

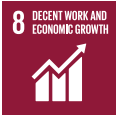


Serving our clients

Confidence Rule 8:

**TRUST IS LIKE MONEY.
ONLY GIVE IT TO PEOPLE
WHO HAVE PROVEN
THEY KNOW HOW TO
HANDLE IT.**

Contributing to the following SDGs



As we guide our clients towards their financial aspirations, we create engagements and experiences that inspire them and help them live with confidence.

To give clients that confidence, and deliver on our purpose, we have three strategic ambitions:

For our clients, financial confidence comes from the peace of mind rooted in knowing that they are financially prepared for the unexpected as they work towards a better future. It is the kind of confidence that opens doors to new possibilities and unlocks dreams.

1 To provide **access to our products and services** for more than **50 million** clients across Africa by 2025

Providing financial **access**

2 To be rated as having the **best client experience** in markets where we operate

3 To be rated as the **most trusted and secure insurer** in each African market in which we operate

We want to give more people the opportunity to live with confidence. This means using our expertise, infrastructure and partnerships to develop affordable solutions that can work for people anywhere, even if they don't have a regular income or fixed assets. Through financial inclusion, we can help achieve the global goals of eliminating poverty, unemployment and reducing inequality. This speaks to our brand essence of pioneering inclusive financial confidence.

We use differentiated digital solution partnerships to drive financial inclusion:

Bringing financial confidence to life

Confidence Coaches	We put purpose into practice with the launch of an inspirational team of Confidence Coaches in South Africa. The initiative aims to empower consumers to live with the kind of financial confidence that makes a real and lasting difference. The coaches are a diverse mix of five well-known personalities and influential voices who shared personal insights and practical tips on how to live with confidence through a series of online conversations. To keep it human, personal and authentic, Sanlam has set out to inspire a better relationship with finances by first unpacking the significance of greater confidence in all aspects of life. The Confidence Coaches are not financial experts, but rather real people with real stories and life lessons to share. Read more on livewithconfidence.co.za .
Sanlam Moola-Money	We launched South Africa's first ever financial education family game show to improve financial literacy and empower South Africans to live with confidence. The show makes financially complex topics fun in an engaging and accessible way. It addresses typical financial issues such as debt and credit card concerns, paying off a bond, an inability to save and no emergency fund, and also explains concepts such as interest rates and retirement funds. The show also featured local celebrities who competed on behalf of their favourite charities. The 13 episode TV series was broadcasted on eTV from April to June 2021
Sanlam Savings Jar educational app for children	To inspire a new generation of savers, Sanlam launched an app designed for kids to use with their parents. It teaches kids about the value of saving through a quest in which they act as dragon masters protecting a treasure. By using play and reward, children can develop the habit of managing their money with confidence. The app builds on Sanlam's 21-year sponsorship of the children's multimedia programme, Takalani Sesame.
Confidence tools	To pioneer inclusive financial confidence, Sanlam developed a set of tools including: <ul style="list-style-type: none"> • Confidence Rules to help guide and support people in living with more financial confidence. These rules have been brought to life on outdoor, social and digital executions and have been integrated into product campaigns and sponsorships. The rules have been collated into a Rulebook that can be downloaded online. • Financial Check is a tool to assist people in doing a quick check to see where they are with their finances in a simple and easy way. The tool helps people understand which areas they might need to give more attention to. • The Financial Confidence Index is a 6 min weekly segment on the eTV morning show that covers a wide range of topics from investing to retirement, festive season spending and savings tips



A mobile partnership into Africa

We have a unique opportunity to drive financial inclusion by leveraging MTN's fintech market experience that provides access to a larger client base in Africa.

Our proposed alliance with the multinational mobile telecommunications operator, MTN, will enable a new business model through which clients can access insurance and investment products. MTN's mobile financial services target sectors across Africa that have previously been unable to access such products via traditional channels. While approximately 46% of Africa's population has access to and uses mobile phones, insurance penetration remains low at less than 5% in most markets.

