

Remote working after the pandemic

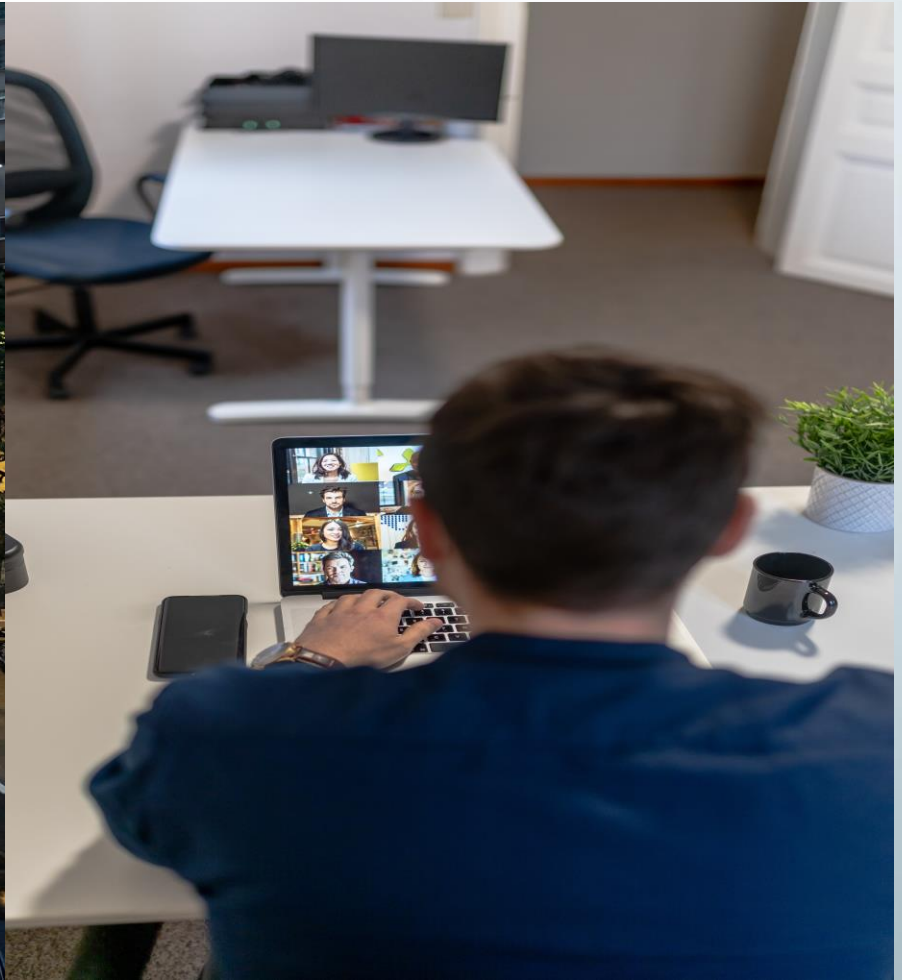
Pelo Manyeneng

October 2021

momentum
investments



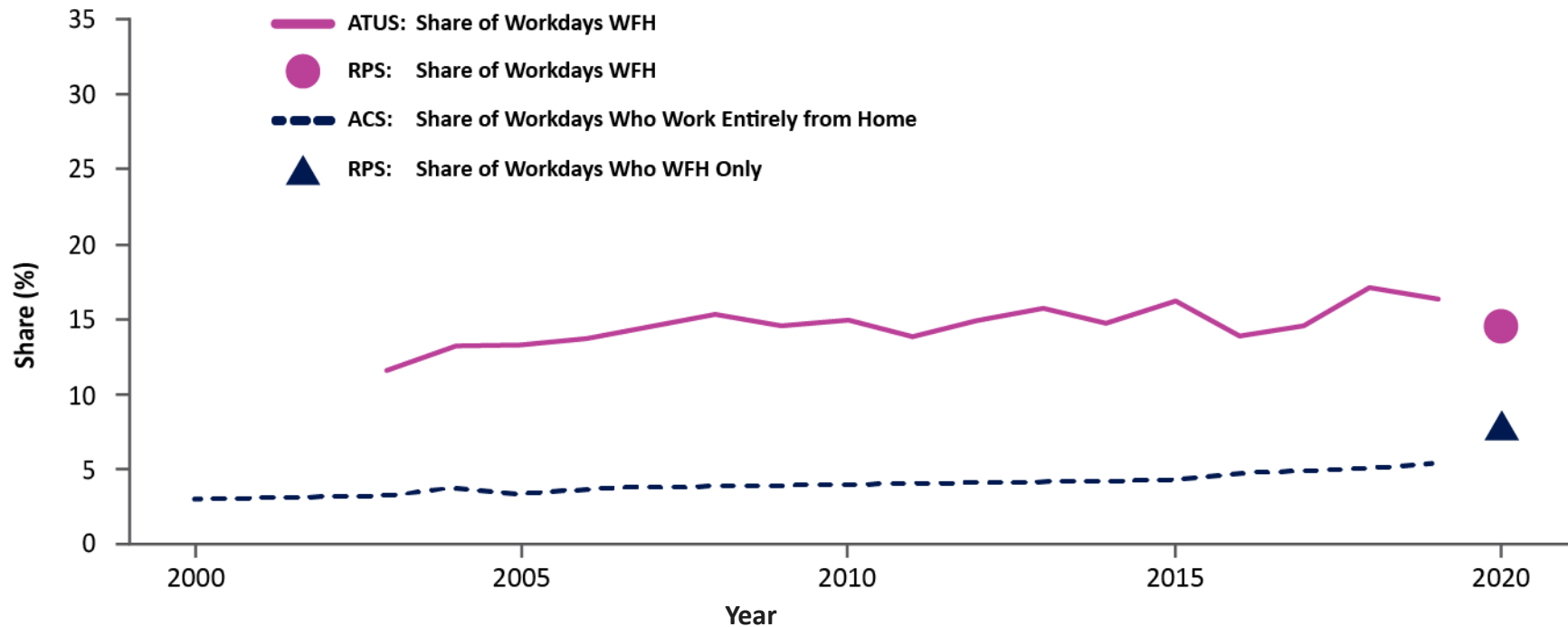
Coronavirus Forces World's Largest Work-From-Home Experiment



