



# 2023

## CORPORATE GOVERNANCE REPORT

Santam is an authorised financial services provider (FSP 3416), a licensed non-life insurer and the controlling company for its group of companies.



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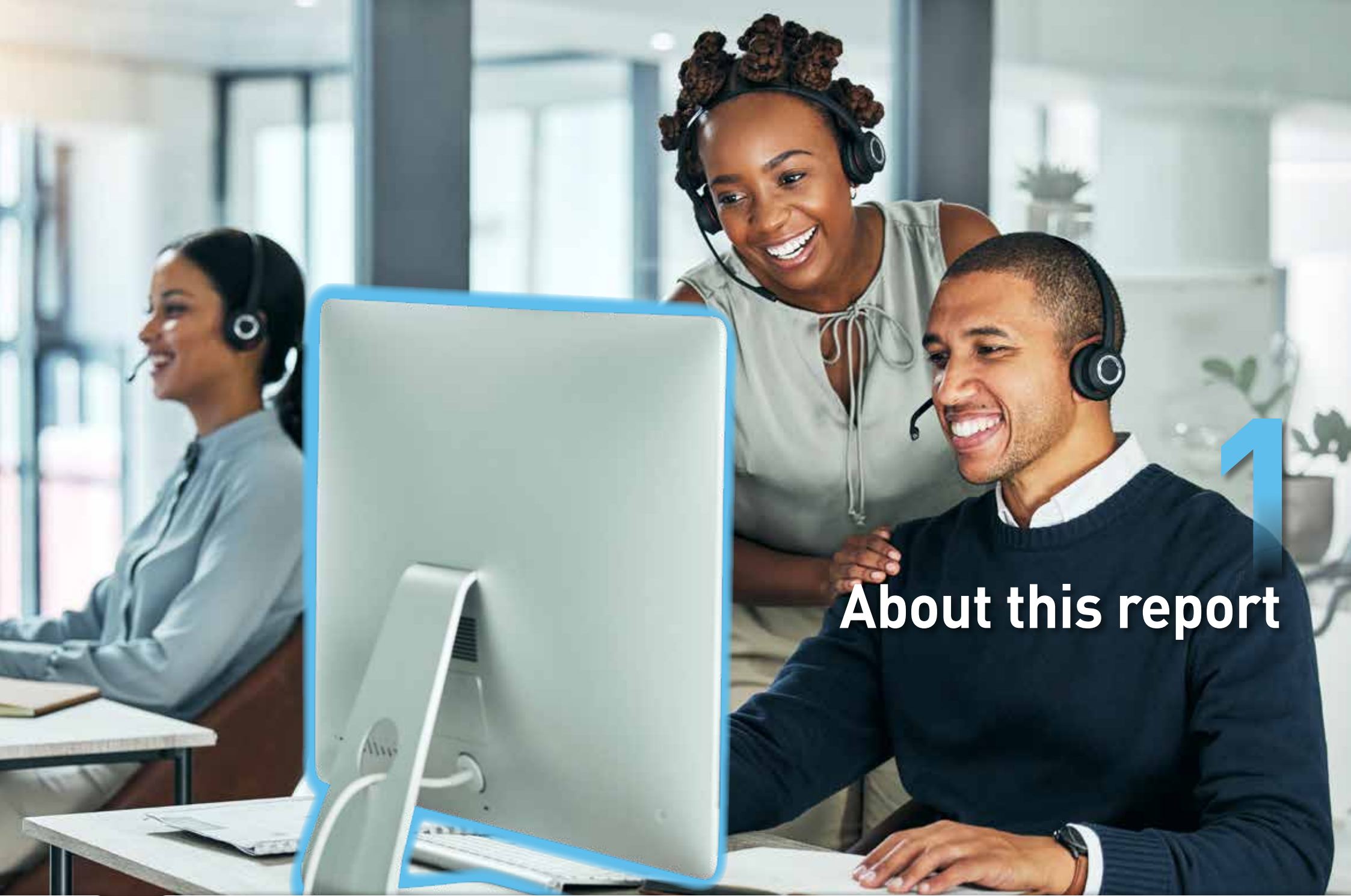
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# About this report

## Reporting scope and boundary

This Corporate Governance Report forms part of Santam's 2023 annual reporting suite (the reporting suite), which summarises the activities of the Group for the financial year ended 31 December 2023. The report's scope extends to Santam and its subsidiaries, and its content covers Santam's general insurance and investment operations.

The Board of directors of Santam (the Board) acknowledges its responsibility to ensure the integrity of the Group's disclosures. These include Santam's Integrated Annual Report, Annual Financial Statements, Remuneration Report, King IV™ Disclosure Report, Task Force on Climate-Related Financial Disclosures (TCFD) Report and this Corporate Governance Report (the report) for the 12 months ended 31 December 2023 (the reporting period).

The Board is committed to promoting sound corporate governance practices in all territories where Santam operates. The Board is pleased to report that, during the reporting period, the Group continued to implement the 17 core principles of good corporate governance as set out in the King Report on Corporate Governance™ for South Africa, 2016 (King IV)<sup>1</sup>. The latter is in addition to the mandatory corporate governance requirements outlined in the JSE Listings Requirements, the Debt Listings Requirements and the Prudential Standards and Framework for Governance and Operational Standards for insurers and insurance groups. In addition, care was taken to ensure that the reporting suite addresses all material matters appropriately and according to the Integrated Reporting (IR) Framework.

## The purpose of the 2023 annual reporting suite

Santam's annual reporting suite aims to reflect on various salient aspects relevant to the reporting period while providing a high-level overview of noteworthy forward-looking developments and activities. This is primarily to enable Santam's diverse group of stakeholders to make an informed assessment of the Group's performance and prospects. Stakeholders are, however, encouraged to access Santam's website ([www.santam.co.za/investor-relations/integrated-report/governance/](http://www.santam.co.za/investor-relations/integrated-report/governance/)) for the full integrated annual reporting suite for additional detail on governance, shareholder information and sustainability aspects.

## Our 2023 environmental, social and governance (ESG) disclosures simplified

ESG disclosures are well integrated into the Santam reporting suite, with the following salient aspects notable to highlight:

- Santam does not produce a separate sustainability report. Given that Santam's Group-level ESG strategic focus areas are integrated into its refreshed FutureFit strategy, the Group's 2023 Integrated Annual Report contains disclosures of impacts and performance against a range of ESG criteria
- The Group compiles an annual Carbon Footprint, CDP (formerly the "Carbon Disclosure Project") and ClimateWise report
- Santam is a founding signatory of the United Nations Environment Programme – Principles of Sustainable Insurance
- Santam publishes a TCFD Report, which sets out its approach to identifying, assessing and addressing climate-related risks and opportunities. With the disbanding of the TCFD since the release of the International Sustainability Standards Board's (ISSB's) general requirements of sustainability-related financial information (International Financial Reporting Standard (IFRS) S1) and climate-related disclosures (IFRS S2), our 2023 TCFD Report will be the last report in its current form. Going forward, reporting will be in accordance with the ISSB requirements
- This Corporate Governance Report provides, among other, details regarding Santam's approach to corporate governance, the Group's application of general governance-related aspects, the Board of directors (the Board's composition, the Board members' qualifications and experience, et al) and sets out the mandates of the Board and the respective Board Committees
- The King IV™ Disclosure Report provides a synopsis of Santam's application and response to the 17 principles and recommended practices that are outlined in King IV
- The Remuneration Report includes information on key performance indicators used to evaluate executive performance and to determine incentives
- Santam has a statement of commitment to embed the principles of Treating Customers Fairly (TCF) into its strategy and culture
- The Santam Human Rights Statement establishes the Group's commitment to upholding its values and ethical behaviour to respect human rights
- On an annual basis, the Group's performance is assessed and verified by an accredited verification agency (who reviews and confirms the Group's response in compliance with the Broad-based Black Economic Empowerment Act, the Code of Good Practice and the requirements that are outlined in the Financial Sector Charter)
- The Climate Change Position Statement and Coal Position Statement outline how Santam is impacted by climate change and its role as insurer in adapting to and mitigating climate risk

## Our annual governance reporting process

*With the support of Santam's Audit, Risk, and Social, Ethics and Sustainability (SES) Committees, the Board ensures that appropriate controls are in place to verify, enhance and safeguard the quality and integrity of the information in the reporting suite. The Board further appreciates that the Group's core purpose, risks and opportunities, strategy, business model, performance, and sustainable development are integrated and inseparable elements that are being applied to create value for its stakeholders.*

*The Audit Committee reviews the integrated reporting framework and process, including the audited financial statements, and has oversight over compliance with the reporting frameworks. It also considers the materiality of the Group's financial and non-financial disclosures together with the Risk Committee. This ensures compliance with applicable regulatory requirements, the accuracy and completeness of the Group's disclosures, and the relevance of this Corporate Governance Report's content to Santam's key stakeholders.*

<sup>1</sup> Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

## Santam's application of King IV

During the 12 months ended 31 December 2023, Santam continued to dedicate efforts towards implementing and demonstrating its response to the 17 core principles outlined in King IV. The Company remains committed to adhering to (and executing) the essential corporate governance standards and requirements. It focuses on creating value for all its stakeholders through a robust, stakeholder-inclusive and customer-centric approach.

## King IV: "Apply versus Explain"

The primary objectives of King IV include reinforcing good corporate governance practices and promoting an ethical culture, sound performance, effective control and legitimacy. Santam views sound corporate governance practices as essential to how it conducts business and its ability to create sustainable value for its stakeholders. As a JSE-listed entity and a responsible corporate citizen, Santam is committed to continuously applying and ensuring compliance with the requirements outlined in King IV.

