



# MAKING A LEADING CONTRIBUTION TO SOCIO-ECONOMIC TRANSFORMATION

Transformation is one of the key ways that we create meaningful impact and address socio-economic issues. This extends beyond internal changes in our business to helping clients protect themselves and build financial resilience.

## We are early empowerment pioneers

Sanlam has a proud history of pioneering empowerment transactions, stretching back to 1993.

### 1993 – 2003: Sanlam as an early mover

- 1993 First major BEE deal – New Africa Investments Limited (NAIL)
- 1996 First unit trust focused on black-chip investment – Real Africa Asset Management  
Sanlam establishes the R2 billion Sanlam Development Fund, which has capitalised over 100 BEE deals
- 1998 Sanlam demutualises and lists on the JSE, allowing two million policyholders to become shareholders (16% of the total individual shareholders were black)
- 2002 Sanlam was one of the first companies to commit to the development of a BEE charter for the financial sector

### 2004 – 2013: Forming and growing lasting partnerships

- 2004 First major financial institution in South Africa to conclude an empowerment transaction. UB created R15 billion for broad-based black shareholders after 10 years
- 2006 First BEE shareholding in a large cap property fund – Vukile Property Fund
- 2013 African Rainbow Capital created as a premier black-owned financial services company

### 2014 – 2022: Reaping the rewards and moving into the future

- 2017 First black-managed smoothed bonus product – Progressive Smooth Bonus Fund
- 2018 New B-BBEE transaction and issuance of a further 5% of share capital to empowerment shareholders, focusing on black women and youth
- 2019 B-BBEE transaction increased direct black ownership from 13% to 18%
- 2020 Our transaction with African Rainbow Capital Financial Services makes Sanlam one of the largest black-empowered asset management companies in South Africa
- 2022 We maintained a level 1 B-BBEE status

## Progress in 2022

Our transformation team finalised a new socio-economic transformation strategy which has two pillars and five focus areas:

Expand access to opportunities for economic growth and development	Redressing systemic injustices
<ul style="list-style-type: none"> <li>Inclusive insurance and investment solutions across Africa.</li> <li>Enterprise growth and job creation.</li> <li>Infrastructure development and African trade and investment solutions.</li> </ul>	<ul style="list-style-type: none"> <li>Removing barriers to equal opportunity.</li> <li>Socio-economic development.</li> </ul>



The strategy will be implemented by clusters and support areas. A socio-economic impact forum was established to provide oversight and ensure the strategy is effectively delivered. The forum will be accountable to the Group Exco.

We plan to launch a SMME Empowerment and Growth fund in 2023 which aims to drive the empowerment of black people, women and youth, and support SMMEs at scale and various stages of growth. The fund will provide investors the opportunity to participate in driving growth and development in the SMME sector and so doing facilitate B-BBEE objectives.

Sanlam participated and was acknowledged in the TopCo Media Top Empowerment Awards, which resulted in winning Top Empowered Company: Business of the Year and Top Empowered Company: Education and Skills Development categories.

### Safeguarding the integrity of B-BBEE legislation

We sponsor the annual Sanlam Gauge to create greater transparency around B-BBEE. This research initiative looks holistically at economic transformation, accounting for all elements of B-BBEE. This is South Africa's only consolidated, sector-focused annual research report that reflects on how the public and private sectors are transforming their workplaces and leadership. Sanlam Gauge was launched in 2021, and a second iteration was released this year with our partners, the Sunday Times and Business Times.

The results of the 2022 Sanlam Gauge are based on the B-BBEE scores of more than 10 000 companies across all sectors. This is by far the largest survey of transformation in South Africa. It provides a strong platform to build a national database that truly reflects the progress of transformation, which is a prerequisite for generating policies that accelerate both transformation and economic growth. In the short term, the survey findings and the comments from industry participants highlight numerous problem areas that require immediate attention, which the newly formed Presidential B-BBEE Advisory Council is well-placed to address.

Access the report on the Sanlam Gauge website, <https://sanlamgauge.co.za/>

