



Live with confidence

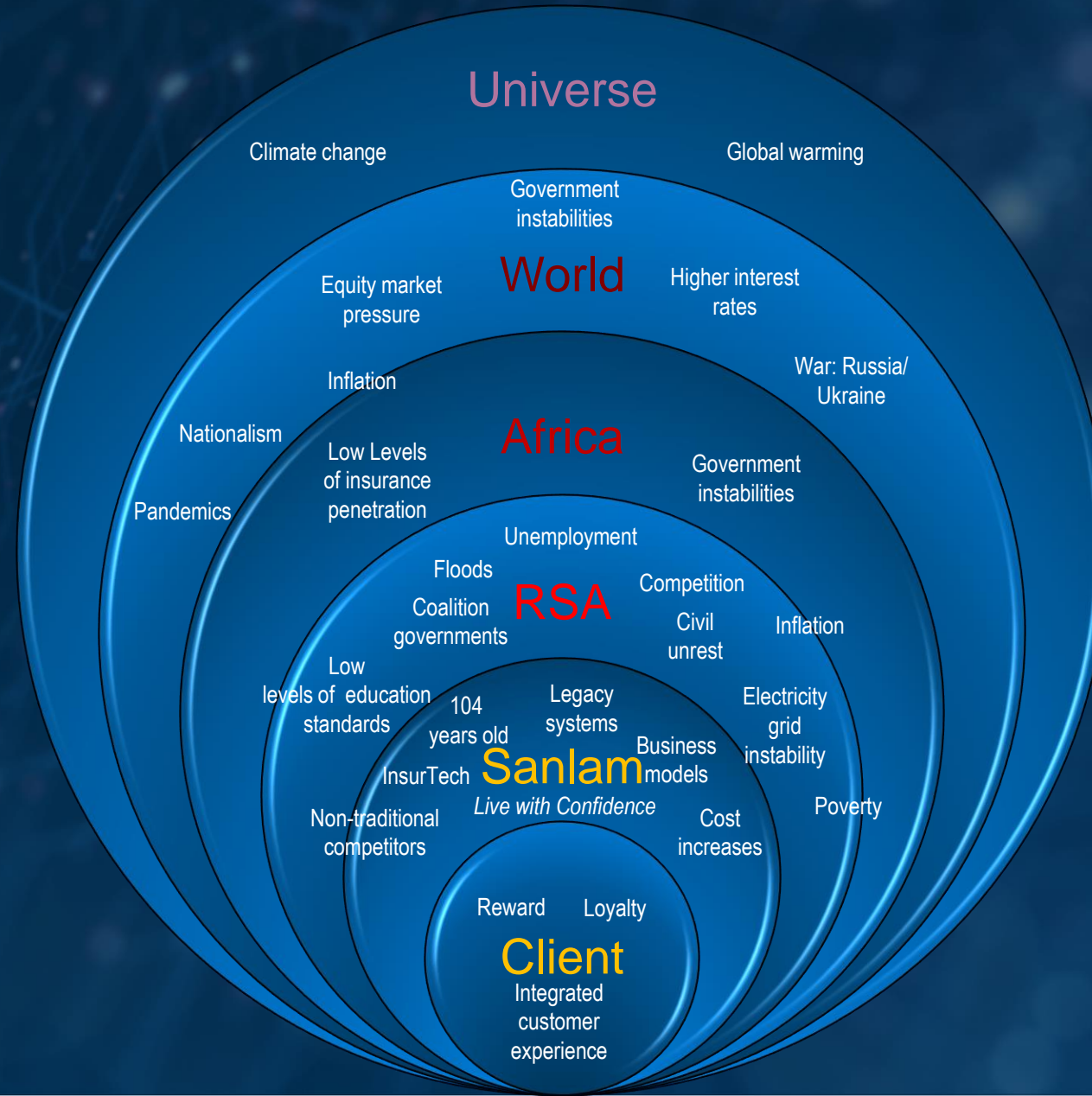
# WINNING IN A DISRUPTIVE ENVIRONMENT

UBS Conference

11 October 2022

Financial Planning | Investments | Insurance | Health | Retirement | Wealth

# “DISRUPTION” IS CONSTANT: LIVE WITH CONFIDENCE



Opportunity

Obstacle

# SANLAM WELL POSITIONED TO RESPOND TO DISRUPTIONS

- ④ We are diverse – product and geography
- ④ We consistently deliver on our KPI's, this brings real value to our shareholders
- ④ Our clients are at the heart of all we do
  - We have to give our clients value by being able to provide for all their needs
  - We reward through long-term wealth creation not short-term gratification
- ④ We cut our coat to suit our cloth
- ④ Our soul is in Africa: so we partner with the best
- ④ Digitalisation can give so much value to our clients
- ④ Self-disruption through investing in new generation businesses



# ABOUT SANLAM



Present in **8 of**  
**the top 10**  
largest economies in Africa  
(9 of 10 with Allianz)



Assets under management  
and administration  
**>R1 trillion**



**20 million+**  
clients



**7k** agents in SA  
**8k** in Africa  
**>40k** in India

Financial Planning | Investments | Insurance | Health | Retirement | Wealth

# SANLAM SHAREHOLDER PROPOSITION



Unrivalled long-term growth potential  
as the leading non-banking financial services group on the African continent

Unlocked through

## DIVERSE PRODUCTS

Insurance | Savings and Investments | Corporate | Asset and Wealth Management | Retail Credit | Financial Planning and Advice | Healthcare

## PARTNERSHIPS

Banks | Telcos | Financial Services | Non-financial Services | Retailers | Strategic co-investors in Africa

## TECHNOLOGY

Modernising core business | Future-fit client ecosystems | Disruptive product innovation and digitalisation | Digital native businesses

## SUSTAINABILITY

Shared value creation | Financial inclusion | ESG integration in asset management | Partnerships