Work-from-home trends



Work-from-home trends before the pandemic

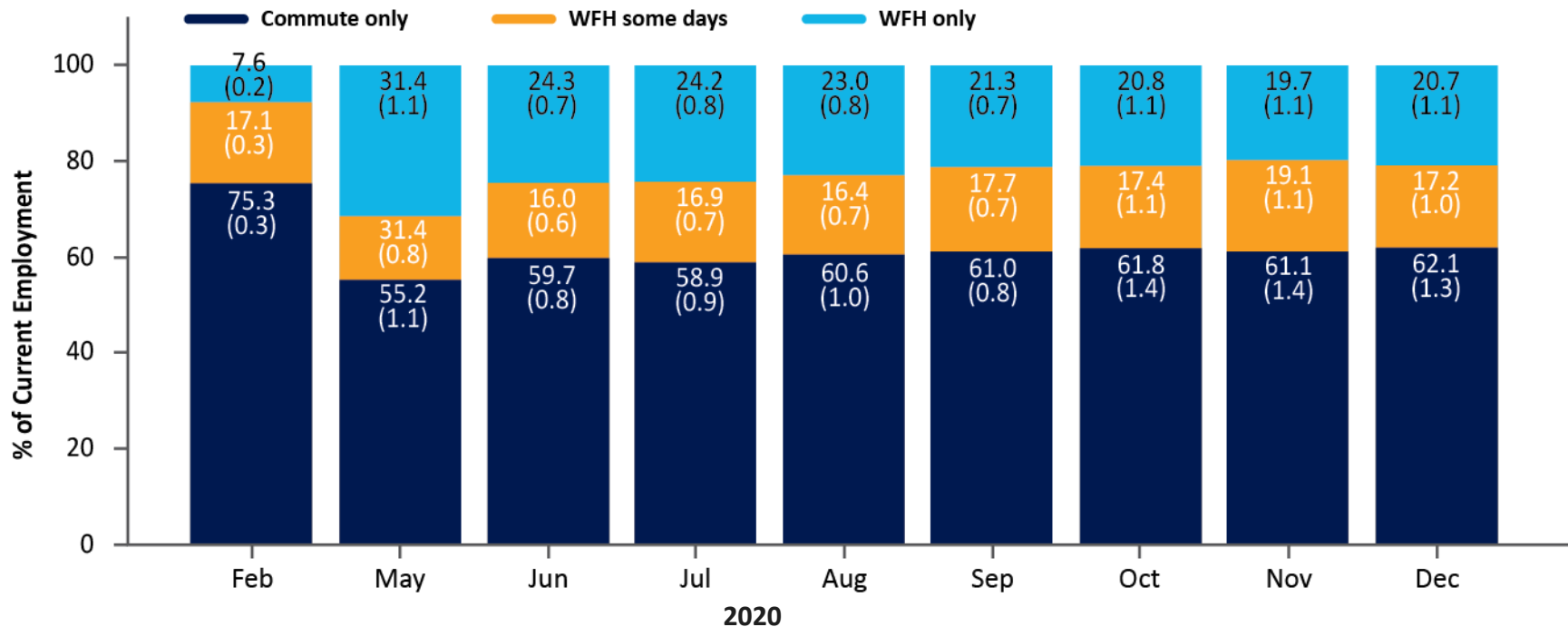


Source: Federal Reserve Bank of Dallas

Work-from-home trends



Work-from-home trends during the pandemic



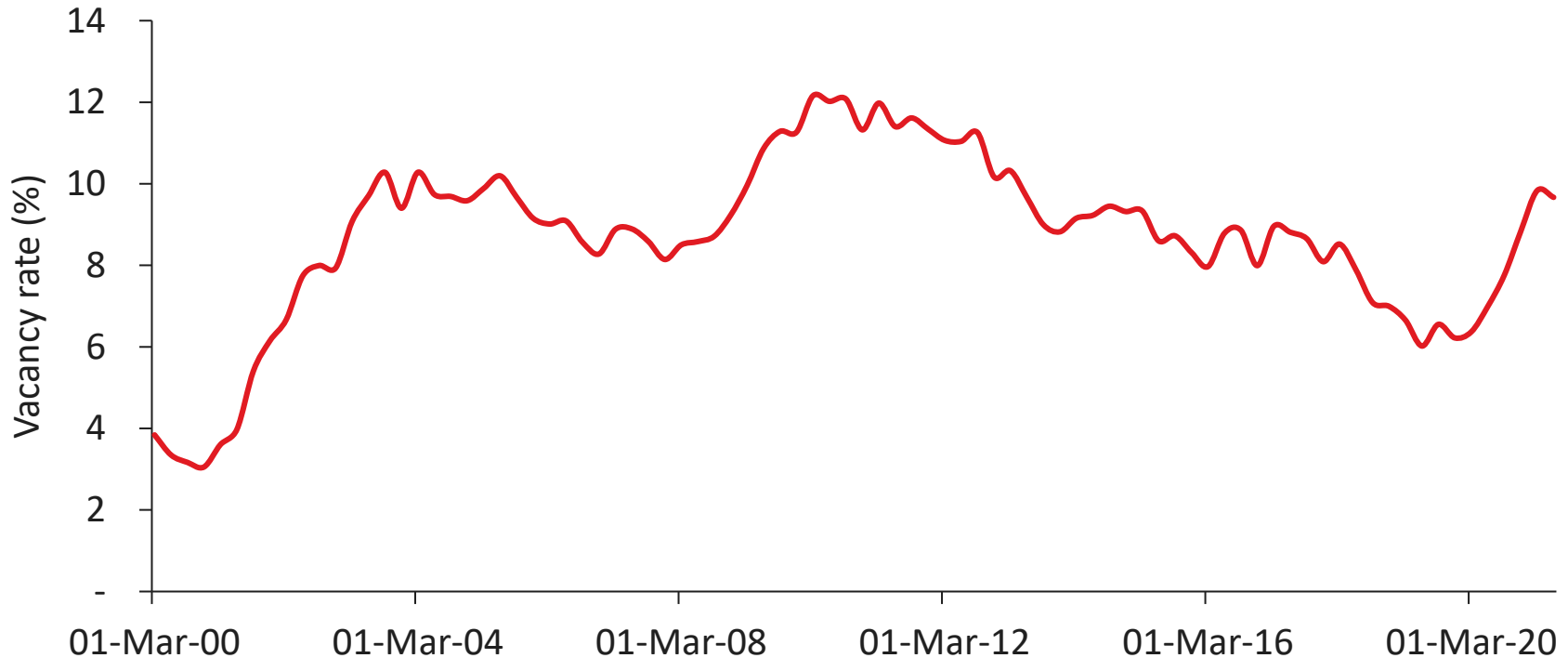
Source: Federal Reserve Bank of Dallas



Pandemic Pain

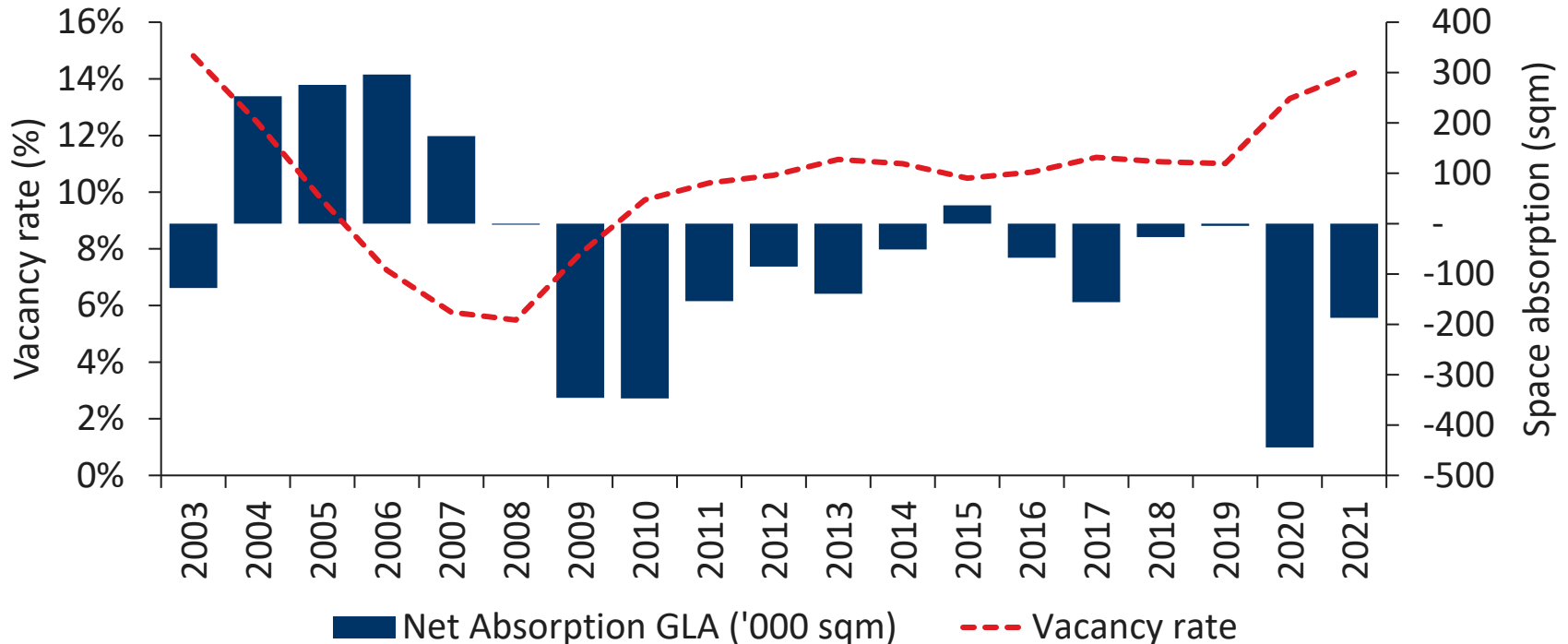
US office REITs vacancy rates

COVID-19 drove businesses to rationalise space requirements and pause on finalising lease commitments



SA office vacancy rates and space absorption

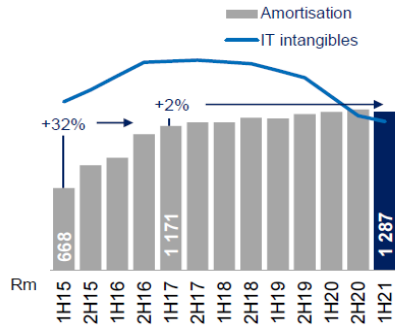
Latest data from SAPOA points to South African office real estate fundamentals that continue to get worse