Using MTN's brand and reach, Sanlam will be able to leverage our licence, geographic footprint, broad offering and expertise to reach more people. The alliance will aspire to have more than 30 million policyholders by 2026, building on MTN's current active policyholder base of about six million.

The partnership has the potential to grow beyond micro-insurance to more comprehensive life, non-life

and retail investment solutions. There is an extensive opportunity to build on both parties' existing footprints across Africa and to expand into non-shared markets.

A partnership for funeral cover in South Africa

Sanlam has been in partnership with South African bank, Capitec, since 2018 to offer the most affordable and flexible insurance product of its kind in South Africa. The partnership leverages Sanlam's capabilities, including our cell-captive insurer, Centriq, to offer Capitec branded funeral insurance to the bank's clients. Featuring a paperless process, it delivers active cover within 10 minutes and most claims are paid within four hours.

Easy investing for everyone

Sanlam has a 30% shareholding in EasyEquities, an innovative, affordable investment platform. With quick registration, low fees and no minimum investment requirement, EasyEquities has been able to remove the barriers to entry in local and international stock markets. Online video tutorials, blogs and podcasts ensure that new investors have resources and tools to improve their financial literacy.

CAPITEC KEY INDICATORS

1,67 million

active Capitec Funeral Plans at 31 December 2021

7,5 million¹

lives covered at 31 December 2021

R3,2 billion

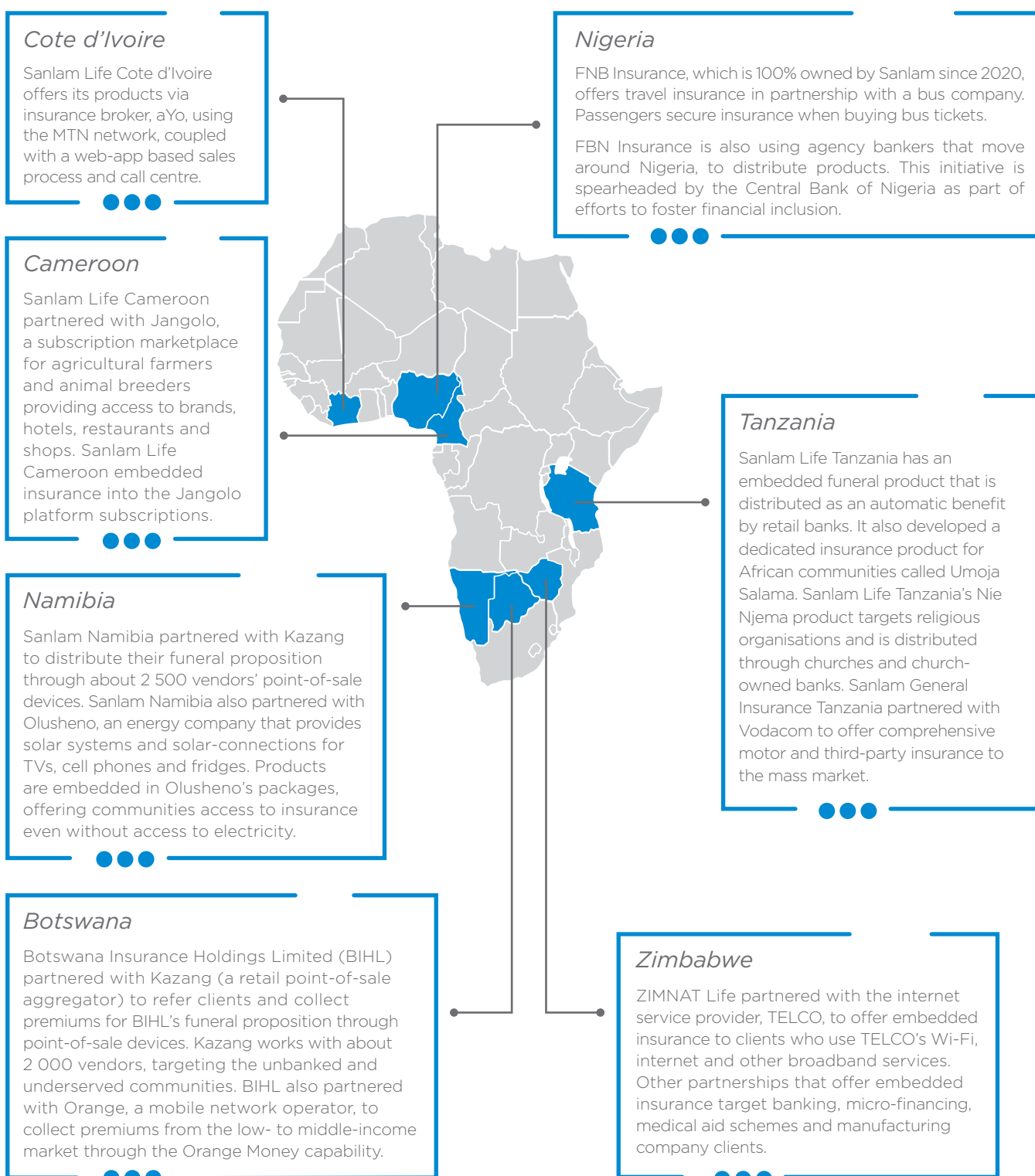
funeral claims paid since inception in 2017 (R1.9 billion paid in 2021)