In line with principle 6 of King IV, the Board serves as the organisation's focal point and custodian of corporate governance. By regularly reviewing Santam's response to the principles and practices outlined in King IV, the Board demonstrates best practice and promotes effective leadership, good corporate citizenship and sustainability within the Group.

The Board, as well as Santam's Audit Committee, Risk Committee, Nominations Committee, Investment Committee, HRRC, and the SES Committee are all satisfied that Santam upheld and complied appropriately with King IV. As and where required, appropriate actions are being taken to ensure continued adherence to the obligations that are placed on the Group.

Santam's response to each of the 17 principles and recommended practices of King IV can be found in the Company's 2023 King IV Disclosure Report.

## Santam's key corporate governance pillars include among others, the following salient aspects:

- Responsible and effective leadership
- Sound and ethical governance practices
- Effective control and decision-making
- Creating value and sustainability in a responsible manner
- A heightened approach to transparency, accountability and legitimacy
- Stakeholder inclusivity and client centricity
- Continuous performance evaluation and monitoring
- Conducting business in a responsible and ethical manner, while fulfilling a meaningful role in society



## Santam at a glance

Santam is a leading South African general insurer with over 105 years' standing and does business in selected emerging markets. With its head office in Tyger Valley, Cape Town, Santam is the largest general insurer on the African continent by premium size. It specialises in proactive risk management and insurance solutions and covers a diverse portfolio of personal and specialist business products and financial services.

Santam is a subsidiary of the South African financial services group Sanlam Limited, which held an effective 62.6% interest in Santam as at the end of December 2023. Santam was designated by the Prudential Authority (PA) of South Africa (in terms of section 10(1) of the Insurance Act (Act 18 of 2017) read together with paragraph 1.11 of the Financial Soundness of Insurance Groups), as an insurance sub-group of Sanlam Limited. Santam Limited\* was also acknowledged by the PA (in terms of section 10(2) of the Insurance Act) as the controlling company of the insurance sub-group. The PA also approved Santam Limited's licence to operate as the controlling company of the Santam insurance sub-group in terms of section 23 of the Insurance Act.

\* Santam Limited includes the Santam operations and is the controlling company for all the other companies within the Group.



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Who we are



Figure 1: Santam – Who we are



- Founded and incorporated in 1918
- Listed on the JSE in 1964 under the insurance (non-life) sector and listed on NSX and A2X
- Santam is a subsidiary of the Sanlam Group



- Certified as a Top Employer by the Top Employer Institute for the eight consecutive year



- Leading market share exceeding 24% (+R37bn in GWP)



- Listed on the Top 30 FTSE/JSE Responsible Investment Index and a constituent of the FTSE4Good Index Series



- A uniquely diversified group
  - » Product lines
  - » Geography
  - » Multi-channel distribution with over 3 000 intermediaries



- Relationship with Sanlam Allianz provides growth opportunities in specialist lines across Africa



- Insures over 1 million policyholders and more than 80 of the Top 100 companies listed on the JSE



- Stable Dividend Policy with an ordinary dividend per share at a 7% compound annual growth rate

**THE SANTAM GROUP IS THE LARGEST GENERAL INSURER IN SOUTH AFRICA, WITH A SOLID LEGACY AND A CONSISTENT, PROVEN RECORD OF SUSTAINABLE VALUE CREATION**



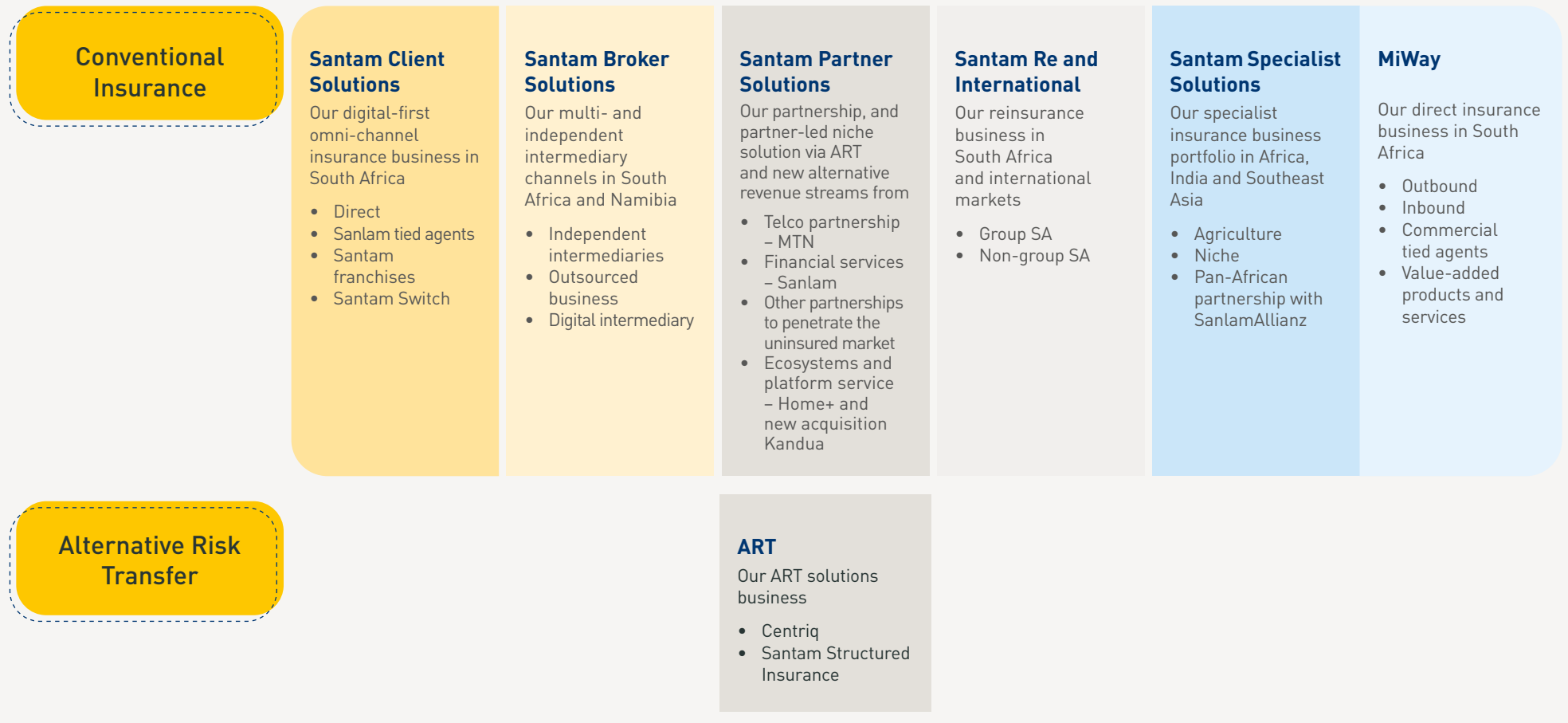
*The implementation of sound, ethical and transparent governance practices supports and encourages the Santam Group to deliver on its brand promise of “Insurance good and proper” – while, at the same time, creating value for its diverse group of stakeholders in a sustainable and responsible way*

# How we conduct business

Santam's objective is to safeguard and meet the insurance needs of its clients. Whether mainstream or niche, the Group aims to develop an in-depth understanding of all sectors where it operates. This provides innovative and insightful solutions that meet clients' specific needs and help them respond to and manage risks. Santam offers general insurance solutions to individuals, small and big businesses, the agricultural sector and various specialist sectors.

Noteworthy to highlight is that Santam's operating model was reviewed and amended in 2023 primarily to enhance its multi-channel distribution ability, in line with the needs expressed by clients. This internal reorganisation continues to position the business to execute its refreshed FutureFit strategy. The Group's new operating model focuses on growing the broker business while scaling direct and partnerships businesses. To this end, the Group aims to meet the market's needs by offering various products, services and solutions through its multiple business units.

Figure 2: Our operating model





# Santam's operating model (continued)

Santam's business model reflects the inter-connectedness of our overall operating environment, the key resources we are dependent on, the challenges and opportunities we are exposed to and how we manage these in an integrated manner to deliver on our purpose.

The availability and quality of the key resources we depend on

enable us to deliver on our strategy



### Financial capital

- Shareholder equity
- Subordinated and other debt funding
- Premiums
- Investment income on funds from insurance activities
- Investment returns on shareholder investments



### Human capital

- Employees
- Intermediaries
- Business partners



### Manufactured capital

- The infrastructure of our offices, other buildings and technology systems
- Our clients' insured physical assets



### Intellectual capital

- Our data analytics and modelling capabilities
- Our industry-specific underwriting expertise and experience
- Our operating systems and processes to manage risks and claims
- Management capabilities we have developed and refined over time
- Our brands and the customer solutions we develop



### Social and relationship capital

Good relationships of trust with:

- Clients
- Intermediaries
- Suppliers
- Partners
- Shareholders
- Governments and regulators
- Communities




### Natural capital


The environmental resources used throughout our operations (including insured risks):

- Energy
- Water


## Our material matters




Our clients at the core, and addressing the risk protection gap




The South African context and the need for geographical expansion




Digital trends disrupting the insurance industry




ESG embeddedness



An evolving regulatory environment



Protecting our talent, building skills and adapting to the evolving world of work



Ethical leadership and the trust deficit

## Protecting the availability of our capitals

- Prudent allocation of financial capital
- Strong financial capital position
- Resilience in challenging market conditions
- Efficient treasury and investment initiatives
- Effective risk management
- Approved internal capital model

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- Attract and retain the top talent in the industry
- Remunerate competitively
- Improve and transfer skills through training initiatives

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- Prudent underwriting
- P4RR

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- Social innovation
- Technology-driven change
- Investment in technology, research, and training
- Digitised multi-channel approach
- Geocoding for the property book

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- Client support and claims payments
- Transformation initiatives
- P4RR
- Consumer financial education
- Corporate social investment (CSI)
- Media engagement
- Black Broker Development programme

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- Improved environmental sustainability to reduce impact
- Incentivising behaviours that preserve natural capital
- Responsible investment

More information regarding how Santam facilitates its business activities to create value for its stakeholders, can be found in the Integrated Annual Report on pages 21 to 24.