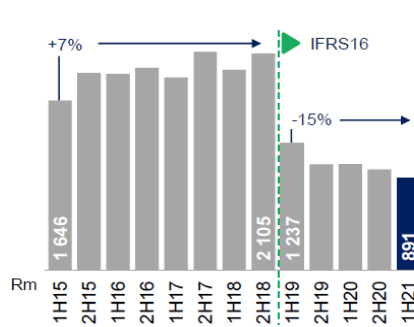
SA banks space optimisation

Standard Bank

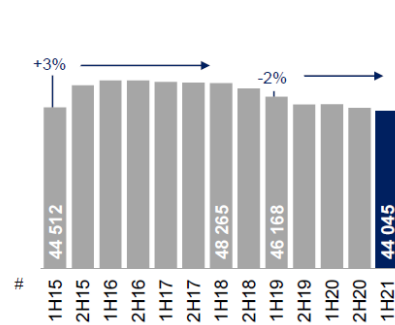
Amortisation¹



Premises costs^{1,2}

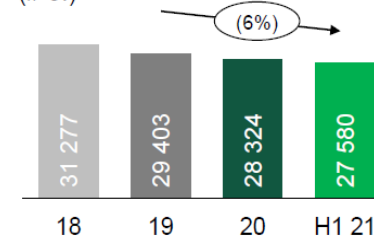


Headcount¹

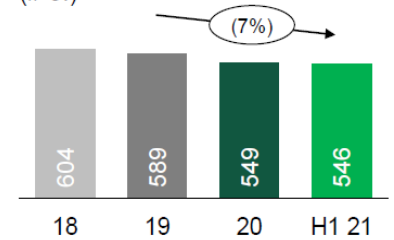


Nedbank

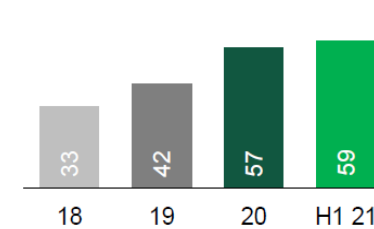
Group employees (# of)



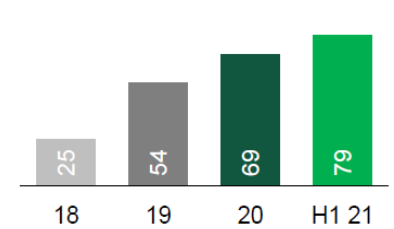
SA outlets/branches (# of)



