the Sanlam and Ninety One competing interests in the LISP platform market. This is because the commitments will have an effect of restricting the Ninety One



and Sanlam appointed representatives on the governance forums from divulging competitively sensitive information of the excluded LISP operations of the two firms, thereby limiting the possibility of the coordinated effects concerns identified by the Commission.

- [64] Third parties were contacted by the Tribunal to ascertain whether the tendered conditions address the concerns identified, and the third parties indicated that they had no further submissions and would not participate in the proceedings.
- [65] We were satisfied that the tendered condition addressed any concerns in this regard.
- [66] Finally, in terms of its coordinated effects assessment, the Commission found that only Ninety One can appoint directors onto the board of its alternative private and specialist credit solutions operations.
- [67] According to the merging parties, none of these board directors will have any access to Sanlam's competitively sensitive information relating to its alternatives business by virtue of the relationship between Ninety One and Sanlam. In addition, no directors of these boards would be members of the various management or operational forums envisaged under the Relationship Agreement.
- [68] In order to prevent the flow of competitively sensitive information relating to the competing operations and excluded operations of Sanlam and Ninety One in terms of the Relationship Agreement, the merging parties have tendered conditions that preclude Sanlam and Ninety One representatives who serve on any of the management and/or operational committees for the purposes of the relationship from disclosing any competitively sensitive information of Sanlam and Ninety One entities excluded from the envisaged post-merger relationship between Sanlam and Ninety One. This also includes a requirement for the relevant representatives to sign confidentiality undertakings confirming the non-disclosure of any confidential information of entities not covered by the Relationship Agreement.

[69] We found these commitments to be adequate in mitigating and information sharing concerns regarding Sanlam and Ninety One's competing interest in the market for the provision of alternative private and specialist credit solutions.

[70] Third parties were contacted by the Tribunal to ascertain whether the tendered conditions address the concerns identified, and the third parties indicated that they had no further submissions and would not participate in the proceedings.

[71] On the whole, we were satisfied that the tendered conditions adequately addressed any concerns in this regard.

#### *Restraint of trade*

[72] The Commission found that the merging parties intend on entering into a Transaction Implementation Agreement in terms of which a restraint of trade will be included. In terms of this restraint, Sanlam undertakes in favour of Ninety One to not directly or indirectly acquire control or develop any traditional, single-manager active asset management business that competes with Sanlam Investment Management in South Africa for a period of ■■■ years from implementation of the proposed transaction (the "Restraint").

[73] The Commission's assessment of the Restraint was guided by *RCS Cards Proprietary Limited v Consumer Finance Business of the JD Group Limited*<sup>7</sup> wherein it was considered that restraints of this nature with a duration of greater than three years may give rise to competition concerns. In this regard, the Commission requested the merging parties to justify the Restraint and to also consider reducing the Restraint period to at least ■■■ years.

[74] Ultimately, the merging parties agreed to a condition to amend the restraint of trade period contained in the transaction implementation agreement to a period

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<sup>7</sup> *RCS Cards Proprietary Limited v Consumer Finance Business of the JD Group Limited* (LM193Feb15).

of [REDACTED] years. We found this commitment to be appropriate in the circumstances.

#### *Conclusion on the competition assessment*

[75] Having considered the above, we conclude that the imposed conditions adequately address all the competition concerns identified, and that no further competition concerns arise.

#### **Public interest assessment**

##### *Employment*

[76] The merging parties submitted that 320 Sanlam Group employees are affected by the proposed transaction. Of the 320, Sanlam Investment Management has 32 employees, 23 of whom will transfer to Ninety One as part of the proposed transaction. The nine SIM employees not transferring to Ninety One will be absorbed into the Sanlam Group in various roles. The remaining 288 employees are "shared service teams" that also provide support to Sanlam Investments and Sanlam Investment Group. Of these shared service team employees, no employees will transfer to Ninety One but will continue to be employed within the Sanlam Group. However, of the total 320 affected employees, potentially 20 to 25 employees may face retrenchment as a result of the proposed transaction.

[77] The employees of Ninety One are represented by an employee representative. Similarly, the employees of SIM are represented by an employee representative. The representatives of the merging parties' employees did not raise employment concerns as a result of the proposed transaction.