Supported by



- 1 Brand appeal and customer loyalty
- 2 Strong capital base and operational cash generation
- 3 Best skills and expertise in the industry

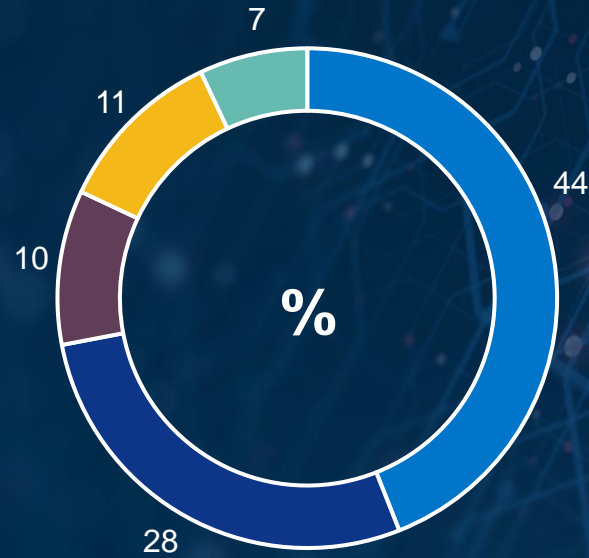
Built on a foundation of  
Purpose | Values | Culture

# SANLAM KEY STRENGTH

Group equity value diversification



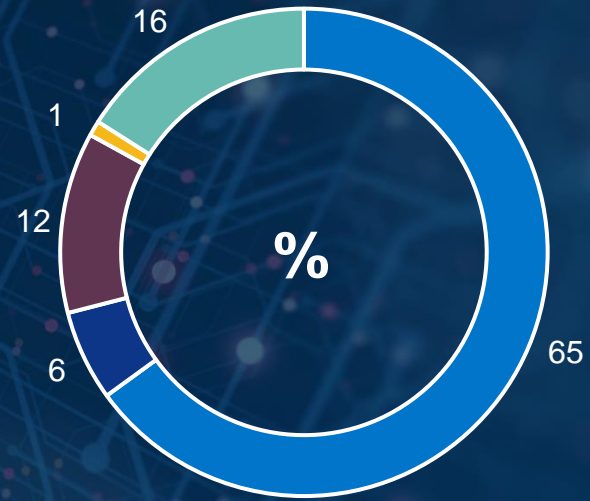
### Line of Business



- Life Insurance
- Asset Management
- Other

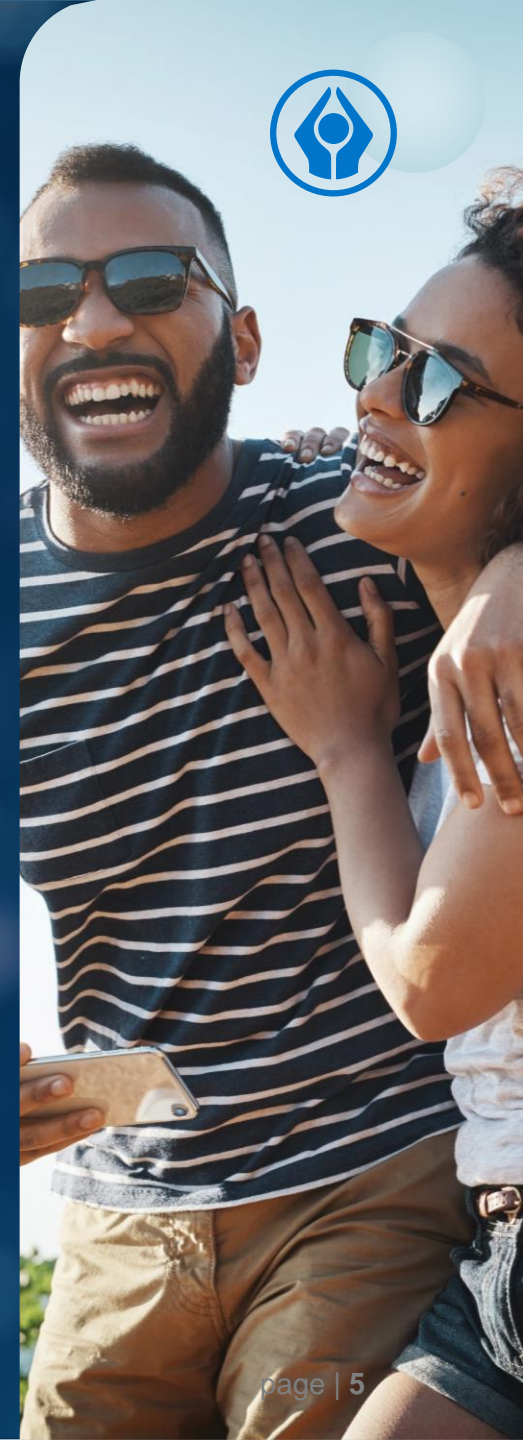
- General Insurance
- Credit and Structuring

