

Stakeholder engagement

Iemas acknowledges that it does not exist in isolation and that the group relies on various interdependent relationships with numerous stakeholder groups. It is an organisation where people, and not profit, is at the heart of the business. Iemas values the importance of meaningful and continued engagement, and stakeholder communication needs are evaluated and measured on a continuous basis to ensure that corrective action is taken when needed.

To continuously ensure a professional and consistent tone and message, Iemas follows a centralised insourced approach towards corporate communication, predominantly focussing on its main stakeholder groups namely members and employer groups. Other stakeholder engagement responsibilities are delegated to operational areas within Iemas.

Iemas has identified nine key stakeholder groups and the engagements during the year under review were as follow:

1. EMPLOYEES	
Stakeholder group needs and interests	
»	Leadership communication
»	Organisational performance and strategic direction information
»	Positive work environment with the necessary support to work effectively
»	Job satisfaction and career development
»	Inclusive and diverse work environment
»	Job security
»	Training and upskilling
Engagement initiative	
»	Senior management feedback sessions
»	CEO communication
»	Training initiatives, including diversity and management development training
»	Wellness workshops, interventions, wellness helpline and wellness survey
»	Internal communication channels including intranet portal and blog
»	Newsletters
»	Performance reviews and feedback
»	Executive management and director visits to branches and regional offices
»	Employee involvement in CSR initiatives, e.g. CANSA Shavathon and Casual Day
»	Exit interviews
»	Social functions

1. EMPLOYEES (continued)

Feedback on engagement

- » 114 (2017: 58) Employees (19% of the workforce) attended wellness workshops and 109 (2017: 166) (18%) made use of individual counselling sessions
- » 15 (2017: 15) Employees attended diversity training
- » Results of exit interviews are analysed and addressed
- » Employee turnover at 21% (2017: 15%) with 17% being voluntary exits (2017: 13%)
- » Improvement of the intranet portal
- » A total of 6 e-learning training modules were deployed to 399 users via the learner management system in preparation for information technology deployments

Actions to be taken in 2019

- » Continue implementing initiatives in contact centre environment to improve employee retention
- » Wellness training initiatives
- » Manage the impact of organisational alignment on corporate culture
- » Continue with change management programme to ensure successful implementation of information technology and adoption by users

2. EMPLOYER GROUPS

Stakeholder group needs and interests

- » Effective and accurate monthly administration
- » Adherence to relevant legislation with no liability for the employer
- » Ethical and responsible lending practices
- » Employee financial wellness
- » Regular interaction

2. EMPLOYER GROUPS (continued)**Engagement initiative**

- » Participation in employer arranged wellness days
- » Financial wellness training
- » Worksite marketing initiatives
- » Annual brand survey
- » Personal interaction with employer representatives
- » Joint CSR initiatives
- » Regular newsletters
- » Introduced additional "life file" training initiatives

Feedback on engagement

- » 7 028 (2017: 6 734) Employees attended financial wellness workshops offered free of charge at employer groups
- » Increase in participation at employer wellness days

Actions to be taken in 2019

- » Focus on groups in specific sectors (new and existing) and review relationship management structure
- » Continue with employer engagement initiatives
- » Training of relationship consultants

3. MEMBERS**Stakeholder group needs and interests**

- » Financial education and knowledge regarding personal financial management
- » Improved brand awareness
- » Annual rewards allocation
- » Competitive product and service offering
- » Convenient access to products and services
- » Good customer service

3. MEMBERS (continued)**Engagement initiative**

- » Annual brand survey
- » Digital platforms with strong financial education focus including website and social media
- » Implemented marketing automation function to ensure member communication is accurately managed, targeted and measured
- » Newsletters with strong financial education focus
- » Financial wellness training at the workplace
- » Worksite marketing
- » Wellness days
- » Service and after-sales interactions

Feedback on engagement

- » Growth of 13% (2017: 20%) in Facebook likes, 17% (2017: 100%) in LinkedIn followers and 8% (2017: 6%) in Twitter followers
- » Improved corporate website and social media platforms
- » R109,4 million (2017: R109,7 million) allocated in member rewards

Actions to be taken in 2019

- » Enhance digital channels to improve access for members
- » Continue growing social media communities
- » Implement business modernisation program to improve speed of service and communication during and after product applications
- » Complete implementation of CRM system to effectively manage stakeholder relationships

4. BOARD OF DIRECTORS**Stakeholder group needs and interests**

- » Good corporate governance
- » Effective risk management and reporting
- » Compliance with relevant acts, codes and regulations
- » Corporate strategy execution
- » Pro-active, timely information and communication regarding strategic issues and priorities
- » Appointment of new CEO

Stakeholder engagement

(continued)