Branch floor space saved ('000 m²)¹

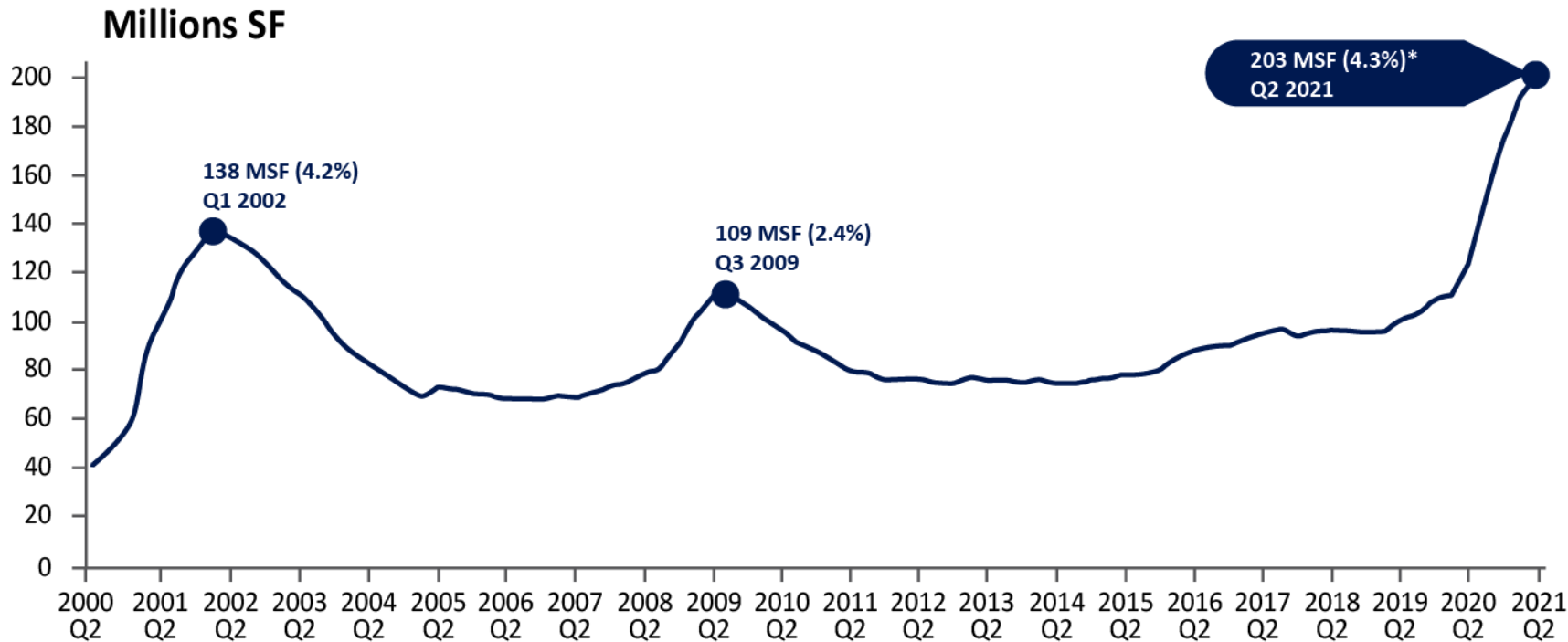


Corporate real estate floor space saved ('000 m²)