### Geography



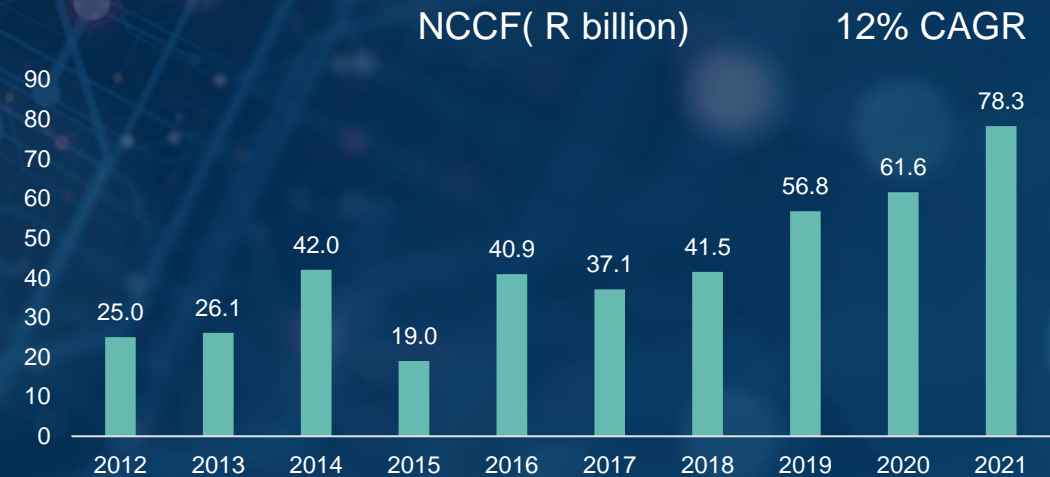
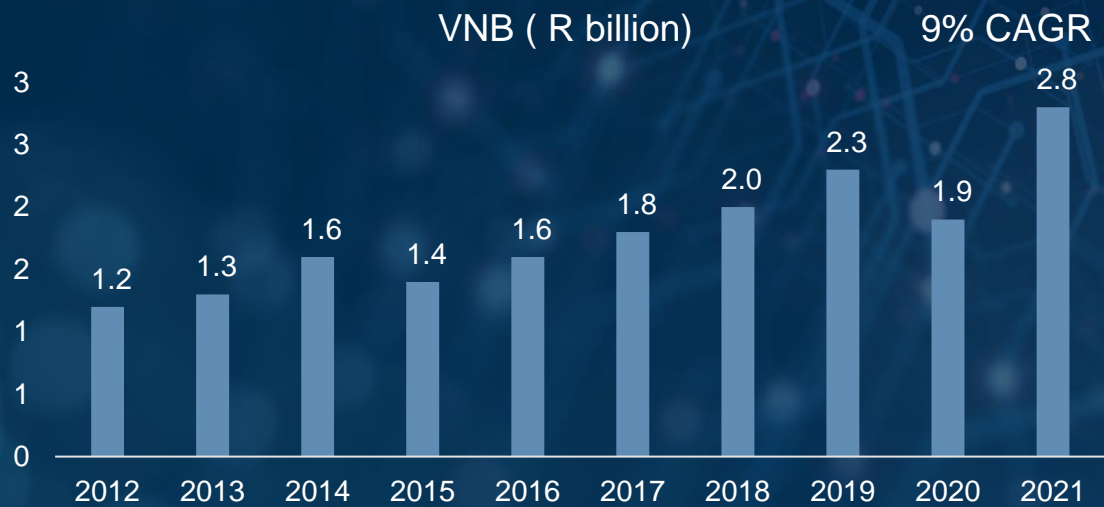
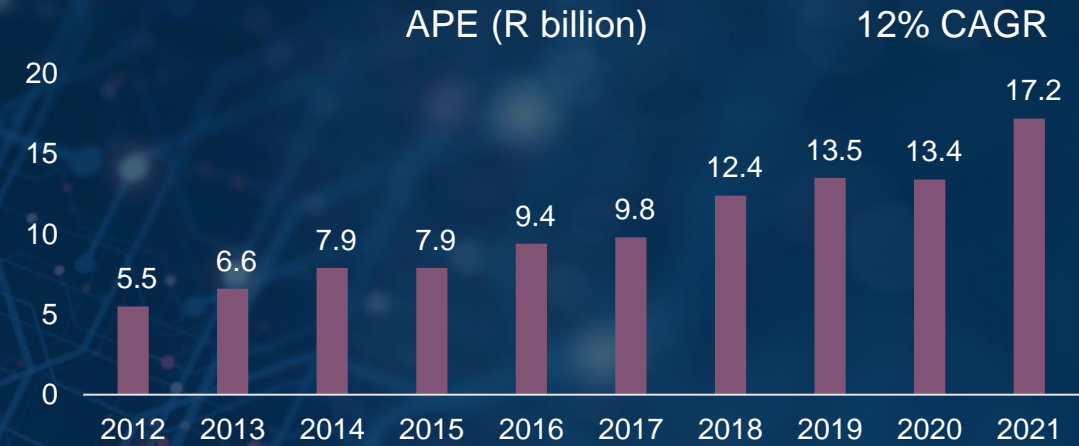
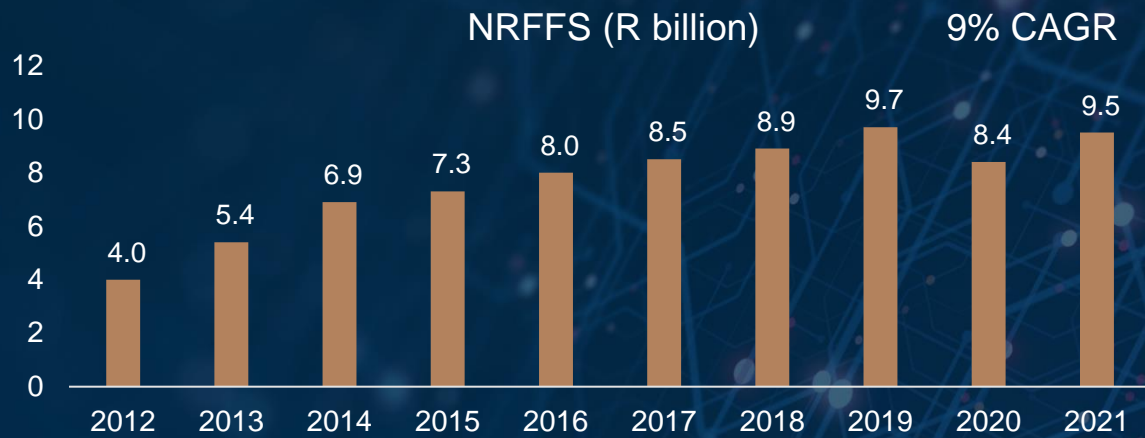
- South Africa
- North and West Africa
- India and other