# Doing business in a responsible, ethical and meaningful way (*good and proper*)

## An ethical financial services provider

The responsibility for corporate citizenship resides with the Board. This makes the Board ultimately accountable and responsible for setting the direction for how the Company responds to the applicable laws and regulatory requirements in those jurisdictions where it operates, to industry codes and standards that have been adopted, and Santam's company-specific requirements. Considering stakeholders' growing interest and expectations regarding aspects related to ESG and the enhanced ESG disclosure regulations, Santam regards its efforts to contribute to positive change as instrumental to creating value for all its stakeholders.

More information regarding the execution of Santam's FutureFit strategy and the Group's approach to ESG can be accessed in Santam's 2023 Integrated Annual Report, the 2023 Remuneration Report, and the Company's verified 2023 Broad-Based Black Economic Empowerment scorecard.

Furthermore, Santam's ambition to be at the forefront of policy-making processes and dialogues that advance Africa's sustainable growth and prosperity resulted in the Group signing up to the Africa Business Leaders Coalition (ABLC) by endorsing the coalition's climate statement. Santam also continues to be a signatory to the United Nations Environment Programme (UNEP) FI Principles for Sustainable Insurance, which serves as a global framework for the insurance industry to address ESG risks. To learn more about how we manage and respond to climate-related risks, among others, kindly refer to Santam's 2023 TCFD Report.

During the reporting period, Santam was actively involved in several industry-driven interventions to empower consumers and support them in becoming financially literate. This excludes the investments made and resources allocated by Santam to uplift local communities through its contributions towards social, economic and development (SED) initiatives, and in particular, to empower and create sustainable opportunities for small, medium and micro-enterprises (SMMEs). The Group's Home+ initiative, which was launched approximately two years ago, is evidence of some of the successes achieved to date in this regard.

## Striving towards uplifting and safeguarding an equitable society

Santam's purpose is to safeguard what is being treasured by its clients, in a manner that enables wealth creation and the protection for all stakeholders' interests. This would not be realised if Santam conducted its business without due regard for human rights in every facet of its operations and business activities. During the reporting period Santam reviewed and updated the Group's Code of Ethics to align with best practice and ensure ethical decision making across all parts of the business.

## Santam's core values

The Board remains the custodian of corporate governance and is committed to the highest standards of business integrity, ethical values and corporate governance. It recognises Santam's responsibility to conduct its affairs ethically, transparently, with accountability, fairly and in a socially responsible way. This ensures that Santam operates a sustainable business that creates value for its stakeholders. Santam's corporate values are based on the following four core pillars, which can be summarised as follows:

Figure 3: Santam's core values

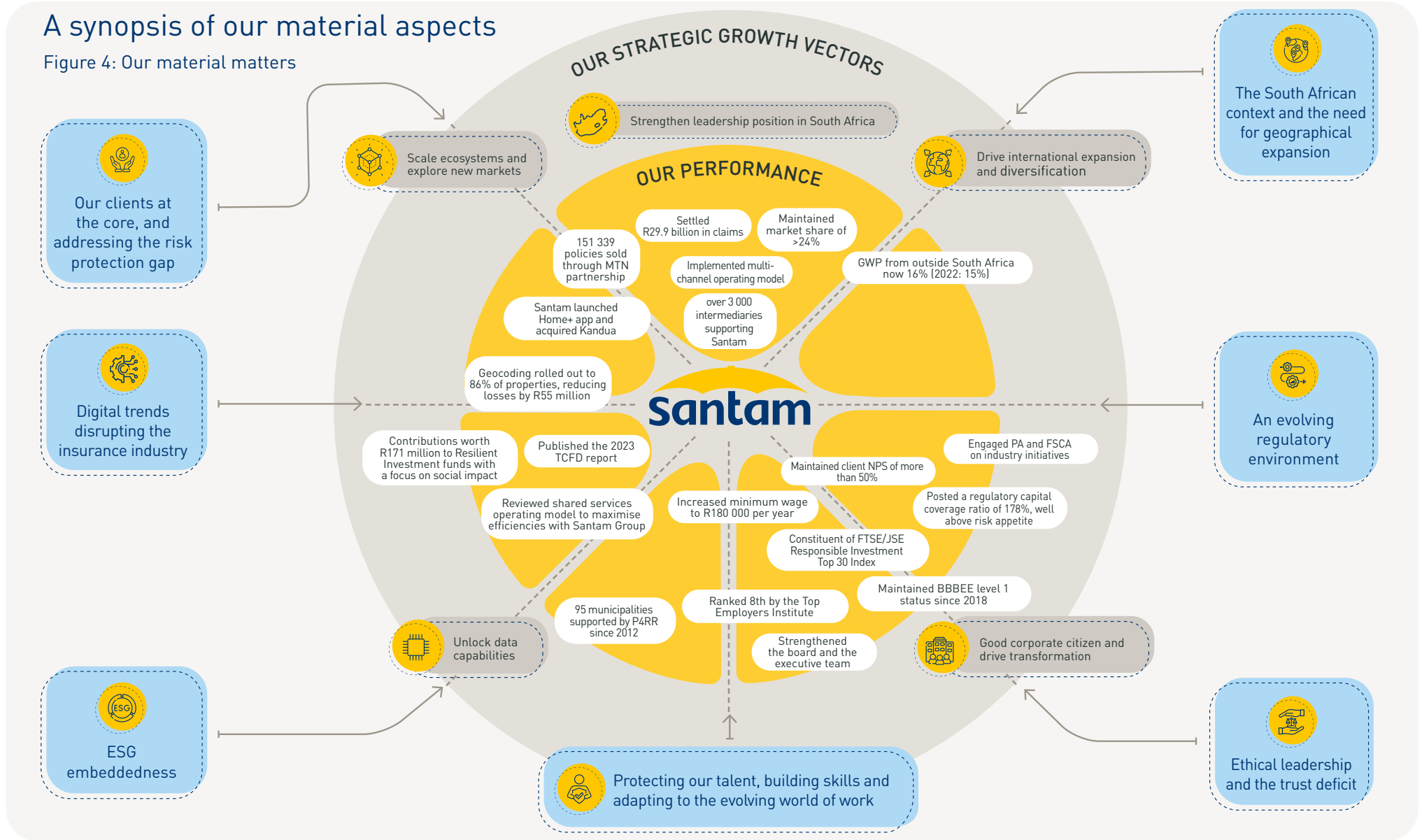


# Relevance and materiality (which guide and influence our approach)

Santam follows an annual process to review those aspects that are regarded as material for value creation and protection purposes. Each material matter listed below has the potential to impact Santam's performance significantly over the short, medium, and long term. It can create, protect and/or erode value for our key stakeholders. Further information in this regard and an update on the progress made during the 2023 reporting period in response to what we perceive as material, can be accessed in Santam's 2023 Integrated Annual Report.

## A synopsis of our material aspects

Figure 4: Our material matters



# Santam's strategic framework



*The Board ensures that the Santam strategy responds to the material aspects evident in a rapidly evolving operating environment.*

Figure 5: An overview of the key building blocks that enable the Group to deliver on its stakeholders' expectations – now and into the future.



# Stakeholder inclusivity

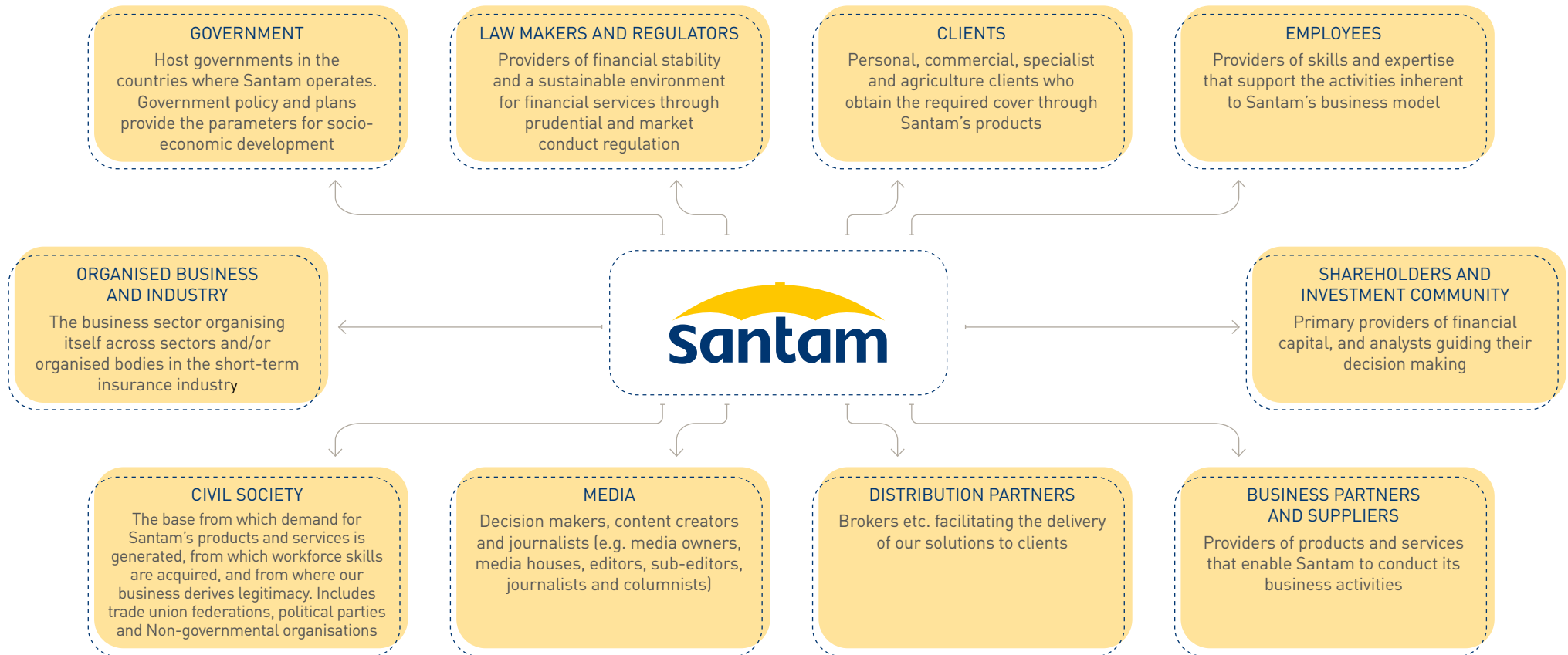
Sound corporate governance principles continually challenge corporates to shift from a “shareholder only” to a “stakeholder-inclusive” mindset. This ensures that corporate citizens take cognisance of their business practices and how they impact their key stakeholders.