US office sublease availability

Space available for leasing surged to historic levels in the last year

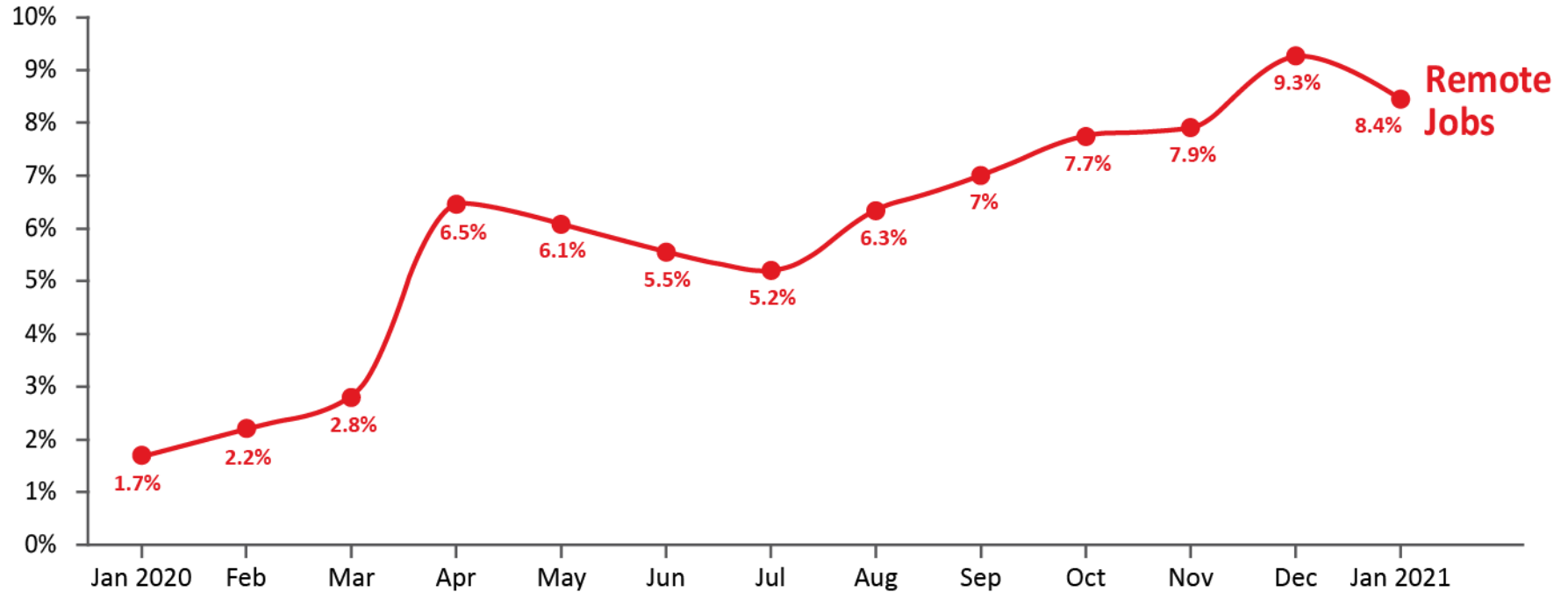




World's March Back to the Office

Remote work opportunities

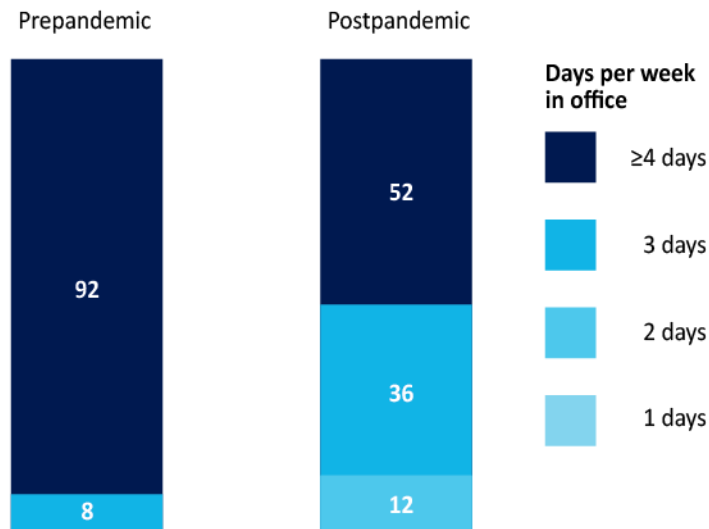
Remote work as a share of all jobs posted are on the rise



Source: ZipRecruiter, Inc. Internal data

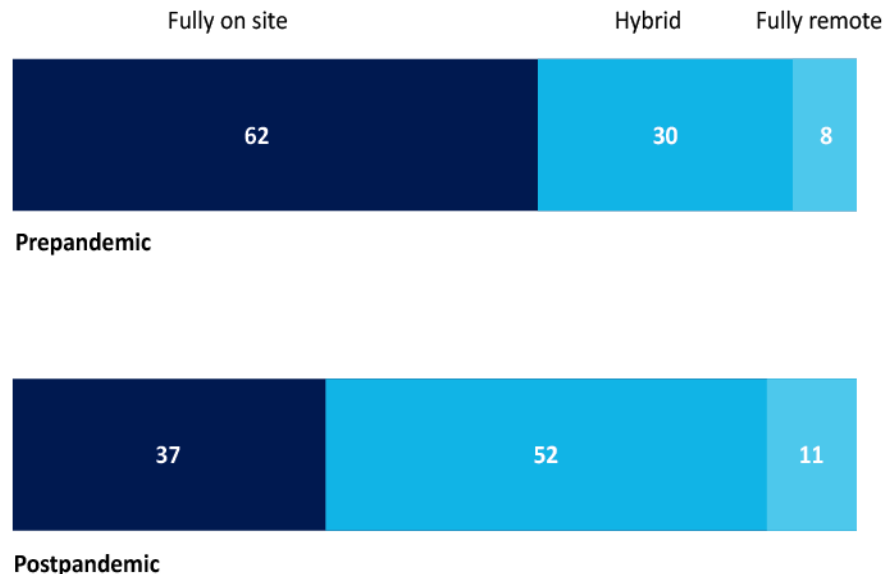
Remote work demand and supply

Average share of workdays in office reported before and expected after COVID-19 pandemic, % of C-suite respondents (n = 504)¹



Based on responses from 504 C-suite executives
Source: McKinsey CxO Survey on Return to Workplace, May 2021

Working model before COVID-19 pandemic and desired working model after COVID-19 pandemic, % of employee respondents (n = 5,043)



Types of hybrid work models

The work-from-home experiment remains a continual process of discovery

Remote first, office optional

The closest to a fully remote organisation. Remote work is the default with offices kept as a 'base'.

Part time remote, part time office

Employees split their time between remote and in-office. Days are set by them or based on a set requirement.

Office first, remote optional

The office is the primary place of work, however, remote work is allowed. Less flexibility afforded for remote work.

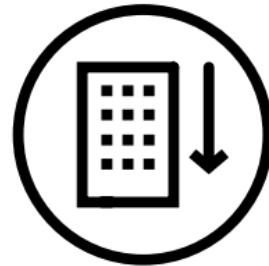
Will the shift towards the hybrid model affect demand?

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Increase in
homeworking



Decrease in
demand for
office space



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