- Southern Africa
- East Africa



# SANLAM KEY STRENGTHS

Consistent delivery on KPIs

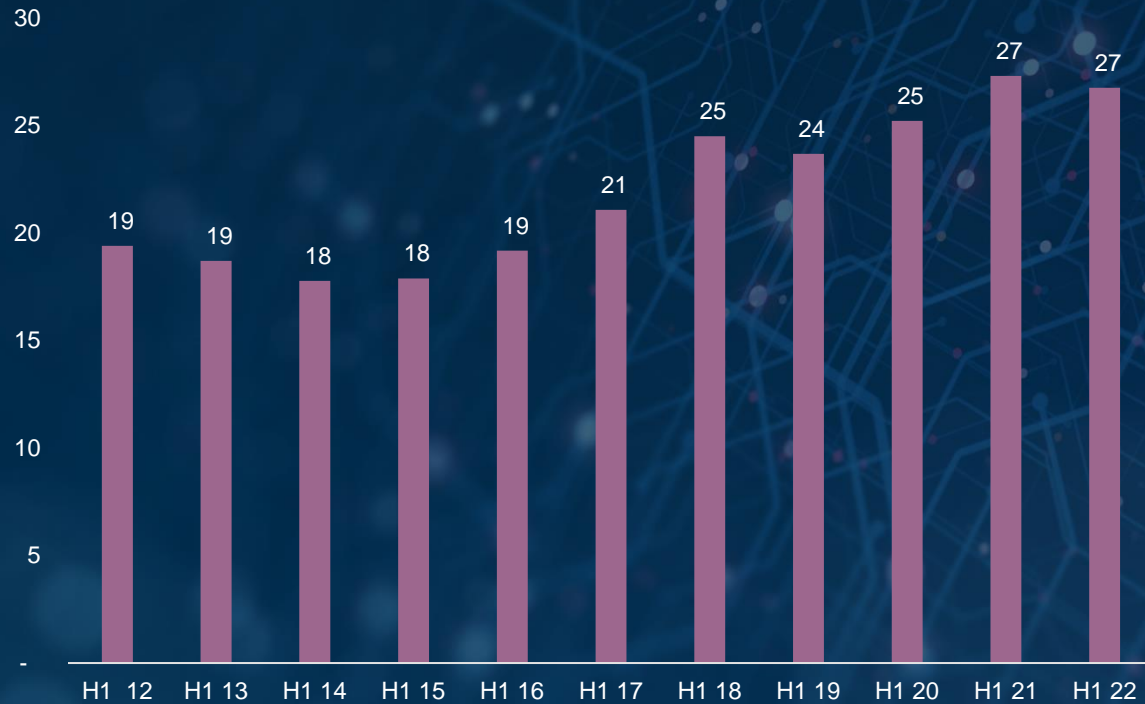




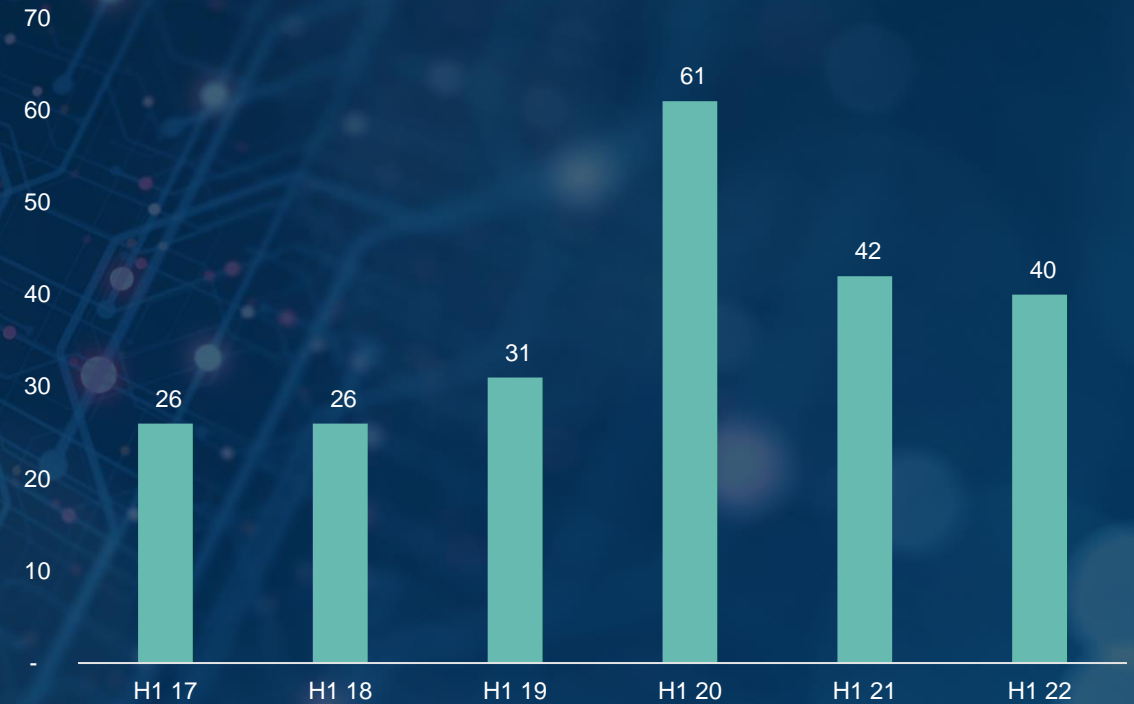
# SANLAM KEY STRENGTHS

Market share gain - South Africa Life insurance

APE (%)\*



Net VNB (%)\*



Source: UBS, Sanlam

\*Sanlam relative to Old Mutual, Liberty, Momentum Metropolitan, Discovery  
APE = annual premium equivalent (recurring premiums + 10% of single premiums), VNB = value of new business