Therefore, Santam adopted a stakeholder-inclusive and stakeholder-centric approach. The objective is for the Company to proactively communicate and engage its key stakeholders on material and relevant issues that affect them directly or indirectly. This is achieved through a broad range of communication channels and mediums to encourage stakeholders to respond and provide feedback in a pragmatic manner.

## Santam’s key stakeholder categories

Santam’s conduct and business operations impact, influence and affect a diverse group of stakeholders – both internally and externally. The Group’s stakeholder categories can be summarised as follows:

Figure 6: Santam’s key stakeholder categories



Santam's key stakeholders are all regarded as pivotal to Santam's sustainability, shaping and informing how the Company conducts its business.

During the reporting period, the Board reviewed and approved the Santam Group Stakeholder Engagement Policy, which was developed in line with the principles and recommendations of King IV. The policy defines Santam's key stakeholder groups and outlines the basic principles and requirements that govern how Santam engages its stakeholders and monitors and reports on stakeholder interventions. The responsibility to oversee and monitor the implementation of the policy has been delegated to the SES Committee.

The most important stakeholder management related developments during the reporting period included primarily climate-change-related catastrophes (e.g. adverse rainfall conditions in the first quarter of 2023, followed by 2 severe flooding events in the Western Cape province in June 2023 and September 2023, along with hail in Gauteng during November 2023), power outages, and load shedding, the Türkiye earthquake and consumer disposable income that remained under pressure despite a recent easing in inflation.

Santam continues to review its stakeholder engagement methodology to better understand stakeholders' expectations, interests and requirements. This ensures the Group's efforts align with Santam's strategy and support its execution.

## Santam's key stakeholder relationships

*As a leading general insurer, Santam is an integral part of society and, therefore, is accountable to current and future stakeholders. We are committed to understanding and responding to our stakeholders' interests and expectations.*

## The primary objectives of the Group's stakeholder engagements

- To proactively unlock growth by analysing key stakeholders' expectations and how Santam can create value in a sustainable manner
- To encourage senior leadership and main stakeholder relationship "owners" to engage in purposeful engagements to respond pro-actively and effectively to stakeholder-related factors
- To respond effectively to stakeholder-related aspects (e.g. by engaging government on material matters that affect the broader society)
- To act as a catalyst for positive change through investment in transformation initiatives (e.g. financial inclusion, employment equity, skills development, preferential procurement and investment in SMMEs)
- To establish and maintain partnerships for risk reduction while addressing the risk protection gap – by providing insurance and risk solutions in a good and proper way in all markets where Santam operates (i.e. noting that climate-change-related disasters are becoming a reality and are widening the risk protection gap)
- To display thought leadership and foresight as a good corporate citizen by effectively engaging in Santam's flagship partnerships for risk and resilience (P4RR) programme, corporate social investment (CSI), and the Black Broker Developer programme, to mention a few.

Santam's investor relations team and the Group Company Secretary facilitate communication with the Company's shareholder community. Each stakeholder category has an executive custodian assigned to it and is linked to senior managers who are responsible for stakeholder engagement and progress reporting.

All engagements are recorded on the *StakeTracker* platform, a system designed to drive effective stakeholder relationship management by recording, monitoring, reporting and disclosing stakeholder engagements. A colour-coded RAG (*red-amber-green*) status tracker has also been deployed to monitor and track the effectiveness and "health" of the Group's stakeholder relationships over time.

## Delivering profitable growth and resilience in a disruptive world

Santam's key stakeholders are regarded as pivotal to Santam's success and sustainability, and they inform how the Company conducts its business. This is why Santam remains true to its purpose – to safeguard what is important to its clients. During the previous financial year:

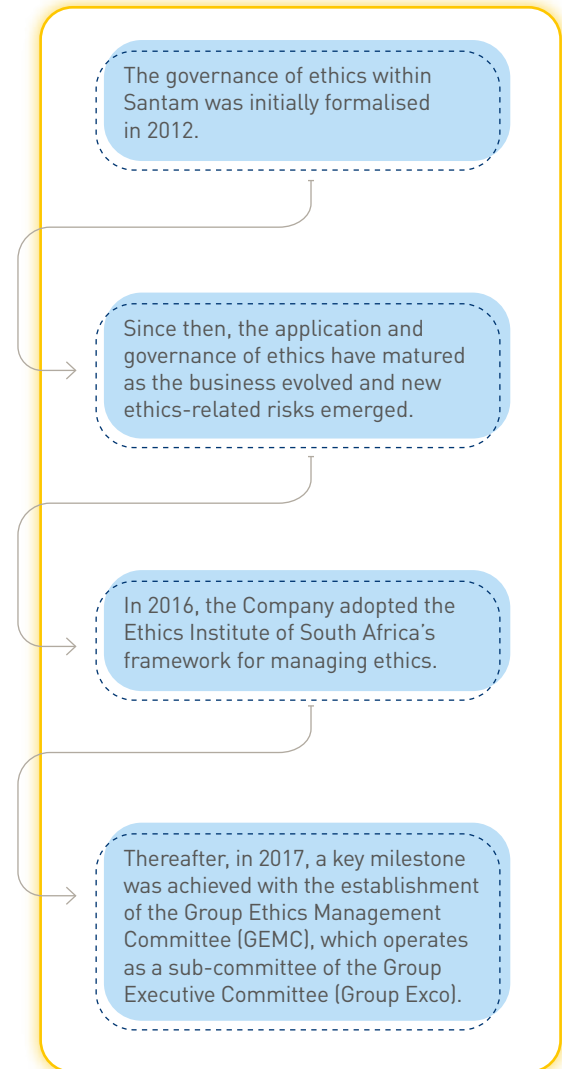
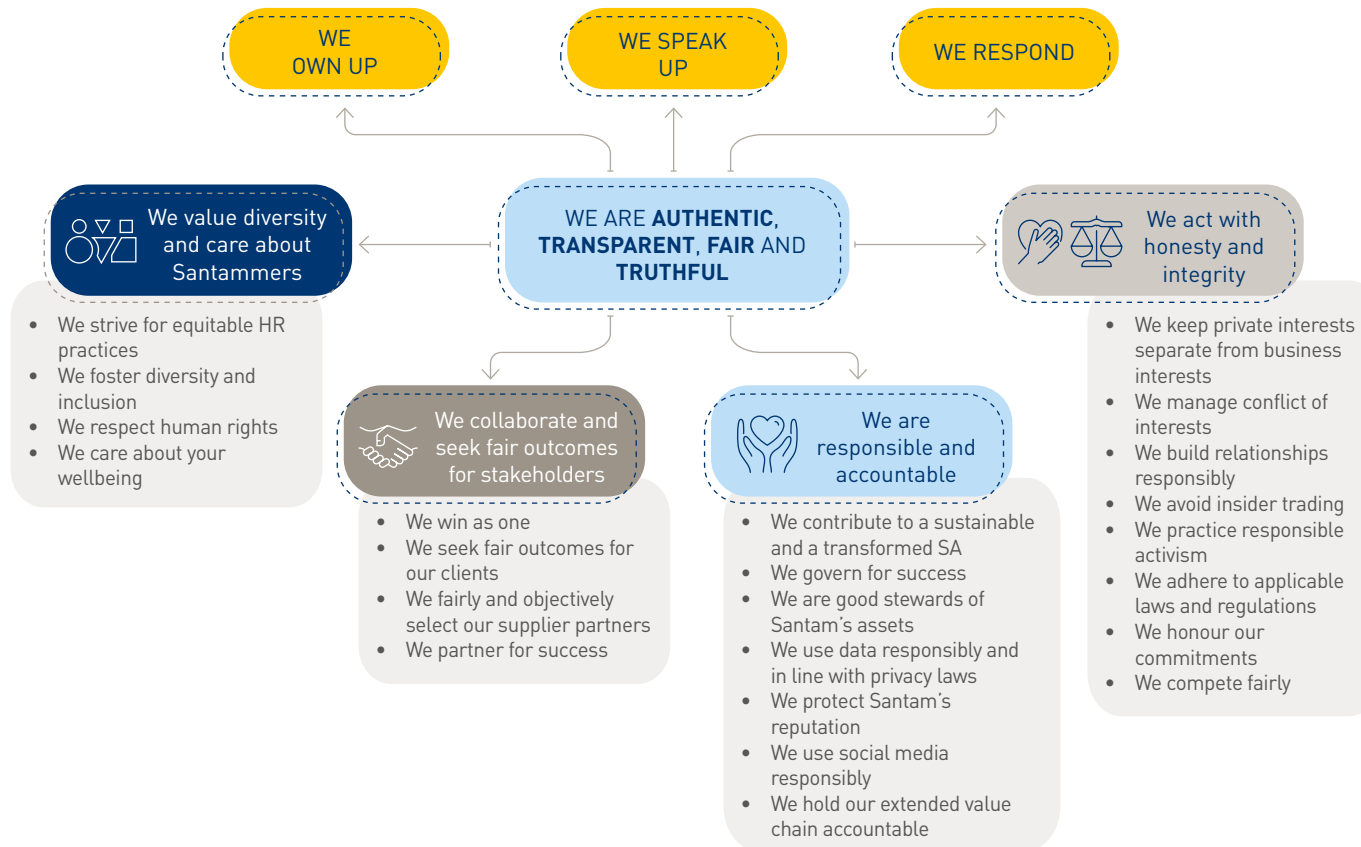
- Gross claims paid amounted to R29.9 billion, to help clients and local communities to mitigate risks and protect their financial wellbeing in various ways
- Santam continues to partner with local government to reduce and mitigate risks in vulnerable communities through its flagship P4RR programme. During the reporting period, the Group partnered with 95 municipalities, impacting 13.1 million people in South Africa