[78] The Commission received concerns from [REDACTED] relating to the potential impact of the proposed transaction on employment within South Africa. According to [REDACTED] there is a potential risk of job losses or restructuring, especially if Ninety One already has parallel teams serving similar functions. Further, [REDACTED] was concerned that a shift of some of the asset management functions by Ninety

One offshore, will result in significant job losses in the Western Cape, which is where most of the asset management employees are based.

- [79] The BBC raised similar concerns that the proposed transaction may result in a reduction of employees through restructuring and cost reductions, rationalization and cost-cutting as well as hiring freezes and slim new appointments in the merged entity. In this regard, the BBC proposed that the Commission should impose a condition that there shall be no retrenchments as a result of this merger in perpetuity. Further, the merging parties should commit that wages, benefits and conditions of employment shall be harmonized to the most favourable conditions in consultation with employee representatives.
- [80] The Commission enquired with the merging parties whether they have undertaken a rational process to identify the positions that might become redundant as a result of the proposed transaction. In this regard, the merging parties submitted that Sanlam had conducted an exercise to establish the capacity of each shared service team that is used to support SIM. Based on Sanlam's analysis, the SIM business uses approximately 75 of the 288 shared service capacity. Sanlam will retain some of the surplus capacity to accommodate future growth in Sanlam Investment Group and will also make an effort to redeploy the remainder of the surplus capacity into the broader Sanlam Group. Amongst the 75 employees, there are 50 niche technical skilled and/or senior management employees, of which Sanlam may need to retrench approximately 20 to 25 individuals.
- [81] The Commission found that these potential retrenchments are merger specific as they arise from the sale of SIM to Ninety One. However, the Commission noted that the 20- 25 affected employees are mostly senior executives (such as Head of Finance, Sales Executive and Senior IT Specialist) who are likely to obtain alternative employment. In addition, the Commission found that the affected employees constitute approximately 6% to 8% (20 to 25 out of 320 Sanlam Group employees affected by the proposed transaction).

[82] In response to the employment concerns raised by ██████ the merging parties submitted that the proposed transaction involves transferring investment professionals from SIM to Ninety One. Ninety One intends to integrate these experienced and highly skilled employees into Ninety One's existing team structures to supplement rather than duplicate roles. There are no plans to establish parallel teams serving similar functions following the implementation of the proposed transaction. In relation to ██████ concern that the merger will result in asset management functions shifting offshore and result in significant job losses in the Western Cape, the merging parties submitted that Ninety One operates a globally integrated business, where the functions are often split between multiple locations, typically Cape Town and London (but also other locations). From a cost perspective, the merging parties submitted that roles are more likely to be preserved in South Africa as Ninety One continually evaluates its human resource requirements (all other factors being equal, such as the ability to source the required skills and experience).

[83] In order to safeguard employment, the merging parties committed that save for the affected 20 to 25 employees, they will not implement any merger-related retrenchments in South Africa for a period of ████ following the implementation of the proposed transaction.

[84] At the hearing, we enquired regarding the profile of the affected group of employees in order to ascertain whether the employees in that group are a vulnerable group or employees that might warrant protections in terms of their skill level.<sup>8</sup>

[85] The Commission submitted that it considered these employees and the level of skills and understood that none of these employees are vulnerable employees, and that these employees comprise of senior executives that the Commission understands would be able to find alternative employment. Furthermore, from its assessments, none of the employees or positions that are likely to be impacted

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<sup>8</sup> Transcript at p 57.

are vulnerable employees.<sup>9</sup> In addition, the merging parties submitted that the number of 20 to 25 affected employees is a worst case scenario estimate, and it is not certain that there definitely will be 25 retrenchments because there may be other positions within the group. There may be natural attrition and other factors between now and the closing date of the proposed transaction that may impact on that.<sup>10</sup>

- [86] In the circumstances, taking into account the facts of the proposed transaction and our approach in previous matters, we found that the potential retrenchment of the 20 to 25 employees is unlikely to have a substantial effect on employment and we are satisfied with the tendered condition that the merger parties shall not further retrench any employees (other than the affected employees) in South Africa as a result of the merger for a period of ■■■■■ from the implementation date.