¹ Approximate number.

Taking financial confidence into Africa

Sanlam is the largest non-banking financial services group on the African continent, with a presence in 33 countries including South Africa. One of our strategic ambitions is to invest more than R1 trillion in the economies of Africa in a manner that is responsible and impactful for the development of those economies.

Our investment in financial inclusion in key markets included:



Creating better client experiences

We aim to deliver a single, consistent and integrated Sanlam client experience while making it personal for each stakeholder. This means creating digital future-fit experiences built on superior data and analytics platforms. We aim to create one single Sanlam client access point.



Sanlam's digital transformation is designed to deliver a proposition that meets the needs of current and future clients:

- **Offering clients a holistic value proposition** across products, and engaging them on the questions they have through advice, guidance and rewards
- **Presenting solutions in a way that brings clarity**, builds confidence and enable them to address their need seamlessly
- **Allowing clients to engage with us in the channel of their choice** when gathering information, purchasing and servicing a product
- **Ensuring seamless engagement** based on level of authentication
- **Removing repetitive requests** for client information by creating standard journeys across different product lines and business units
- **Enabling self-service** so clients can have more control over their finances

For Sanlam, such a client experience will:

- **Improve competitiveness** and drive sales growth
- **Improved client satisfaction** to ensure retention
- **Reduce cost** to service due to increased self-service
- **Enable future digital business models**
- **Improve intermediary efficiency** and productivity

Current client risks include:

- **Despite clients' ability to pay premiums remaining under pressure**, Sanlam is experiencing good persistency following collection efforts and premium holiday reinstatements.
- **While we have seen strong growth in new investments**, our traditional recurring business is taking longer to recover from COVID-19.
- **We have strong governance to ensure fairness to clients**, and address any compliance challenges.
- **There has been pressure on service levels** during peak claims periods due to a combination of volumes and employee illness and bereavement. Sanlam has interventions in place to ensure resource availability and to support claims handling staff.

Since January 2021, Santam has paid gross CBI claim payments of **R3,2 billion** to end of December 2021, inclusive of the relief payments of **R1 billion** made in August 2020.

A CLIENT EXPERIENCE STUDY OF SANLAM BENEFIT CLAIMS

At Sanlam, we are in the business of paying valid claims. We understand that filling out forms, although a necessary part of the process, is the last thing on a client's mind. We aim to make the administration and paperwork easier, and test our client's satisfaction with the process, the attention received, whether we met expectations, engendered trust and showed that we care.

We completed an SLS client experience study on living benefit and sickness claims this year. Living benefits include, for example, disability income benefits, spouse/child protector and retrenchment benefits. 200 clients and 120 intermediaries participated.

