SANLAM CARBON FOOTPRINT

Sanlam recognises that climate change presents an important business and global risk that could impact the stability and quality of human society.

As a provider of investment, general insurance and long-term insurance solutions, climate change would have a material impact on risk profiles and claims patterns.

Therefore, the Group is committed to upholding its responsibility to measure and reduce its carbon emissions and encourages responsible environmental practice in its sphere of influence. From 2016 onwards, Sanlam included Santam's buildings in its scope 1, 2 and 3 emissions

THE CARBON DISCLOSURE PROJECT (CDP)

We have been a signatory of the CDP since 2007. In 2018, we achieved a score of 'B' indicating we implement a range of actions to manage climate change in our own operations and beyond.

WE ACHIEVED OUR 2020 SCOPE 2 EMISSION TARGET AND REDUCED OUR TOTAL ELECTRICITY USAGE

In 2018, we achieved our 2020 target to reduce our scope 2 emissions to below 41 505 CO₂e. We also reduced our total electricity usage year on year.

| | 2014* | 2015 | 2016 | 2017 | 2018 | 2020 target |
|--|---------|---------|---------|--------|----------------------|----------------|
| | | | | | | |
| Total carbon footprint (tCO ₂ e) | 53 092 | 54 029 | 71 546 | 66 298 | 76,932 | 60 371 |
| Total carbon footprint (tCO ₂ e/FTE) | 9,71 | 9,54 | 8,55 | 8,32 | 9,01 | 7,71 |
| GHG emissions per m ² | 0,44 | 0,44 | 0,43 | 0,40 | 0,45 | 0,36 |
| Scope 1 (direct GHG emissions (CO ₂ e)** | 115 | 135 | 522 | 260 | 163 ^{LA} | 124 |
| Scope 2 (indirect GHG emissions (CO ₂ e) [^] | 39 584 | 36 999 | 44 761 | 42 112 | 38 022 ^{LA} | 41 505 |
| Scope 3 (other indirect GHG emissions (CO ₂ e) | 13 311 | 16 850 | 26 681 | 23 925 | 38 747 | _ |
| Total electricity usage (million kWh) | 38,4 | 36,6 | 44,2 | 43,0 | 40,0 | 40,2 |
| Other non-Kyoto GHG emissions# | 82 | 35 | 138 | 81 | 127 | _ |
| Business travel | | | | | | |
| Air travel (km/FTE) | 4 665,0 | 5 188,0 | 7 559,5 | 6 378 | 7 919 | 4 199 |
| Car rental (km/FTE) | 163 | 193 | 169 | 200 | 177 | 147 |
| Hotel accommodation (bed nights/FTE) | 3,20 | 3,98 | 3,50 | 3,60 | 4,49 | 2,88 |
| | | | | | | |

- * Baseline year.
- ** Scope 1 Basis of measurement: Greenhouse Gas (GHG) Protocol for Carbon Footprint for the following buildings: Sanlam: Head Office, Houghton, Sanlam Investment Management, Alice Lane, Glacier, Sanlynn.
 Santam: Head Office, Auckland Park, Garsfontein, Alice Lane, Glacier
 For the period 1 January 2018 to 31 December 2018.
- Scope 2 Basis of measurement: GHG Protocol for Carbon Footprint for the following buildings: Sanlam: Head Office, Houghton, Sanlam Investment Management, Alice Lane, Glacier, Sanlynn Santam: Head Office, Auckland Park, Garsfontein, Alice Lane, Glacier For the period 1 January 2018 to 31 December 2018.
- * Non-Kyoto protocol GHG emissions are reported separately according to GHG protocol.
- Represents kWh/m² of total office space, including common areas but excluding consumption by external tenants.
- Limited Assurance (download <u>EY's independent limited assurance report</u>)

Previously, scope 2 emissions were the biggest contributor to Sanlam's carbon emissions. In 2018, our scope 3 indirect emissions increased due to an increase in our reporting boundary. Our scope 3 emissions are now the biggest contributor to our carbon emissions.