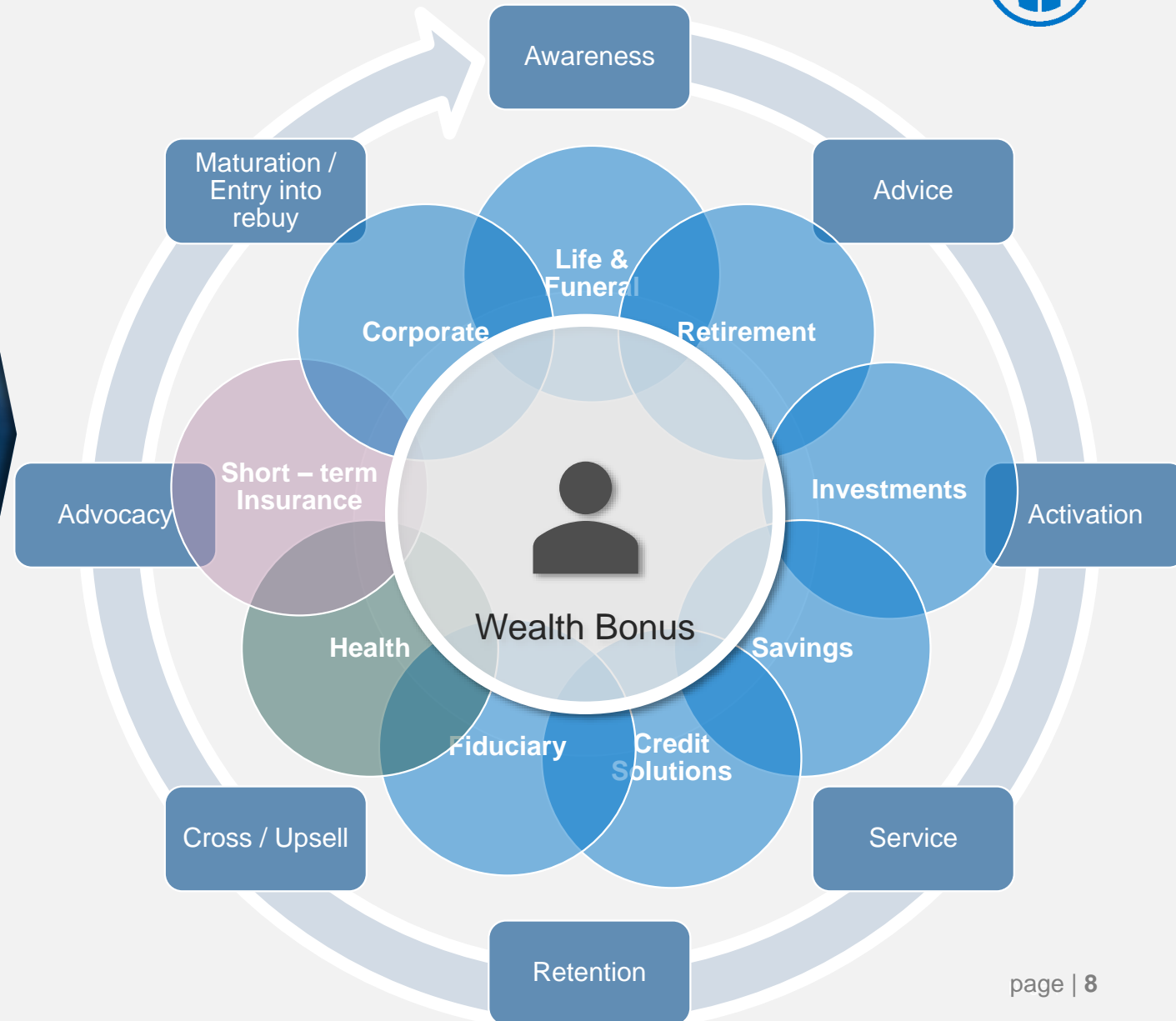


# CLIENTS AT THE CORE - INTEGRATE AND CROSS-SELL



## EMBEDDED, COMPELLING & INTEGRATED REWARDS OFFERING ACROSS GROUP

- ③ Material long-term Wealth creation across products (e.g. up to 100% of risk premiums + interest accumulates to customer on our Risk products)
- ③ Basic level of lifestyle benefits available to all clients (e.g. free online education, 10% discount on flights, discounts on Uber & Showmax etc.)
  - ③ Drive engagement
  - ③ Leveraging our Reality capabilities and partners
  - ③ Low cost to Sanlam



# CLIENTS AT THE CORE

Enhancing client experience with embedded value



The screenshot shows the Sanlam Wealth Bonus dashboard. At the top left is the Sanlam logo with the tagline 'Live with confidence'. To the right, it says 'Hello Hasina' and 'Wealth Bonus'. The main content area features a large image of a woman looking at her phone. Text on the dashboard includes: 'Your Wealth Bonus value R15,383.95\*', 'Track your growth on your Wealth Bonus dashboard.', and 'VIEW DASHBOARD'. Below this is a blue banner with the text 'You could earn an additional 15% Wealth Bonus!' and a 'FIND OUT MORE' button. At the bottom, another blue banner says 'Unlock R12k+ in savings every year!' with a sub-note about Reality Plus membership.