Both clients and intermediaries report high satisfaction with Sanlam as a company and also report a very positive experience when claiming. Results indicated that clients'

satisfaction remains on par when compared to the previous year whereas intermediary results continue to show improvement.

Although clients' overall satisfaction with the claims experience is on par with 2020, their satisfaction with a number of individual elements of the claims process improved. Most improved were "Sanlam doing what they said they would do" and the "knowledge and expertise of claims consultants".

Intermediaries indicated a marked improvement in their satisfaction with particularly the claims consultants' handling of telephonic enquiries, their knowledge and expertise as well as consultants really making an effort to assist.

The majority of clients and intermediaries indicated that they are very likely to recommend Sanlam to others.

KEY INDICATORS

83%	overall satisfaction with Sanlam as a company (2020: 84%)
84%	rating from clients on the claims journey (2020: 83%)
82%	client rating for the claims department (2020: 82%)
81%	intermediary rating for the claims department (2020: 77%)

In South Africa, Sanlam subscribes to the independent Ombudsman of Long-Term Insurance's (OLTI) Long-Term Ombudsman Scheme. Our long-term insurance policyholders can lodge a complaint with the OLTI for resolution. The OLTI publishes industry complaints data for all subscribers in its annual report. This information is available on their website at www.ombud.co.za.

The latest available information is for 2020 when 311 (2019: 291) complaints were received about Sanlam Life Insurance, constituting 4,61% (2019: 4,77%) of total complaints. 264 (2019: 248) cases were considered, 206 (2019: 184) were finalised and 16% (2019: 23,8%) were found in favour of the complainant.

MEASURING CLIENT SATISFACTION IN AFRICA

SEM launched a project this year to develop and launch a standardised client satisfaction survey methodology for different products across seven countries in Africa.

The target countries are Angola, Botswana, Cote d'Ivoire, Kenya, Morocco, Namibia and Nigeria.

Key criteria included:

- Overall satisfaction relating to a product or service
- Net promoter score, measuring client loyalty
- Client effort, measured by ease of interaction
- Likely repurchase rate
- Perceived evolution of product quality or service
- Key drivers, testing performance attributes vs. their importance for clients

The results will be used to generate actionable improvements and further standardisation across SEM countries.

REWARDING AND ENCOURAGING CLIENT LOYALTY

We want our rewards mechanism to link to our purpose and what we stand for, so we can help people make the right decisions today to unlock value in the future and make them financially confident. Wealth Bonus automatically rewards clients with a built-in, wealth-building benefit that acts as an investment to create wealth.

Our role is to help clients understand the value of saving and delayed gratification. All clients aspire to wealth, but it means something different for each person. However, whatever their goals, the key is to stay the course over the long term. Because we know this can be challenging, we also ensure that there are elements of reward that unlock periodically to keep clients motivated.

Wealth Bonus is the new Sanlam loyalty offering launched at the end of March 2021. It collates rewards over a range of Sanlam products from life, disability, severe illness and income protection to retirement plans and health offerings. All these Sanlam products come with benefits that include either compounding returns, a retirement boost, regular cash-back pay-outs and free lifestyle benefits.

Whenever a client pays a premium, adds to their savings, or makes an investment, Sanlam contributes towards the built-in benefit that automatically creates even more wealth for their future. The Wealth Bonus pays out at guaranteed future points. Even where a product's contribution is small, the power of the benefit lies in the long-term earning potential for a client's entire product portfolio. The more participating products a client has, the bigger their overall Wealth Bonus.

Behind the scenes, we merged Sanlam Reality and the Wealth Bonus teams to form a new Rewards Centre of Excellence that now manages all Sanlam's loyalty and rewards initiatives.

RESPONSIBLE CREDIT

Although South Africa's national savings rate increased since the onset of COVID-19, driven by cautious spending behaviour, the ratio of household debt to disposable income remains high at about 75%. With Sanlam already in a position to give clients advice to build their financial confidence and resilience, we identified an opportunity to support our clients more in managing their debt.