*Effect of the merger on the promotion of a greater spread of ownership by HDPs and workers in firms in the market*

- [87] Ninety One is held as to 36.14% by historically disadvantaged persons (“HDPs”) and SIM (through Sanlam) is held as to 45% by HDPs.
- [88] Through the proposed transaction, Sanlam will acquire approximately 12.3% of the shares in Ninety One. As such, that part of Sanlam’s 45% HDP shareholding will be attributable to Ninety One post-merger. Furthermore, we considered that Ninety One has worker ownership of approximately 32.75% held through its employee share schemes and employee ownership structure. Post-merger, employees of SIM who transfer to Ninety One will participate in aspects of these schemes, which we considered to be a benefit arising in circumstances where these employees do not currently participate in any employee schemes of the Sanlam Group.

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<sup>9</sup> Transcript at p 57.

<sup>10</sup> Transcript at p 58.

[89] Taken as whole, we concluded that no further interventions are required in the circumstances.

*The ability of small and medium businesses, or firms controlled or owned by historically disadvantaged persons, to effectively enter into, participate in or expand within the market*

[90] ██████ was concerned about whether the merged entity will preserve initiatives such as manager incubation and subcontracting partnerships that SIM has contributed to the inclusion of smaller and emerging black-owned firms in its broader investment value chain or, whether integration efficiencies would rationalise them out of the combined firm's operating model.<sup>11</sup> ██████ contended that absorption of SIM into Ninety One might alter allocation of mandates to other asset managers, including black-owned asset managers.

[91] According to ██████ while the proposed transaction may bring with it efficiencies of scale and global competitiveness that benefit the combined firm and, by extension, the domestic asset management industry, it remained uncertain whether any structural advantages realised by the merged entity would filter through to black-owned or smaller independent asset managers, or whether they might instead narrow the scope for such firms to compete. For instance, it is unclear how the AUM at SIM will be allocated or integrated post-merger.

[92] ██████ submitted that a significant portion of smaller black-owned boutique asset managers are concentrated in listed equity mandates, and if the merged entity were to internalise the mandates or shift to a different asset class, this may reduce the contestability of these mandates for smaller black-owned boutique asset managers.

[93] The BBC, which made submissions to the Commission and participated in the hearing, was concerned that the merger will impact the ability of small and/or

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<sup>11</sup> Merger Record pp 2422 – 2423.

black asset managers to compete in the asset management sector.<sup>12</sup> To address this, the BBC proposed that the merging parties establish a R500 million enterprise supplier development programme for black enterprises and suppliers, with more than 50% of the allocation going to black youth, women and people living with disabilities. In addition, the BBC proposed that the Commission should impose a condition that the merged entity must establish an incubator/accelerator for small black asset managers, with not less than R20 billion assets under management which will provide access to working capital, access to skills development training and mentorship and allocation of assets for management to these black asset managers.

- [94] In response to the concerns raised by [REDACTED] on the impact of the proposed transaction on SMEs and firms controlled by HDPs, the merging parties submitted that Sanlam's platform business, Glacier, is not within the scope of the proposed transaction. Therefore, the proposed transaction will not impact how Glacier facilitates access for emerging and black-owned asset managers.
- [95] Regarding the BBC's request, Ninety One and Sanlam provided various voluntary undertakings to further support small and HDP asset managers and stockbrokers. These undertakings include a commitment by Sanlam to further support HDP-owned asset managers and advance inclusive participation in the financial services sector through (i) launching [REDACTED] multi-managed unit trusts through SMMI consisting of HDP asset managers only which will be available on Glacier and 91IP; (ii) using reasonable endeavours to create a multi-managed solution on the Sanlam Umbrella Fund, which will consist of HDP asset managers only; and (iii) continuing to support HDP managers through SMMI (including Amplify) subject to investment performance and fiduciary responsibilities.
- [96] Sanlam further committed that it would provide initial seed funding for all the above initiatives as follows:

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<sup>12</sup> Merger Record p 2442.



- 96.1. A commitment to ensure [REDACTED] [REDACTED] of investable assets collectively in the above products within [REDACTED] months after the closing date on which the merger will be implemented;
- 96.2. A commitment to ensure an additional [REDACTED] [REDACTED] of investable assets collectively in the above products 12 months after the closing date (i.e., implementation date); and
- 96.3. Assets will be committed for a minimum [REDACTED] period, subject to investment performance.

