

Sanlam Group Risk's response to the COVID-19 outbreak

Dear Client

With the imminent nation-wide lockdown, numerous clients of Sanlam Group Risk (hereafter referred to as Sanlam) have enquired about our approach to COVID-19 (Coronavirus) and how Sanlam will treat claims arising from the pandemic. We noted a few primary concerns among our clients, their employees/members and their advisors in respect of the virus:

Will Sanlam cover members currently located beyond South Africa's borders?

The most shared concern relates to travel beyond our borders, the application of the territorial limitations and the extension of insurance for employees working outside of South Africa. Sanlam has always treated requests to extend insurance to employees who will be temporarily employed in other countries on a case-by-case basis and will continue to do so amid the current Coronavirus pandemic concerns. Our consideration to extend insurance in different territories has always included an assessment of the associated risks, and will continue to be applied in terms of our treatment of these requests. Our clients can remain confident that we will continue to treat these cases in a fair and consistent manner. In line with this risk management principle, Sanlam will now also include an assessment of the risk of exposure to the Coronavirus as we would have for any other epidemic or pandemic.

Is the Coronavirus covered by our severe illness benefits insurance policy contracts.

The illness itself will not be covered as such due to its absolute uncertainty – in the same way that Ebola and other infectious diseases are not covered. However, some of the complications of the disease might lead to a claim, e.g. end stage lung disease, renal failure, loss of vision, etc. In these instances a claim may be valid depending on the specific policy contract and the nature of the benefits selected and, in particular, whether the policy contract provides for a Core or Comprehensive option.

Will the Coronavirus be covered by our disability insurance policy contracts.

As is the case with the previous example, contracting the virus will not automatically constitute a claim but some complications may result in temporary or permanent disability. The nature of the potential disability will be assessed against the disability definition contained in the client-specific policy contract which will depend on the type of disability product, waiting period, etc.

We would like to assure our clients and SGR members that our policies do not exclude pandemic events and similar illnesses, or claims resulting from the complications of these. Sanlam maintains a robust balance sheet and is committed to the principles of Treating Customers Fairly and is therefore able to provide financial security in such times of uncertainty.

We have progressively implemented a mature business continuity plan in light of the pandemic and lockdown and commit to you that essential services such as disability income payments, death & funeral claims and processing of premiums have been prioritised.

Should you require any support, please contact your Client Solutions Specialist or escalate to the CEO of Sanlam Group Risk at Michele.Jennings@sanlam.co.za

In conclusion, on behalf of Sanlam Corporate and the broader Sanlam Group, we thank you for your continued support of our business, especially during these difficult times.