Sanlam Credit Solutions was launched in May 2020 as a platform that gives clients access to their credit score and profile. It also enables access to consultations with credit management coaches and tailor-made credit products.

For this solution, we partnered with Intelligent Debt Management Group, which offers comprehensive advice and a host of highly relevant financial and effective debt relief solutions to South African consumers.

WE USE A RANGE OF FEEDBACK MECHANISMS TO TEST CLIENT SATISFACTION IN THE DIFFERENT CLUSTERS AND BUSINESSES, RATHER THAN USING ONE GROUP-WIDE TOOL. WE USE FOR EXAMPLE VOICE OF CLIENT (VOC), BRAND SURVEYS AND CONDUCT CLIENT AND INTERMEDIARY EXPERIENCE TRACKING STUDIES AT VARIOUS CLIENT TOUCHPOINTS.

Over 200 000 clients joined the platform since the launch in May 2020, with over a third of these clients without existing Sanlam product holdings. Good conversion rates mean that clients are following the advice they receive, taking up more Sanlam solutions and moving into a better financial position.

PREPARING FOR THE FUTURE OF ADVICE

To help clients live with confidence, we ensure that they receive holistic financial guidance and appropriate product solutions. Clients typically need advice to make their money go further, to select the right protection, to plan for their financial future and make provision for known expenses.

Sanlam Retail Mass is developing an automated advice solution from a client experience perspective called the iManage platform. However, the solution is not only targeted at clients but will also increase intermediary productivity. It is a tool for newcomer advisers and can be used by an adviser to work with a client through their needs process.

We want to empower intermediaries to confidently, seamlessly and from a single place, provide consistent initial and ongoing advice across various client financial needs and goals – all while meaningfully connecting with clients.

The future of advice will be about delivering an integrated client and intermediary experience, allowing for a seamless transition from self-directed to intermediated settings. This means that clients will receive consistent initial and ongoing advice across various financial needs.

A NEW LOW-COST HEALTHCARE OFFERING

There is a gap in the South African market for affordable and flexible solutions that offer a low-cost alternative to traditional medical scheme cover. Only 15% of the South African population are members of medical schemes.

At Sanlam, we believe our clients' health is vital to their ability to live with confidence and resiliently build wealth. We have therefore significantly amplified our health focus.

The new Sanlam Health Solutions builds on our existing partnerships with medical schemes Bonitas and Fedhealth, and gives clients the flexibility to move between medical scheme options. New products include a low-cost primary health insurance plan called Sanlam Primary Care as well as Sanlam Gap, Sanlam Primary Care Clinics, Sanlam Occupational Health Services, Sanlam Employee Assistance Programme and Sanlam Executive Care.

Sanlam Corporate, through its partnership with Afrocentric, offers virtual health consultations to Sanlam umbrella fund members.

Sanlam Chief Actuary Lotz Mahlangu on sustainable product development and design:

Sanlam's purpose and new strategy led us to relook the substance of our products and how we develop and distribute these, including assessing how clients access our solutions. The nature of our business is to provide risk protection and to help people save for their goals, and eventually their retirement. This year we also launched Sanlam Health Solutions, a new proposition around healthcare.

To ensure that clients can live with confidence beyond the short term, we design products that create value if clients stay with us, and encourage them to develop a long-term relationship with Sanlam. An example of this is the Wealth Bonus. By delivering an integrated and holistic offering, we deliver on our purpose.

Our client-centric approach means that we identify a client need and value proposition before developing a product. In our mind, offering a client a financial solution is not just a contract but should be an experience based on engagement and value. That is also why we are investing significantly to create a single view of a client. Our commitment is to have the right products developed for the right clients in the right way and at the right price.

B Building relationships and **systems of trust**

GOVERNANCE TO PROTECT CLIENT INTERESTS

Sanlam incorporates the client view as core to product development and governance structures. The Board's Customer Interest committee was established in 1998. It has since broadened its mandate in support of Treating Customers Fairly (TCF), the South African regulations to deliver specific, clearly set out fairness outcomes for our financial clients.