<p>4. BOARD OF DIRECTORS (continued)</p> <p>Engagement initiative</p> <ul style="list-style-type: none"> » Corporate risks reviewed, reported and approved » Board and committee meetings » Ad hoc meetings and feedback » Selection committee and formal process to ensure smooth transition to new CEO <p>Feedback on engagement</p> <ul style="list-style-type: none"> » Feedback regarding corporate risks, governance and compliance at board and committee meetings » CEO appointment plan finalised <p>Actions to be taken in 2019</p> <ul style="list-style-type: none"> » Continue to ensure that corporate governance is in line with best practice » Strategy review » Evaluate governance practices against those proposed in King IV and make recommendations
<p>5. GOVERNMENT AND REGULATORY BODIES</p> <p>Stakeholder group needs and interests</p> <ul style="list-style-type: none"> » Good corporate governance » Ethical behaviour and compliance » Responsible business and lending practices » Industry participation » Payment of taxes and other statutory levies <p>Engagement initiative</p> <ul style="list-style-type: none"> » Monthly, quarterly and annual reporting » Employment equity plans submitted » Taxes, fees and levies paid <p>Feedback on engagement</p> <ul style="list-style-type: none"> » Strict adherence to relevant legislation and codes » Requirements of the National Credit Amendment Act (NCAA) continuously reviewed and implemented » Feedback on proposed regulations and legislation via industry associations

<p>5. GOVERNMENT AND REGULATORY BODIES (continued)</p> <p>Actions to be taken in 2019</p> <ul style="list-style-type: none"> » Further alignment of business to the requirements of the NCAA » Implementation of requirements of Department of Trade and Industry regarding credit life insurance » Managing the impact of the Broad-Based Black Economic Empowerment Amendment Act and Codes » Managing the impact of the Retail Distribution Review (RDR)
<p>6. BANKS AND INVESTORS</p> <p>Stakeholder group needs and interests</p> <ul style="list-style-type: none"> » Return on investment » Good corporate governance » Management of risk exposure » Sustainable business practices » Compliance with covenants » Comprehensive and accurate reporting » Liquidity management <p>Engagement initiative</p> <ul style="list-style-type: none"> » Regular interaction and liaison » Timely and accurate reporting <p>Feedback on engagement</p> <ul style="list-style-type: none"> » Positive relationships with banks and investors » Continued access to funding » Funding secured on acceptable terms » Compliance with covenants <p>Actions to be taken in 2019</p> <ul style="list-style-type: none"> » Manage performance within bank covenants » Ensure continuous access to funding at competitive rates » Focus on liquidity and management of funding terms

7. PRODUCT AND SERVICE PROVIDERS**Stakeholder group needs and interests**

- » Increased sales of provider products
- » Efficient administration and punctual payment
- » Good corporate governance
- » Responsible representation of supplier brand
- » Adherence to contractual agreements
- » Regular project progress meetings and feedback

Engagement initiative

- » Meetings and personal visits
- » Social functions
- » Industry forums and functions
- » Provider initiated audits
- » Statutory and management reports
- » Project progress meetings

Feedback on engagement

- » Contracted new purchase card retailers
- » Collaborated with vehicle suppliers to extend vehicle sourcing service for members
- » Additional short-term insurance companies contracted
- » New vehicle dealer agreements
- » Reviewed existing contracts and renewed contracts with Information Technology (IT) service providers
- » Project management and corrective action, where needed

Actions to be taken in 2019

- » Continue with engagement initiatives
- » Negotiate additional contracts with retailers, suppliers and vehicle dealers
- » Manage procurement policy
- » Review contracts with IT service providers to ensure that required support and expertise are available
- » Implement a link to a vehicle dealer application system

8. COMMUNITIES**Stakeholder group needs and interests**

- » Sustainable upliftment and development
- » Monetary and non-monetary donations and contributions

8. COMMUNITIES (continued)**Engagement initiative**

- » Joint CSR initiatives with employers
- » CSR initiatives, e.g. CANSA Shavathon, Casual Day and Mandela Day
- » Learnerships and internships
- » Donations

Feedback on engagement

- » 23 (2017: 32) Persons were involved in learnerships and internships during the year
- » 3 (2017: 11) Learners were permanently employed
- » Participation in CANSA Shavathon; Casual Day, Tekkie Tax and SANBS blood donation drives
- » Donations of money, food, school shoes, etc.
- » Employee involvement in CSR activities

Actions to be taken in 2019

- » Continue with engagement initiatives in line with Iemas' corporate citizenship and sustainability guidelines
- » Continue with learnership and internship programmes

9. ASSOCIATIONS**Stakeholder group needs and interests**

- » Active membership
- » Attendance of meetings
- » Active industry participation

Engagement initiative

- » Membership fees paid
- » Attendance of industry meetings, workshops and training
- » Constructive feedback
- » Active involvement at the vehicle asset finance and fraud work group of the South African Banking Risk Information Centre (SABRIC)
- » Active involvement at the South African Insurance Crime Bureau

Feedback on engagement

- » Regular engagement and participation

Actions to be taken in 2019

- » Continue with engagement initiatives