# Being a responsible corporate citizen, is a choice

## The governance of organisational ethics at Santam

The Board, as the custodian of governance, remains accountable for the effective execution of ethical business practices across the business. In general, the oversight of ethics management has been delegated to the SES Committee. This includes the frequent monitoring and reporting on Santam’s approach and application of ethical business practices.

Figure 7: Santam’s Code of Ethics summarised



GEMC assists the Board and the SES Committee with the management of ethics while continually monitoring Santam’s response to principled business practices. The GEMC meets on a frequent basis and is chaired by the Group’s Chief Risk Officer (CRO). The Ethics Office, in turn, provides operational support to the GEMC and fulfils the role of secretariat. All major areas of the business are represented on the GEMC given its diverse stakeholder groups. These representatives promote the interests of their respective stakeholders.

The Ethics Office is positioned within Santam’s business integrity unit, which reports directly to the Group’s CRO. Furthermore, the business integrity unit includes the ethics office, forensic services, integrity risk management and intelligence, contributing to Santam’s holistic approach to manage insurance crime and misconduct.

## Whistleblowing

At Santam, whistleblowing is a safe and reliable medium for internal and external stakeholders to raise concerns confidentially and anonymously regarding unethical behaviour or insurance crime. The business integrity unit manages the Group's confidential reporting mechanism. The Group has implemented several easy to access reporting mechanisms to facilitate whistleblowing. Reports can be made anonymously, and all allegations received are investigated by trained professionals. The Group also successfully deployed technology to assist with the detection by flagging high risk transactions. In addition, misconduct-related trends are regularly reported to the GEMC, Santam's Group Exco, the SES Committee and the Board based on relevance and materiality. Employees are also encouraged to consult the Company's ethics helpdesk for assistance with ethical decision making, ethics-related dilemmas or general enquiries. Our whistleblowing efforts resulted in the Group reporting 79 criminal cases (totalling R11.5 million) to the South African Police Services for criminal investigation. As at the date of publication, the forensic team was working on 223 "open" cases, which were at various stages of investigation.

The Group participated in the GIBS Ethics Barometer survey in 2021, which measured the Group's treatment of customers, suppliers, employees, the organisational culture and Santam's engagement with broader society. The Group's ethical fitness was rated in the Top 21% of Corporate South Africa. Following this survey, Santam's Code of Ethics and the Group's ethics management strategy were reviewed and updated to ensure they are relevant and pragmatic.

Given Santam's risk-based approach to ethics management, the ethics office continues to monitor the various misconduct categories highlighted particularly by employees in the GIBS survey. The ethics office also monitors adverse social media to identify possible ethics-related risks. Santam intends to conduct its next ethics survey in the 2025 financial year. The Group's holistic approach to ethics management continues to acknowledge and consider the interests of its stakeholders.

## Our revised approach towards ethics

- A consequence of the 2021 ethics survey and the emerging trends and risks that came to the fore, was that Santam's Code of Ethics was reviewed, redrafted and approved by the Board during the reporting period.
- Input was obtained from several key stakeholders and representatives of the various business units. This was in addition to the ethics office that held dedicated focus groups during 2022 to obtain feedback from employees on areas where the Code of Ethics could be enhanced
- Apart from the revised code being more comprehensive and explicit relating to ethical conduct, it is now also much more accessible to all Santam's stakeholders (e.g. employees, suppliers, brokers, investors, regulators, policyholders, etc.)
- A specific section has been provided to define the responsibility of all employees and line managers regarding ethical behaviour and misconduct
- The channels for investigation and reporting purpose have been explained in further detail
- The Code of Ethics is also supported by policies relating to specific areas, including the Group's Business Integrity Policy, the Anti-Bribery and Anti-Corruption Policy, the Conflict of Interest Policy, the Gratification Policy and Whistleblowing Policy
- Key milestones achieved in 2022/2023 include, but are not limited to, the following:
  - » The development of Santam's supplier code of conduct is published on the Group's supplier portal and provides Ethics Awareness Supplier Induction (EASI) training for existing and prospective suppliers. This training programme aims to create greater ethics awareness among suppliers to align with Santam's ethical business culture. The training is anticipated to be rolled out to suppliers during 2024/2025
  - » Training was furthermore conducted in partnership with the South African Police Services (SAPS) management in Polokwane to address the risk of liability insurance and forged policy schedules. Given the success of the intervention, similar initiatives are being considered to start in the near future
  - » The ethics office also hosted several ethics and insurance crime awareness events for employees, brokers and suppliers. The objective was to raise awareness around ethical conduct in general and to provide training on ethical "blindness" and impasses and how to better deal with these. More work in this regard is planned for the 2024 financial year
- Focus areas planned for 2024/2025: To ensure the revised Code of Ethics is reviewed annually and made available to all Santam's stakeholders. In addition, creating awareness and providing targeted training interventions to employees, brokers, suppliers etc., remain a focus area

*At Santam, our purpose is to safeguard what is important to our clients in an ethical and responsible manner, that enables wealth creation and protection for all our key stakeholders.*



## Zero-tolerance for bribery, corruption and insurance crime

Santam's commitment to conducting business with integrity includes the Group adopting a zero-tolerance approach to bribery, fraud, and corruption. This approach is governed by a formal policy which applies to all business activities in any jurisdiction where Santam operates. As a result, Santam strives to conduct its business in a **good and proper**, honest, ethical, fair and transparent manner. The latter includes Santam's commitment to the following key aspects:

- To uphold all applicable laws and regulations that are focused on countering bribery and corruption
- To have safe, appropriate and accessible reporting mechanisms where suspicious conduct or concerns of bribery and corruption can be reported
- To provide protection for whistleblowers and acting against anyone who victimises, intimidates or attempts to victimise whistleblowers for making reports
- To act swiftly in reporting and thoroughly investigate all incidents of bribery and corruption
- To create awareness and provide regular training around ethical business conduct, bribery and corruption
- To proactively understand and respond to the risk of bribery and corruption in our business operations

From an anti-money laundering and terrorist financing perspective, it is anticipated that an increase in international pressure will be placed on South African financial institutions to enhance their anti-money laundering controls and to reduce the risks to their international business partners. Although non-life insurers have been excluded from the ambit of accountable institutions, which imposes significant obligations in terms of the South African Financial Intelligence Centre Act (FICA), non-life insurers like Santam may be indirectly impacted due to business pressure from our international partners. Therefore, these developments and global trends are being monitored with caution on an ongoing basis. This is to ensure that Santam's response to and the anti-money laundering controls that have been implemented are robust and effective to safeguard the interests of the Group's affected stakeholder groups.

Furthermore, the Group's Anti-Bribery and Anti-Corruption Policy sets out the overall framework for combating corrupt practices while specifying the key principles to be adhered to. It is further supported by the insurance fraud risk management policies adopted by all licensed insurers in South Africa, as required by the Prudential Standards on the Governance of Insurers in terms of the Insurance Act.

Anti-money laundering and the countering of the financing of terrorism (AML/CFT) continue to be a focus area for Santam. The Group has deployed several solutions to ensure compliance with AML/CFT regulatory requirements and enforce targeted financial sanctions. In addition, a heightened approach was adopted to enhance the level of scrutiny when onboarding new suppliers and clients and transacting with existing clients.

The Board is pleased to report that, to its knowledge, no material losses were suffered during the reporting period due to fraudulent activities.

### Your vigilance contributes value to our process

#### Where to report fraudulent activities

Fraud line (South Africa): 0860 600 767  
Fraud line (Namibia): 0800 002 020  
Fraud line SMS: 31640  
WhatsApp: +27 76 921 3347  
Email: forensic.services@santam.co.za

## Collaborative efforts to reduce the impact of financial crime

We have signed a membership agreement with the South African Fraud Prevention Services (SAFPS), which has a membership community of over 100 members across various sectors in South Africa. SAFPS offers a platform where members publish cases of confirmed fraud and financial crime related incidents. Through these collaborative efforts between the SAFPS and other like-minded organisations across the globe, Santam aims to be a catalyst for positive change and to contribute towards reducing the impact of insurance crime on society and the economy. We have also built good relationships with several professional bodies that assist with creating awareness around topical issues, training initiatives and developing best practices. These include the Ethics Institute of South Africa, the Institute of Commercial Forensic Practitioners, the Association of Certified Fraud Examiners, the International Association of Auto Theft Investigators and the International Association of Financial Crime Investigators.