The committee monitors client-related decisions and complaints while ensuring that our practices remain aligned with the six fairness outcomes of TCF, even in markets where it is not yet a regulatory requirement. The committee meets at least four times per annum and is chaired by an independent non-executive director.

The Sanlam Customer Interest committee is mandated by the Board to review and monitor that all client-related decisions adhere to these fairness outcomes. The committee tracks, for example, indicators relating to:

- Product design
- Information provided
- Advice
- Product performance
- Service
- Claims
- Complaints handling
- Product accessibility

Several other governance elements ensure that we comply with client-centric legislation and regulations:

- Sanlam's Code of Ethical Conduct requires compliance with all applicable legislation, common law, industry regulations and codes as well as the Group's policies, procedures and approval frameworks at all times.
- The Sanlam Group governance policy designates compliance as one of the tight areas of governance.
- The Sanlam Group compliance policy also gives effect to Sanlam's obligations in respect of compliance requirements.

ENSURING FAIRNESS FOR CUSTOMERS

Sanlam recognises the importance of delivering fair treatment to customers throughout the life cycle of our relationship with them and continues to embed TCF into our culture. Our approach and processes are designed around three questions:

- Did we explain what was bought to the customer?
- Were the product and services appropriate for their needs?
- Did the customer get what was promised?

Based on the outcome of our analysis, we know whether a fair or unfair outcome was delivered. Where an unfair outcome is identified, Sanlam will act immediately to address the area of concern. As our relationships with clients often involve third parties, we take particular care to govern these relationships in the interest of the client.

INNOVATING FOR CLIENT FAIRNESS OUTCOMES

- **Sanlam Corporate created a Chief Client Officer** role this year as part of its efforts to further embed TCF. We continue to focus on improving transparency and clients' access to information. By providing accessible educational material to insurance members and retirement fund members, we can improve their understanding of their benefits as well as the implication of their decisions on retirement outcomes.
- Since the launch of **free counselling services** to members of qualifying retirement funds in 2018, Sanlam Corporate has made this available to more than 450 000 members across 49 funds which includes the Sanlam umbrella and stand-alone funds.
- **A cluster-level performance score** has been developed for client experience and TCF. This incorporates TCF into remuneration via incentive bonuses and constitutes one of the non-financial KPIs. Measurements are done consistently and affect all employee levels.

PROTECTING CLIENTS' INFORMATION

Clients have to be able to trust Sanlam with their information, including their goals and aspirations. Trust builds confidence and gives clients peace of mind.

The Protection of Personal Information Act 4 of 2013 (POPIA) came into full effect on 1 July 2021. POPIA gives effect to the right to privacy as set out in the Constitution of the Republic of South Africa and aims to protect the personal information of data subjects, striking a balance between the rights to privacy, access and flow of information.

POPIA requires that Sanlam has the required controls and governance for lawful data protection and processing practices, and can facilitate the effective management of client consent and processing while aiding compliance with the requirements for direct electronic marketing.

Our POPIA timeline

2013

The Group Compliance Office (GCO) initiated a Group Privacy Project to prepare for POPIA. The GCO developed a methodology to analyse existing data processing to determine gaps between current practices and new requirements.

2014 and 2015

GCO conducted a series of workshops to assist these different functions with their gaps and provide guidance on remedial actions. Detailed reports included recommended actions to be implemented by management.

2019

GCO appointed a legal adviser with specific legal expertise in data privacy laws to assist with the implementation of POPIA and specifically oversee that the requirements of POPIA are addressed.

2021

POPIA came into effect.

Sanlam is the trusted custodian of the personal information of many retirement funds, employers, members, policyholders and clients. Sanlam processes personal information in line with the following eight conditions set out in POPIA:

Accountability: Sanlam complies with and adheres to POPIA.

Processing limitation: Sanlam processes personal information only where a legitimate basis exists, in a fair, lawful, and non-excessive manner.