[97] Of the above undertakings, Sanlam agreed to include its commitment to launch [REDACTED] multi-managed unit trusts as part of the conditions of approval. The value of the commitment is [REDACTED] [REDACTED]. The commitment will apply for [REDACTED] years following the implementation of the proposed transaction.

[98] On the other hand, Ninety One committed to (i) increasing its annual spend on an Enterprise and Supplier Development Programme from [REDACTED] to [REDACTED] [REDACTED] by FY2030 (equating to an increase of more than 10% over the next 5 years); (ii) endeavour to increase its (including its clients) percentage spend on stockbroking services procured from HDP stockbrokers from the current approximately [REDACTED]% pre-merger, to at least [REDACTED]% by FY2030; (iii) endeavour to facilitate the transfer of a portion of the SIM [REDACTED] portfolio that has a current approximate AUM value of [REDACTED] to an HDP portfolio manager within an HDP-controlled asset management firm; and (iv) establish a panel of existing black infrastructure asset managers for the purpose of referring appropriate equity investment opportunities arising while managing its recently launched infrastructure debt strategy (currently estimated to be R2 billion AUM).

[99] Save for the commitment to facilitate the transfer of the SIM [REDACTED] portfolio to HDP portfolio managers, Ninety One had agreed to include all its other public interest commitments as part of the conditions of approval. This is because Ninety One indicated that it cannot give a binding undertaking as the customer has the choice as to whether or not to transfer the relevant portion of the SIM [REDACTED] portfolio.

[100] The Commission tested the above public interest conditions and undertakings made by the parties with the BBC and ██████ ██████ indicated that it has no objection or further input on the conditions. However, during the Tribunal's assessment of the proposed transaction, the BBC had once again requested that Ninety One's undertaking to facilitate the transfer of the SIM ██████ portfolio to HDP portfolio managers be made a condition to the transaction.<sup>13</sup>

[101] Ultimately, in response to queries from the Tribunal, and to adequately facilitate the ability of firms owned by HDPs to participate in the economy as envisaged by section 12A(3)(c) of the Act, the merging parties tendered updated proposed conditions which stated that the merging parties will use reasonable endeavours (within ██████ months of the completion of the merger) to facilitate the transfer of a portion of the SIM ██████ portfolio, which portion has a current approximate AUM value of ██████, to one or more HDP-controlled asset management firms.

[102] Furthermore, the BBC requested that the Tribunal impose a condition that BBC, through its advisors on this transaction, shall be included and meaningfully participate in the implementation of the conditions on public interest commitments, in particular in respect of the enterprise and supplier development programme at a reasonable cost to be borne by the merged firm. In respect of this monitoring concern, we did not include a condition relating to the BBC's request in this regard and took the view that the Commission can obtain input from the BBC (and other stakeholders) as part of its compliance monitoring processes in the ordinary course.

[103] We considered that the above proposed commitments support small and HDP-owned asset managers and stockbrokers to expand and meaningfully participate in the financial services industry as envisaged by section 12A(3)(c) of the Act.

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<sup>13</sup> Submission dated 5 September 2025.

### *Other public interest considerations*

[104] The proposed transaction raised no other public interest concerns.

### **Conclusion**

[105] Considering the above, we conclude that no further competition or public interest concerns arise. We accordingly approved the merger on the basis of the conditions in **Annexure A** to our order dated 19 September 2025.

Signed by: Thando Vilakazi  
Signed at: 2025-10-21 17:50:58 +02:00  
Reason: Witnessing Thando Vilakazi

*Thando Vilakazi*

**Prof. Thando Vilakazi**

**21 October 2025**

**Date**

**Prof. Imraan Valodia and Adv. Geoff Budlender SC concurring**

Tribunal Case Manager:

Juliana Munyembate

For Ninety One:

Justin Balkin, Aziza Mdee and Aziza Mdee of  
ENS Africa

For Sanlam Investment Management:

Daryl Dingley, Busisiwe Masango, Sarah  
Manley and Storme Johnson of Webber  
Wentzel

For the Commission:

Betty Mkatshwa and Reabetswe Molotsi

For the Black Business Council:

Gregory Mofokeng