## Santam's Human Rights Statement

### Safeguarding those interests that matter is an integral part of our people-centric approach.

In 2023, the Santam Board reviewed and updated the Company's Human Rights Statement by referencing the United Nations Sustainable Development Goals (UN SDGs), providing an opportunity to create shared value for our business and our most important stakeholders. Overall, the statement summarises the Group's approach to human rights in relation to its business practices and key activities as an employer of choice, business partner, financial service provider and investor, as well as its role in local society and towards the environment. It also provides for the ethical dimensions of products that were developed during the reporting period.

Through the SES Committee, the Board continues to implement sound governance practices to ensure that all Santam's business activities subscribe to the Constitution of the Republic of South Africa (1996) and the Bill of Rights contained in Chapter 2 of the Constitution. This commits Santam to acknowledge, respect and affirm the democratic values of human dignity and equality.

The Company's stance is that business can only flourish in societies where human rights are safeguarded and respected. While the Company is geographically firmly rooted in South Africa, Santam continually pursues local and international opportunities to grow and preserve its clients' ability to safeguard what they value. Santam also seeks to narrow the *risk protection gap*\* in the markets where it conducts business through collaborative, proactive risk management activities and providing reliable, inclusive risk solutions.

The Group also continues to apply innovative measures and explore strategic partnerships to develop appropriate and "fit for purposes" products for, among others, SMMEs and consumers. As such, Santam remains actively involved in financial inclusion and education-focused, industry-driven interventions to empower consumers and support them to become financially literate.

The commitment to provide consumers with access to financial products and services is demonstrated through Santam's flagship initiative with one of the Group's strategic partners, the MTN Group. This partnership aims to provide digital insurance and investment offerings to South Africans and beyond who have been unable to access financial products and services via the more "traditional" distribution channels. To solidify the commitment to empowering and supporting the growth of the SMME sector, the Group recently also launched an affordable digital insurance solution for micro-township enterprises. Businesses in this sector will now be able to ensure business continuity and "recover" in the event of a loss.

Following an ethics survey conducted in 2021, Santam's ethics management strategy was updated to ensure it is relevant and pragmatic. The strategy focuses on ethical outcomes for employees, suppliers and the broader environment in which the Company operates. The ethics office is also working with the human resources department to improve the shared mindset and behavioural norms relating to the principles of *fairness, accountability, authentic and transparent expression (by word or conduct), dignity and respect*. To this end, the office will provide regular training, promote internal and external awareness, and develop leadership training material to support an ethical culture.

Given Santam's risk-based approach to ethics management, the ethics office monitors the misconduct highlighted by employees in the 2021 survey. The ethics office also monitors adverse social media to identify possible ethics-related risks. Santam intends to conduct its next ethics survey in the 2024 or 2025 financial year. In 2021, the Group also participated in the GIBS Ethics Barometer, which rated Santam in the top 21% of corporate South Africa. The Group's holistic approach to ethics management continues to acknowledge and consider a wide and diverse stakeholder group.

## Dealings in Santam securities

Santam strives to comply with the requirements of the Financial Markets Act and the JSE Listings Requirements that apply to dealings in shares by directors and other affected persons. As per the Board-approved Policy on Securities Dealing and Price-Sensitive Information, directors and those individuals who have access to or are exposed to price-sensitive information (affected persons) are precluded from dealing in Santam securities during "closed periods" until the Group's final and interim results are published.

The same principle applies when ad hoc closed periods are declared due to directors' and affected persons' involvement in corporate transactions. As per the norm, the office of the Group Company Secretary will issue a notice alerting all directors and affected stakeholders of the prohibition on trading in securities until the closed period has expired.

The Securities Dealing and Price-Sensitive Information Policy deals with the identification, classification and the effect of information arising in the ordinary course of business and information that does not so arise, including the regulatory and compliance requirements regarding such information. It further governs the process of dealing in securities and sets out the conditions under which directors and affected persons may deal in Santam securities and the requirements for such dealings. The objective is to create an appropriate balance between encouraging and facilitating investment in the Company's securities and ensuring the public perception of the integrity of Santam and its affected persons is never compromised.

During the year under review, stringent controls were implemented continuously to ensure compliance with this Board approved policy. All directors and affected persons must obtain pre-approval before any dealings in securities. The Board receives a quarterly report on all dealings in shares by directors and prescribed officers, whereas the relevant details of dealings by directors, prescribed officers and the Group Company Secretary are disclosed to shareholders and the market through the JSE's Stock Exchange News Service (SENS). In addition, Santam's investment management companies enforce meticulous trading policies regarding personal transactions in all financial instruments. During the past 18-month period, only one incident related to a breach of the aforesaid policy was reported. Although the outcome of the risk assessment resulted in a non-material incident, the necessary actions were instituted against the affected employee.

\* The risk protection gap is the difference between the total economic losses resulting from unforeseen events and the economic losses protected by insurance cover.

## Giving and receiving gratifications – “the Santam way”

Santam continuously strives to embed an ethical corporate culture. The Group’s approach to giving and receiving gratifications is governed by a formal Board-approved policy, which is annually reviewed. The policy enhances transparency and accountability by providing a framework for giving and receiving gratifications or gifts across the business. It constitutes minimum standards that must be adhered to, to ensure the effective management of conflicts of interest, the protection of the reputation and integrity of Santam, and compliance with relevant legislation.

All persons acting for or on behalf of any entity with the Santam Group are prohibited from attempting to exert undue influence in favour of any other party by offering, giving, soliciting, or accepting any form of gratification. In those instances when gratifications or gifts are allowed to be received from business partners, these must be divulged, recorded, and approved by management. In certain instances, pre-clearance of gratifications or gifts are required.

In alignment with the Code of Ethics, this policy applies to all directors, managers, employees full-time and/or contracted), independent contractors, intermediaries, agents and service providers.

## Regulatory governance

The abovementioned regulatory criteria are critical in influencing, guiding and shaping Santam’s rule-based approach to governance. At the same time, it is important to note that in 2020, Santam Limited was designated by the Prudential Authority in South Africa, in terms of section 10(1) of the Insurance Act read together with paragraph 1.11 of the Financial Soundness of Insurance Groups, as an insurance sub-group of Sanlam Limited. In addition, Santam Limited was designated by the Prudential Authority, in terms of section 10(2) of the Insurance Act, as the controlling company of the insurance sub-group. Shortly thereafter, the Prudential Authority (PA) also approved the licensing of Santam Limited as the controlling company of the Santam insurance sub-group in terms of section 23 of the Insurance Act.

The Board, therefore, has a statutory obligation to adopt, implement and document an effective governance framework that is aligned, among others, to the Insurance Act, the Companies Act, King IV and the Prudential Standards issued by the PA, which include the Governance and Operational Standards for Insurance Groups (GOGs) and Insurers (GOIs). As such, it is the responsibility of the Board to ensure compliance with the requirements imposed on a controlling company and an insurance sub-group under the Insurance Act, irrespective of the delegation or outsourcing of any of its responsibilities.





# Santam's approach to Corporate Governance

3

For several years, Santam adopted a dynamic approach to corporate governance. This necessitates the application of a combination of "rule-based" governance requirements and "principle-based" standards.

The rule-based governance requirements include, but are not limited to, the following reporting criteria and frameworks:

- The Companies Act, 71 of 2008 (as amended) (the Companies Act)
- The JSE Listings and the Debt Listings Requirements (as amended)
- The Insurance Act, 18 of 2017 (as amended) (Insurance Act)
- The Prudential Standards and Framework for Governance and Operational Standards for insurers and insurance groups (the Prudential Standards)
- The Financial Sector Regulation Act, 9 of 2017 (as amended) (Financial Sector Regulation Act)
- The Financial Markets Act, 19 of 2012
- The King Report on Corporate Governance™ for South Africa, 2016 (King IV)

As part of the evolving process of assessing the effectiveness of the Group's governance approach and structures, consideration was also given to the FTSE/JSE Responsible Investment Index Series and the Code for Responsible Investing in South Africa (CRISA).

Santam continues to make concerted efforts to review its business practices continuously. This ensures that its approach, methodology and governance-related protocols continue to support and complement the Group's vision and strategic objectives. To establish and maintain sound and ethical governance practices across the business, key principles, controls and policy-making activities are implemented at all levels of the organisation, guided by Santam-specific best practices and principle-based governance requirements.

The abovementioned standards and requirements, in addition to the Board's fiduciary duties, require the Board to accept accountability and take responsibility for governance, ethical leadership, and how decision making should be approached, governed and executed. The Insurance Prudential Standards further require the controlling company of an insurance group such as Santam to establish a governance framework that provides for sound and prudent management of the Group's business, including adequate protection of its clients' interests. To this end, the Santam Board reviews and approves the Company's Group Governance Policy every year as it emphasises Santam's approach to sound business practices and complements its strategic objectives.



## Santam's Group Governance Policy

### Purpose of the policy

This policy aims to establish certain principles as well as minimum and mandatory standards to be applied by the Santam Group in respect of the governance of all Santam Group companies. It also provides the overarching framework for other Santam Group Policies to support these areas of governance. The policy, furthermore, enables Santam to discharge the obligations imposed on it by law as a licensed controlling company and financial institution and includes the Company's Board approval framework.

In pursuing optimal governance and risk management, the policy defines the level of influence that Santam (as the controlling company of the Santam Ltd Insurance sub-group of Sanlam Ltd and ultimately the holding company of the Santam Group of companies), is expected to and can exercise in terms of general corporate governance principles, regulations, and stakeholder expectations in directing the strategy. This includes setting and enforcing corporate governance and risk management policies and practices within these corporate entities.