Purpose specification: Sanlam only processes personal information for a specific, explicitly defined and lawful purpose. Records of personal information are not retained any longer than is necessary for achieving this purpose.

Further processing limitation: Sanlam does not process personal information for a secondary purpose unless that secondary purpose is in accordance with or compatible with the original purpose or authorised by POPIA.

Information quality: Sanlam makes every reasonable effort to ensure that the personal information processed is complete, accurate, up to date and not misleading. Sanlam relies on other role players to do the same when submitting personal information to Sanlam.

Openness: Sanlam ensures that data subjects are aware of the processing of their personal information, including the source and purpose of its collection.

Security safeguards: The integrity and confidentiality of personal information are protected by taking appropriate, reasonable technical and organisational measures.

Data subject participation: Sanlam ensures that data subjects have access to their personal information (and may request the deletion or correction of their personal information).

Sanlam is committed to:

- Ensuring that all personal information is processed in a responsible manner that does not unjustifiably infringe the privacy of any data subjects.
- Securing the integrity and confidentiality of personal information in our possession or under our control.
- Complying with legislation, including but not limited to data protection laws.

As at 1 December 2021, 82% of Sanlam employees completed the online POPIA awareness course.

According to the POPI act each Group legal entity has to appoint an Information Officer and where necessary, a Deputy Information Officer. The nominations to fill these roles across the Group have been made and their registrations with the Information Regulator are in progress. Although initial regulatory requirements for compliance have been met, there is still a need to define and further strengthen governance structures for data privacy across the Group. Steps are underway to revise and extend the current mandates of existing governance structures and/or establish additional governance structures where required.

Data privacy in Africa

POPIA is a South African legislation and there are similar regulatory initiatives in Africa. SEM undertook research to assess and understand in-country data privacy regulatory frameworks in the countries where Sanlam operates. The first step was to ensure full compliance with existing legislation. The Sanlam Group data privacy policy was communicated to the SEM risk and compliance community. In-country teams are responsible for the implementation and compliance with the policy, and receive regular communication around the topic. To assist in-country teams to better understand data privacy risks, the central risk and compliance team provides guidance on how to conduct privacy impact assessments and data inventory guides.

SECURING DATA AND DIGITAL ASSETS

Our clients, employees and distribution partners rely on Sanlam to act with care and responsibility in how we use and store data, in a world where the risk of malicious cyberactivity and attacks is increasing.



The Board and the Risk and Compliance committee have oversight responsibility for cybersecurity. The Group Chief Information Security Officer (CISO) provides the committee with a report in the fourth quarter annually on the status of the cyber and information security management system in the Group.

To support the new Sanlam Group strategy, a new IT target operating model was adopted, leading to the establishment of Sanlam Group Technology (SGT) in 2020, and the introduction of two new supporting councils:

- Group Technology Council
- Digital council

Additionally, in Q4 2021 the Sanlam Board through the Risk and Compliance Committee also introduced the Digital and IT forum chaired by an aptly qualified independent director of the Board.

The Group Technology Council consists of business and cluster IT Executives and plays an oversight role in the implementation of the IT Strategy, Digital technology strategy, as well as the Sanlam Cyber resilience programme. The council assesses and approves cybersecurity and IT governance policies and standards before these are submitted to the Board for approval. The policies and standards contribute towards protecting Sanlam assets against cyberattacks and are tested through planned cyber-resilience exercises. The Group Technology Council's oversight scope includes IT risks and associated mitigation.

The management of IT controls was enhanced by the establishment of a governance, risk and continuity department which is responsible for the development and maintenance of IT policies and standards as well as playing a second-line role in the monitoring and evaluation of policy compliance.

The above assisted in improving and maturing the Group's cyber defence profile.

Group IT policies

Sanlam has four Group IT policies:

- The Sanlam Group IT policy
- The Sanlam Group cybersecurity policy
- The Sanlam Group information and data policy
- The Sanlam Group digital behaviour (user) policy

All four were revised this year as per their defined maintenance schedule. Changes were approved by the Board and constituted minor, non-material adjustments primarily in relation and due to:

- Group-wide organisational changes
- Revisions to the system of governance
- Alignment with other new Group policies (for example the hybrid work-from-home policy)
- Progress regarding the development enabling Group Standards and Guidelines that give effect to the principles espoused in the policies.