01

## Growing Wealth Bonus

Communicate how Wealth Bonus is growing and creating additional wealth

02

## Rewards Opportunities

Allow clients to increase their Wealth Bonus through taking up additional products

### Uptake targets & opportunities

- ⌚ >500k clients by the end of 2022
- ⌚ Targeting >2m customers on the platform by the end of 2023
- ⌚ Improved engagement, loss aversion drives better persistency
- ⌚ Wealth Bonus as 'product feature' creates differentiation that drives sales and cross sell



# MANAGEMENT RESPONSE TO COST PRESSURES

We cut our coat to suit our cloth

South Africa administration expenses – 1H21 vs 1H22 (variance from 1H21 base) (%)



- ⊗ South Africa 70% of Group cost base
- ⊗ 65% of this cost base is people, 15% in technology and 20% in other
- ⊗ Target to remain below inflation for full year while continuing to invest in growth initiatives, such as digitalisation and partnerships



# PARTNERSHIPS

**Confidence Rule 53:**

**IF YOU WANT TO WIN, PICK A  
WINNING TEAM**

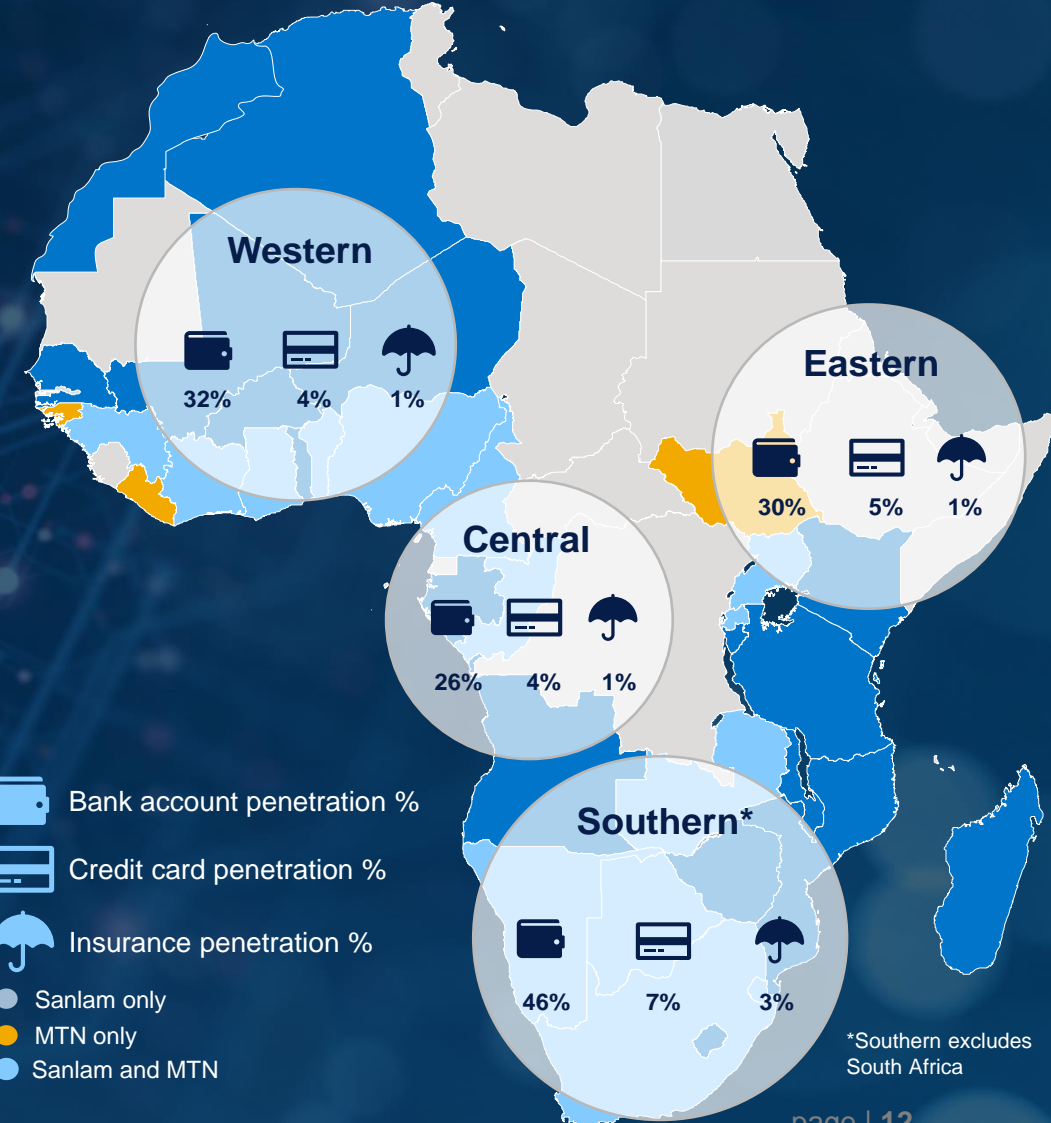
# SANLAM & MTN

Providing financial inclusion at scale



These combined capabilities can solve the insurance challenge in Africa.

Build a collaborative ecosystem, generating additional revenue streams, opportunities and benefits for existing businesses.



# SANLAM & ALLIANZ

Becoming an African Champion



- ⌚ Extensive footprint in Africa : Business, Life, GI, FinRe, Investment management
- ⌚ Digital capability



- ⌚ Largest global insurer with strong expertise
- ⌚ Presence in new market (Egypt)
- ⌚ Deep research and technical skills base
- ⌚ Investment management capability and expertise
- ⌚ Appropriate and relevant Digital capabilities

## Opportunities & strategic ambition

- ⌚ Accelerates organic growth – top 3 in Life & GI
- ⌚ New products, market segments
- ⌚ Improves pan African multinational offering including P&C and Employee Benefits (GLA & Health)
- ⌚ Reinsurance optimisation and synergies
- ⌚ Brings scale to some markets
- ⌚ Leverages Allianz specialist insurance and credit rating, Allianz Partners and Allianz X
- ⌚ Develops and impacts local economies, local empowerment and partnerships\*
- ⌚ Builds the best human capital pool