### Policy objectives

One of the key objectives is to ensure that appropriate policies and governance structures are in place, to effectively:

- Influence, govern and guide the strategic direction of Santam's Group of companies
- Manage Santam's potential financial exposure to potential risks
- Secure and protect Santam's reputation
- Protect and grow the value of Santam's (and its co-investors') investment
- Discharge the Group's obligations in respect of compliance with regulatory requirements
- Consider and meet the legitimate expectations and interests of all relevant stakeholders
- Oversee and govern internal controls and authorisations

### Policy implementation

- The policy is primarily for internal use by Santam's Board of directors, management and the Santam-nominated directors serving on the Boards of its subsidiaries
- Implementation at a subsidiary level is based on individual business autonomy, but remains subject to the Santam Group's defined set of governance standards and protocols
- It is also subject to Santam's business rules and its commitment to operational efficiency, regulatory group supervision, ethical behaviour and inter-group collaboration
- It aims to govern and exercise authority – i.e. individually and/or in consultation with Santam's Group Exco
- The responsible Boards at a subsidiary level and the Santam-nominated directors on the Boards of such companies across the Group are responsible for ensuring adherence to the policy
- Deviations from the policy and non-compliance incidents are treated as exceptions
- Santam's Group CEO must be satisfied that compelling arguments exist (including substantiation) for a temporary or permanent deviation
- All deviations from the policy and non-compliance incidents are reported to Santam's Group Exco and the Audit Committee

## Our governance practices in markets where we operate

To support and develop mature governance and ethical structures and business processes in those markets where Santam operates (or where the Group has business interests), all entities across the organisation are required to adhere to and confirm compliance with Santam's governance principles and with respective in-country laws and regulations where it operates.

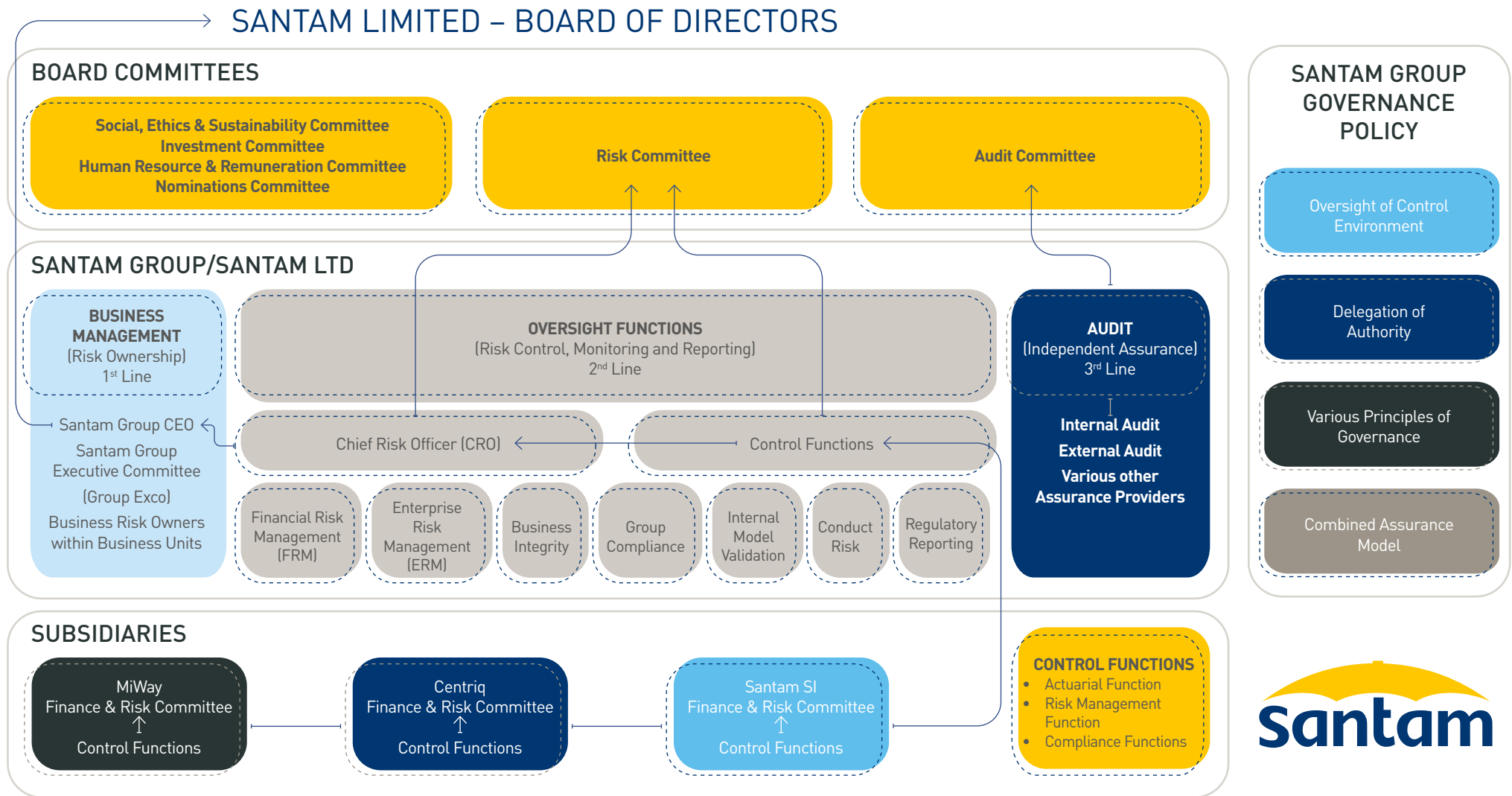
Santam's Group governance framework recognises each company within the Group as a separate and independent juristic entity to which its directors owe fiduciary duties. Thus, the adoption and implementation of Santam's policies, structures and procedures remain a matter for consideration and approval by the boards of the individual companies operating as separate legal entities. Therefore, to ensure alignment and facilitate consistent implementation across the Santam Group, an inclusive approach is followed to develop business philosophy, strategy, policies and procedures.

Santam's subsidiaries give feedback on the implementation of governance practices through their respective board representation letters, which are presented to and considered by Santam's Audit Committee twice per annum. In addition, the Group continually engages with its internal stakeholders to ensure a common understanding and application of how to report on governance-related aspects and the types of ethics-related breaches that must be disclosed. This enhances the effectiveness of the standard governance protocols while simultaneously promoting awareness.



# Santam's Group Governance Structures

Figure 8: An overview of Santam's Group Governance Structure



## Delegation of authority

Corporate governance refers primarily to those systems, rules, practices and processes by which an organisation is directed and controlled. It guides and influences how an entity is controlled, aiming to assure stakeholders that the Company is conducting its business operations in a fair, ethical, accountable, sustainable, responsible and transparent manner.

Santam's governance framework comprises various elements that seek to create certainty while defining decision making powers and signing authorities at all levels of the organisation. Santam's memorandum of incorporation (MOI) and its Group Governance Policy make provision for specific governance-related processes and protocols, as well as decision making powers, to be exercised by various stakeholders. This includes a clear distinction between the role that Santam's shareholders fulfil and the responsibilities and decision making powers that are delegated from time to time to the Board of directors, the Board Committees, the Group Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the heads of control functions and other Company representatives and custodians of key portfolios.

These functions and decision-making powers are recorded in the Group's governance framework. The Board reviews the framework annually to ensure it remains relevant, pragmatic, and, where necessary, aligned with the applicable regulatory requirements. Although the Board remains accountable, certain responsibilities are delegated to the Group CEO, the CFO and, where applicable, Santam's Group Exco.

The objective is to clarify roles and ensure that management is empowered to effectively exercise authority and discharge its responsibilities. In turn, feedback is continually monitored and reported to the Board as part of the Group's control system. In the event of deviations or anomalies occurring within the business' operational structures, an internal escalation protocol is triggered. This requires the responsible parties to review the relevant governance processes that were implemented and assess the effectiveness of the controls in place to mitigate or prevent recurrences.

## The Board of directors

### Role and mandate

The Board is responsible for directing, administering, and controlling the affairs of the Company in a transparent, fair, ethical and responsible manner. It performs an oversight role and has overriding control over the Santam Group and its subsidiaries. This includes the Board overseeing and approving the process to achieve and maintain an appropriate balance of knowledge, skills, experience, diversity, and independence. The Board, furthermore, aims to ensure that it objectively and effectively discharges its governance role and responsibilities. This includes ensuring that the necessary systems and processes are in place for the Group to achieve its key strategic deliverables sustainably.

The Board remains the custodian of corporate governance and is committed to the highest standards of business integrity, ethical values and corporate governance. It recognises Santam's responsibility to conduct its affairs ethically, transparently, with accountability, fairly and in a socially responsible way. This ensures that Santam operates a viable and sustainable business that creates value for its stakeholders. From time to time, the Board also delegates some of its responsibilities to its Board Committees and/or management. Such delegation, however, does not constitute a discharge of the Board's accountability.