New Group standards and guidelines were developed to strengthen the internal controls environment, thereby maturing the compliance function and overall policy framework. We present mandatory annual policy awareness campaigns and socialise the Group standards with the Group Information Governance Working Group and the Group IT Governance Working Group. The Board is provided with assurance on the effectiveness of the Information Security Management System and cyber-resilience arrangements in the Group.

Data privacy policy

A Group data privacy policy was approved by the Board in 2020 and fully implemented in 2021. This policy ensures that we responsibly process personal information and that we demonstrate our commitment to upholding the right to privacy of data subjects.

The policy sets standards to formulate, document and implement detailed procedures, processes and systems to proactively ensure compliance. It also considers the specific business environments and relevant applicable laws or regulations of the jurisdiction in which employees are located or operate. The policy covers privacy principles, duties of the Information Officer, employee obligations, intra-Group sharing, cross-border transfers, data storage and

retention, direct marketing, and numerous other data privacy protection safeguards.

Information privacy data breaches

Data privacy breaches of a non-cyber nature include unauthorised acquisition, access, use or disclosure of protected information that result in Sanlam's business processes deviating from its expected outcomes for confidentiality, integrity, and availability.

Formal data privacy breach management processes ensure that we have structures and responsibilities in place to manage any breaches consistently and effectively. Although data privacy breaches were recorded this year, no client data was exposed.

KEY DATA PRIVACY INDICATORS

- 15** data privacy breaches recorded
- 3** data privacy breaches were deemed major after risk severity assessments
- 12** data privacy breaches reported to the information regulator

All data privacy breaches that were reported to the regulator, were reported by the relevant cluster information officer.

Information security (cyber) incidents and/or data breaches

The types of incidents that we experienced, correlate well with the incidents observed within ASISA, the South African Insurance Association (SAIA) and the Financial Services Information Sharing and Analysis Centre (FS-ISAC) communities.

Incidents of malware and advanced malware were detected and addressed, while phishing for credentials remained common.

Online scams were observed in the form of Chief Executive Officer (CEO)/Chief Financial Officer (CFO) scams, where the email of the CEO or CFO was spoofed and requests for urgent payments were submitted to employees who usually transfer funds. These scam attempts were successfully blocked.

Cyber control self-assessments

Sanlam assessed our response to a focused independent third party cyber simulation attack this year. The attacks included focused phishing campaigns targeting high-risk employees, attacks on external websites and work-from-home technology like virtual private network (VPN) interfaces. The outcome showed strong detection and response capabilities, and strong security on external-facing technologies.

Sanlam is a member of the Information Security Forum (ISF) which provides access to tools, research and content including a security health check (SHC). The latter is aligned to the ISF Standard of Good Practice for Information Security 2020 and best practice frameworks such as ISO27002, COBIT, NIST and the Centre for Internet Security.

A Group-wide SHC was performed during 1 July - 30 September 2021 and included all clusters excluding SEM. The results showed an overall improvement in all categories, especially in previous areas of weakness. Sanlam also compared well against a selected peer group. The output of this assessment will be incorporated in the Group Information Security programme for 2022 and beyond.

Work area recovery sites

The lived experience of COVID-19 and ongoing cost pressures led to a call for a full revision of work area recovery (WAR) solutions this year. Different disaster scenarios require different WAR solutions. Current solutions include remote work (from home or anywhere), reciprocal seating arrangements between businesses in the Group, and/or pop-up work sites in lodges or conference facilities. As we develop a long-term WAR strategy, this will be informed by and is dependent on the outcomes of the hybrid work initiative. Work is currently underway in various streams to assist and guide the business with decisions and inputs to inform the long-term WAR strategy.

Read more about IT governance processes and structures in the Governance Report on the Sanlam website.