# SANLAM & CAPITEC

Equal opportunity through financial inclusion



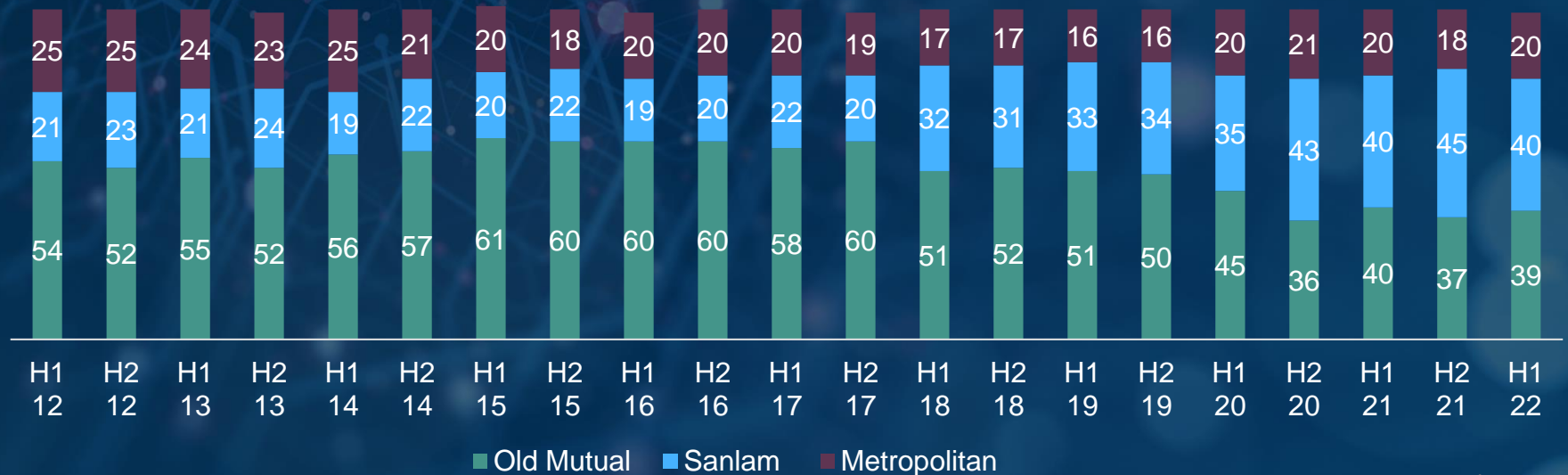
## Vision

### Financial inclusion of the under-served through collaboration

- Capitec - access and ownership of the customer
- Sanlam - insurance and operational expertise
- Drivers of Success
  - Product **simplicity** and **competitive premiums** in the market
  - **Ease of application**
  - **Efficient, seamless servicing** with the customer in control

## Performance

SA entry level market share by company (%)



Source: UBS

- Our agreement with Capitec remains intact
- Sanlam is committed to be the best partner to Capitec



# SANLAM, ARC & ABSA

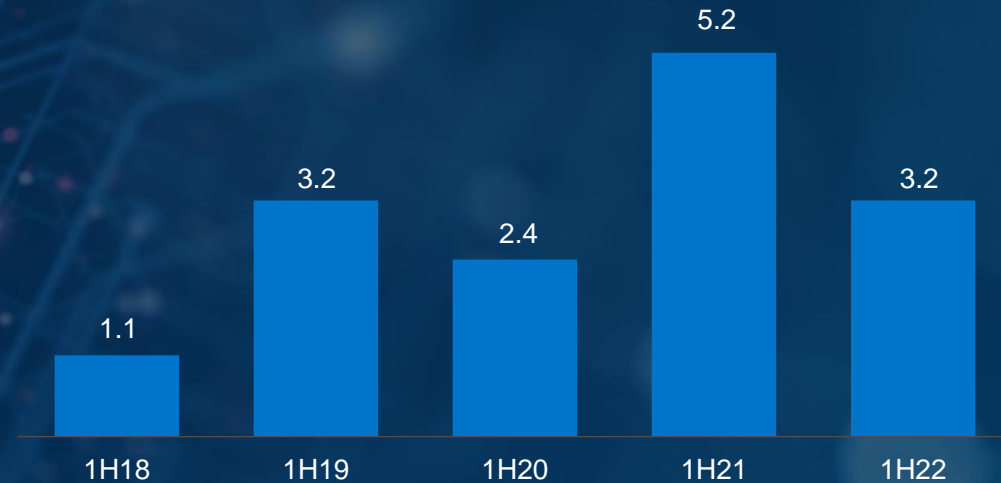
Building a fortress in South Africa through empowerment and scale

## Sanlam Investments



- ⌚ One of the largest asset managers in SA
- ⌚ Partnerships with ARC and Absa bring empowerment, scale and distribution
- ⌚ Black owned asset manager with full product capabilities and significant scale – active, passive, alternatives, international
- ⌚ Key enabler of Sanlam’s purpose through superior solutions and strong investment performance
- ⌚ Social impact and ESG integration - Robeco and other partnerships
- ⌚ Driving financial inclusion through cost effective solutions in Satrix and EasyEquities

## Sanlam Investments NCCF<sup>^</sup> as % of AUM







# DIGITALISATION

Confidence Rule 50:

