

Media release

HOLISTIC CARE NOW FRONT AND CENTRE IN EMPLOYEE BENEFITS POST-PANDEMIC, FINDS SANLAM BENCHMARK SURVEY

South Africa, 30 May 2022: One of the key insights to come out of the 2022 [Sanlam Benchmark Survey](#) - an annual body of research into the state of retirement funds and retirees in South Africa - is the emergence of a new 'currency' in South Africa: post-pandemic job security.

As many as [three million jobs*](#), both blue- and white-collar, were lost in South Africa due to the Covid-19 pandemic and resultant lockdowns. The financial strain placed on the newly unemployed and the fear of job loss has taken a toll on South Africans' [mental health](#).

It is then no surprise that respondents in the 2022 Sanlam Benchmark Survey increasingly see employment and earning an income as an asset. In response, the benefits and benefit strategies offered by employers have also evolved, becoming more empathetic to an employee's holistic wellbeing, the Benchmark Survey found.

The full survey findings will be released at a hybrid event to be held online and in Johannesburg on 14 June.

The retirement funds industry has also taken a knock over the pandemic. To attain a comprehensive perspective on those impacts, this year's survey was expanded to include asset consultants, healthcare consultants, umbrella fund sponsors and retirement fund members to those surveyed.

"We wanted to more deeply reflect the views and experiences of all stakeholders as we take stock of these past two very unusual years," explained Kanyisa Mkhize, chief executive officer of Sanlam Corporate.

The Survey's findings have been revealing, said Mkhize. "The full impact of the Covid-19 fallout has become pervasive through our sector and has affected our members profoundly. And not just financially."

A thread that runs through the Survey is the critical place that the theme of *care* has taken, she added. “Covid was not only a painful reminder of how fragile all our lives are, but also how we cannot take our jobs and mental health for granted. Overnight many more of us realised what holistic health really meant, and why it matters.”

Taking cognisance of these concerns, this year’s research will examine how the industry needs to evolve in line with this new-found emphasis, added Mkhize. Among the questions the Survey will answer are, what’s next, and what should employee benefits look like in the post-pandemic world?

Mkhize continued, “We’ll also look at the industry’s agility in responding to new or different demands for employee benefits and asked, how are we adjusting to new ways of work, new ways of living life and, with new perspectives on life, and what is important to us?”

In response to the sweeping changes taking place in workplaces around the world, Sanlam Corporate recently evolved its offerings. In October 2021, it launched a new Sanlam Health Solutions division, Mkhize said. Alert to the evolving needs of its clients, the company has also introduced a number of strategic changes to strengthen and innovate its umbrella fund administration, group risk underwriting, investment management, life investments and consulting services.

The themes the research will reveal within the context of the ‘new tomorrow’ for employee benefits include:

1. Employee benefits seeks to fuse healthcare, wealthcare and selfcare

Many employers are responding swiftly to the post-pandemic environment by looking after employees from a more holistic perspective. The Survey will show that retirement fund members experienced the pandemic on many, overlapping levels: the financial, the emotional, and the physical. This has led them to rethink the bundles of employee benefits they offer, reflect on the suitability of their retirement plans and adapt their retirement offerings to those holistic concerns.

2. Health taking centre stage

New for 2022, the Benchmark has polled health consultants to get a better understanding of the healthcare and selfcare needs of employees. Other insights gathered from these interactions will highlight the importance of employee benefits and health in the context of a

tough economic environment. It will also emphasise the need for employees to protect their incomes to ensure uninterrupted savings for retirement.

3. The retirement fund industry's role in driving environmental, social and governance (ESG) concerns in SA

Discussions about retirement funding and savings are incomplete without considering the surrounding economic, environmental, and regulatory factors that affect the sector. And with the background of South Africa's unemployment crisis, the survey will for the first time examine to what extent South African retirement funds have incorporated ESG strategies in their investment mandates.

4. Retirement reform and legislations

Regulations such as the National Treasury's two-pot system; the tightening of the governance of umbrella funds; and changes to the Policy Protection Rules have been in the news recently and are all unpacked in this year's report. The state's proposed two-pot system is expected to reignite debate as more than half of survey respondents believe the two-pot will be detrimental to the long-term financial health of individuals.

This year's Benchmark Survey has, as it does every year, set out to capture the burning issues facing retirement funds, current clients and retirees in the country, said Mkhize.

"Since 1981, the Benchmark research has provided insights and created meaningful opportunities for engagement with industry stakeholders with the goal being to help effect a positive financial outcome in retirement for South Africans. The context in which we operate has shifted due to the pandemic and other external factors, but the core long-term needs of members, employers and funds remain largely unchanged."

As a leading provider of employee benefits and umbrella fund solutions, Sanlam Corporate's goal is to make a real difference in retirement fund members' lives. As one of the most referenced research papers in the retirement fund industry, the annual Benchmark survey is one of many initiatives aimed at empowering South Africans to live, invest and ultimately retire with confidence.

*Source: Income Dynamics Study Coronavirus Rapid Mobile Survey

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About Sanlam Group

Sanlam is a pan-African financial services group listed on the Johannesburg, Namibian and A2X stock exchanges. Through its clusters: Life and Savings encompassing Retail Mass, Retail Affluent and Corporate business units; Sanlam Emerging Markets; Sanlam Investment Group; and Santam, the Group provides comprehensive and bespoke financial solutions to institutional clients and consumers across all market segments. Sanlam's areas of expertise include life and general insurance, financial planning, retirement, investments, and wealth management.

Established in 1918 as a life insurance company, Sanlam has evolved into the largest non-banking financial services group in Africa through its diversification strategy.

Headquartered in South Africa, Sanlam has a direct stake in financial services entities in Namibia, Botswana, Swaziland, Zimbabwe, Mozambique, Mauritius, Malawi, Zambia, Tanzania, Rwanda, Uganda, Kenya, and Nigeria. The Group has a footprint of insurance operations in Morocco, Angola, Algeria, Tunisia, Ghana, Niger, Mali, Senegal, Guinea, Burkina Faso, Cote D'Ivoire, Togo, Benin, Cameroon, Gabon, Republic of the Congo, Madagascar, Burundi, and Lesotho.

Sanlam also has business interests in India, Malaysia and the United Kingdom and a niche presence in selected developed markets.

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