**THE BEST THINKING  
IS FUTURE THINKING**

# THE JOURNEY TO DIGITAL BUSINESS TRANSFORMATION



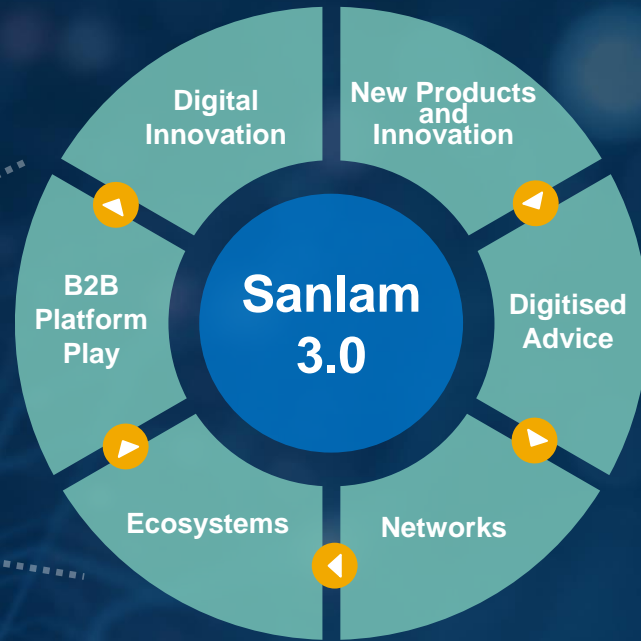
Sanlam  
1.0

Sanlam 1.0:  
Optimise



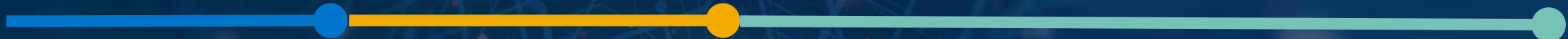
Sanlam  
2.0

Sanlam 2.0: Digital version of  
current business



Sanlam  
3.0

Sanlam 3.0 : advice innovatively built into overall engagement model and value proposition, delivered through scalable technology



New clients

New ecosystems

New channels

Net new revenue

New digital models



# 3.0 ENABLED PARTNERSHIP ECOSYSTEM

Targeting 50 million clients by 2025



Shriram – purely digital life and GI App to lower and middle-income segments in India.



Largest micro insurance provider in Africa with access to more than 100 million active mobile money users, more than 200 million customers



Africa's fastest growing small equity investments platforms to empower generations for financial security, prosperity and confidence



South Africa's fastest growing digital credit platform



Disruptive digital insurance models offering new value creation

**Making digital customer acquisition our biggest measure through new business models**



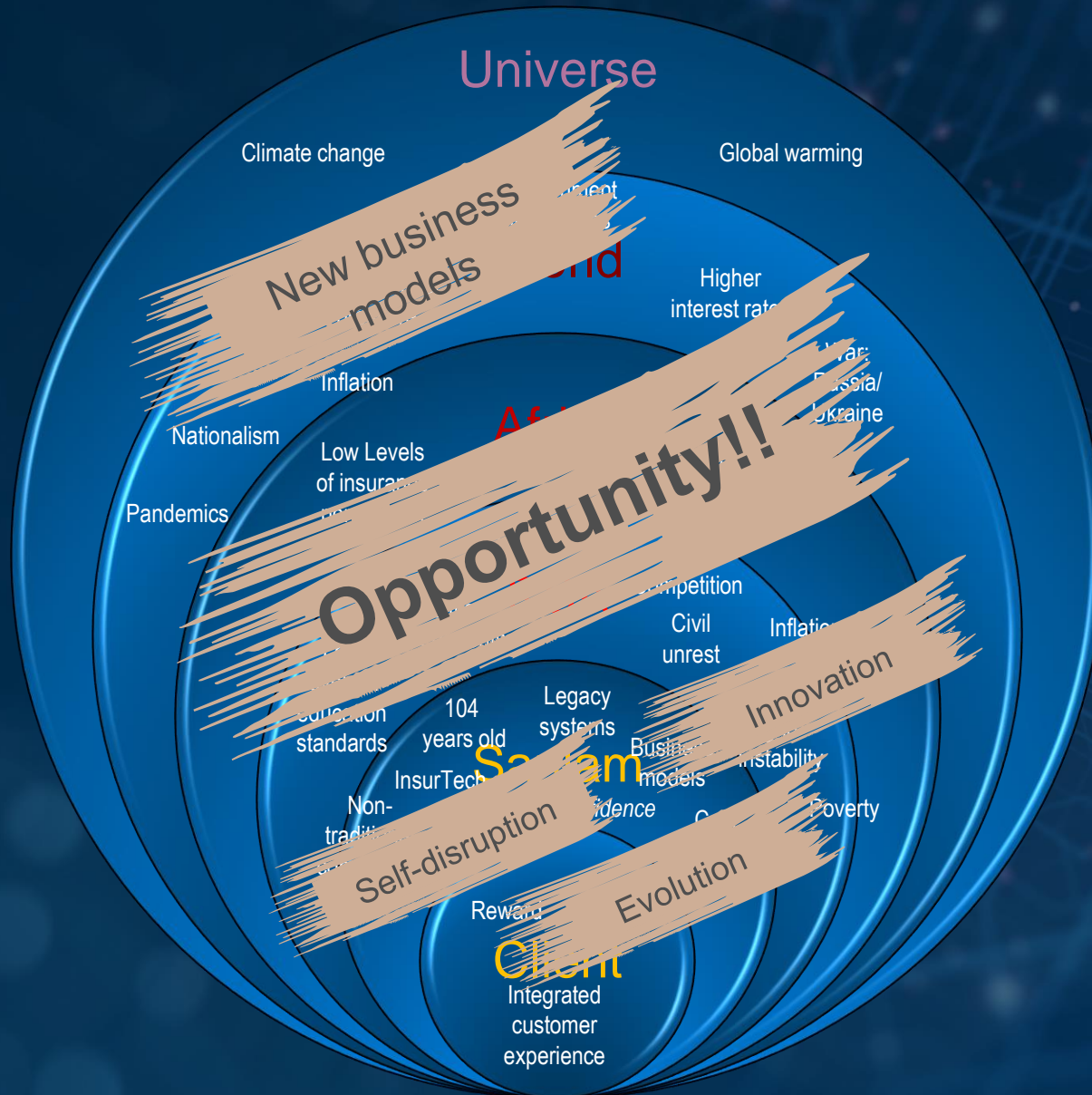


# WINNING IN A DISRUPTIVE ENVIRONMENT

Confidence Rule 7:

**THERE ARE NO SHORTCUTS TO  
ANYWHERE WORTH GOING**

# WHEN YOU LIVE WITH CONFIDENCE – ITS NOT DISRUPTION



- ④ We are diverse – product and geography
- ④ We consistently deliver on our KPI's, this brings real value to our shareholders
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