*The Board's agenda centres largely on the Group strategy, Santam's overall statutory, risk and financial oversight, the execution of capital management, mergers and acquisitions, accounting policies, financial results, Santam's dividend policy, human capital development, JSE Listing Requirements, risk management, regulatory compliance and corporate governance practices that are applicable throughout the Group. The Board is also responsible for overseeing Santam's key stakeholder relationships and conducting business in the best interest of those the Group serves and represents.*

The Board is further accountable for the following, among others:

- Determine Santam's overall objectives, approve strategic plans to achieve the objectives, monitor operational performance, ensure effective risk management and internal controls, and monitor legislative, regulatory and governance requirements
- Ensure there are clear and formal procedures in key areas so that regulators and auditors can readily review decisions and actions, internally and externally

- Conduct business in accordance with Santam's Code of Ethics
- Oversee the issuance of reports to comply with legal requirements and to meet the legitimate and reasonable information needs of material stakeholders
- Allocate major roles and responsibilities according to the Company's delegation of authority framework
- Oversee and appreciate that Santam's core purpose, strategy, risk and opportunity, business model, performance and sustainable development are all inseparable elements of the value creation process and to give effect to this by taking it into account
- Delegate to management the formulation and development of Santam's short-, medium- and long-term strategy to ensure that Santam achieves its objectives as a business enterprise. This is done while considering the organisation's impact on Santam's stakeholders, financial performance, and the environment

### The Board is supported by:

- The following six Board Committees
  1. Audit Committee (\*Pr. 3 – 5, 7 – 9, 11 – 12, 15 – 17)
  2. Risk Committee (\*Pr. 1 – 5, 7, 8, 11 – 13, 15, 17)
  3. Investment Committee (\*Pr. 3 – 5, 7 – 9, 11, 15 – 17)
  4. Social, Ethics and Sustainability Committee (\*Pr. 1 – 5, 8, 11, 13, 15 – 17)
  5. Human Resources and Remuneration Committee (\*Pr. 5, 7 – 10, 14)
  6. Nominations Committee (\*Pr. 1 – 3, 6 – 9, 16)
- The Group Company Secretary (\*Pr. 1 – 17)
- The Group Exco (\*Pr. 8, 10, 14)
- Various internal and external assurance providers (\*Pr. 4, 11, 15)
- Management (junior, middle and senior management) (\*Pr. 10)
- Advisors, external counsel, subject matter experts (SMEs) (\*Pr. 1 – 5, 7 – 8, 11 – 13, 15 – 17)

"\*Pr." – i.e. the recommended Principle/s as set out in King IV (which relates to the role and mandates of the respective governance forums and assurance providers listed above).



## The composition of the Board and Board member profiles

As at 31 December 2023, Santam's Board comprised 11 non-executive directors (of which 7 were classified as "independent") and two executive directors.

### Independent non-executive directors



**Nombulelo Moholi (63)** 🌍

**Chair of the Board of directors and  
Chair of the nominations committee**  
Qualifications: BSc (Electrical and Electronics  
Engineering)

Date of appointment: 3 June 2021

Nombulelo graduated with an engineering degree and has more than 30 years' experience in multiple industry sectors such as technology, finance and insurance, mining and retail. She currently serves as a non-executive director on the boards of Engen, Woolworths Holdings and Anglo-American Platinum.



**Caroline Da Silva (58)** 🌍

**Chair of the SES Committee**  
Qualifications: BA, Executive Leadership  
Management Practice

Date of appointment: 3 June 2021 (Chair of the  
SES Committee with effect from 1 October 2023)

Caroline has more than 30 years' experience in the insurance industry and served in various executive roles at the Financial Services Board and Financial Sector Conduct Authority between August 2013 and October 2020.



**Dawn Marole (63)** 🌍

**Previously the Chair of the HRRC and  
the Chair of the SES Committee**  
Qualifications: BCom, Dip (Tertiary  
Education), MBA

Date of appointment: 13 December 2011  
(Retired: 30 September 2023)

Dawn is an experienced corporate executive and human resources director. She is currently the executive chairperson of Executive Magic and is a member of the Presidential Review Committee for State Owned Enterprises. She has served on various boards, including the MTN Group Ltd, Kumba Resources Ltd, the Development Bank of Southern Africa and JP Morgan Sub-Sahara. She is currently a director of Resilient REIT Ltd, Sun International Ltd, Shoprite Holdings and is a trustee of the Emthunzini B-BBEE Community Trust.



**Deborah (Debbie) Loxton (60)** 🌍

**Chair of the Risk Committee**  
Qualifications: BCom, BAcc, CA(SA)

Date of appointment: 3 June 2021

Debbie is a chartered accountant with more than 30 years' experience in audit, risk, finance and governance, including 15 years' experience in the insurance industry. She spent 6 years as an audit partner at PwC, has held various executive positions at the Old Mutual Group, and has several years of experience serving as an independent non-executive director on boards within the financial services industry.



**Lucia Swartz (66)** 🌍

**Chair of the HRRC**

*Qualifications: BA (Psychology and Geography), Dip (Human Resource Management), Advanced Management Programme*

Date of appointment: 1 June 2023 (Chair of the HRRC with effect from 1 October 2023)

Lucia is a senior human resource executive and strategic business partner, with international experience in corporate and start-up operations and a proven record of accomplishments of successfully building and aligning people's capabilities to the needs of the business. She serves on the board of Mr Price Group Ltd, Tiger Brands Ltd, Isizwe Advisory Services (Pty) Ltd, Fibertime Group (Pty) Ltd and Mazwie Viedges. She was also previously employed by AB InBEV Africa (Pty) Ltd/SABMiller Africa Ltd as the Vice President – People Africa Zone.



**Mmaboshadi (Shadi) Chauke (44)** 🌍

*Qualifications: BCom, BAcc, CA(SA)*

Date of appointment: 3 June 2021

Mmaboshadi is a chartered accountant with 18 years' post-qualifying experience in the external audit and financial services sectors. She is a former registered auditor, having served five years as an audit partner at Deloitte & Touche South Africa until February 2018. She currently serves as an independent non-executive director on the boards of Sanlam Developing Markets, MiWay Insurance Group, Afrocentric Investment Corporation, The Small Enterprise Foundation, Mamor Capital (Pty) Ltd and Mamor Capital Ventures (Pty) Ltd.



**Monwabisi Fandeso (65)** 🌍

**Lead Independent Director and Chair of the Investment Committee**

*Qualifications: BSc (Hons), MBA*

Date of appointment: 15 January 2020

Monwabisi is the lead independent non-executive director of Santam Ltd and non-executive director of Centriq Insurance Holdings (Pty) Ltd. He has held various executive and non-executive roles at listed and unlisted entities, including SAB Miller, Tiger Brands, Absa and the Thebe Group. He currently also serves as a non-executive director on the boards of Empact (Pty) Ltd, Santam Structured Insurance group of companies, Thebe Investment Corporation and Brolink (Pty) Ltd.



**Preston Speckmann (67)** 🌍

**Chair of the Audit Committee**

*Qualifications: BCompt (SA) (Hons), CA(SA)*

Date of appointment: 8 February 2017

Preston has held managerial and executive positions at MMI Holdings Ltd, Old Mutual SA and Pepkor. He is a former PwC audit partner. He serves as a director of the MiWay group of companies, Centriq group of companies, Safrican Insurance Company Ltd, SIH Capital Holdings (Pty) Ltd and Impala Platinum Holdings Ltd.

## Non-executive directors



**Abigail Mueletwa Mukhuba (44)** 🌍🇿🇦

*Qualifications: BCom (Hons), CA(SA), MCom (SA and International Taxation), MBA*  
Date of appointment: 16 November 2020

Abigail has experience in the financial reporting and tax specialist environment in both the automotive and mining industry, having served in various roles at KPMG, BMW SA (Pty) Ltd and Exxaro Resources Ltd. Abigail previously served as finance director of African Rainbow Minerals and currently serves as finance director of Sanlam Ltd and Sanlam Life Insurance Ltd as well as a non-executive director of Sanlam Emerging Markets and Sanlam Investments (Pty) Ltd.



**Junior John (JJ) Ngulube (65)** 🌍🇿🇦

*Qualifications: BSc (Hons) (Agriculture), MSc (Agriculture), Dip (Financial Management)*  
Date of appointment: 23 April 2018

Junior is the former Chief Executive of Sanlam Emerging Markets and former deputy chairman of Sanlam Pan Africa. He has also previously served as CEO of Sanlam Corporate and Munich Reinsurance Company of Africa Ltd. He currently serves as the chair of Marsh South Africa, a non-executive director of Continental Reinsurance Company as well as a board member of Transition to Transformation NPC.



**Mlondolozzi (Lotz) Mahlangeni (43)** 🌍🇿🇦

*Qualifications: BBusSc (Hons), Fellow of the Institute of Actuaries, FASSA*  
Date of appointment: 12 December 2022

Lotz is an actuary with over 20 years' extensive and diverse experience in the insurance, reinsurance, investments, and investment banking sectors of the financial services industry. He is the group chief actuary and chief risk officer of Sanlam Ltd.



**Paul Hanratty (62)** 🌍🇮🇪

*Qualifications: BBusSc (Hons), Fellow of the Institute of Actuaries*  
Date of appointment: 11 August 2020

Paul has been the Group CEO of Sanlam Ltd since 2020. He is an expert in actuarial, risk and compliance as well as ethics governance. He obtained a BBusSc (Actuarial Science)(Hons) from the University of Cape Town and is a fellow of the Institute of Actuaries (FIA). Paul has held various leadership roles at large financial services companies in Africa, the UK and several other markets. He is currently a director of Sanlam Ltd, Sanlam Life Insurance Ltd, Sanlam Investment Holdings (Pty) Ltd, SIH Capital Holdings (Pty) Ltd and the AfroCentric Group.

## Executive directors (*ex officio*)



Tavaziva (Tava) Madzinga (45) 🌍🌍

**Group Chief Executive Officer**

*Qualifications: BBusSc, FASSA, Fellow of the Institute of Actuaries*

Date of appointment: 1 July 2022 (1 April 2022 as an executive director)

Tava has been appointed as the Group CEO of Santam since July 2022. He previously held other leadership roles which include Group CEO of Britam insurance Plc (East Africa), CEO Swiss Re UK & Ireland (London), managing director Swiss Re Middle East & Africa (Zurich & SA) and Regional CEO Old Mutual Southern & East Africa (Lagos, Nairobi). He has worked across financial services including investments, banking, savings and insurance (life, healthcare, P&C, reinsurance). He currently serves as director of the Centriq group of companies, the MiWay group of companies and the SSI group of companies.



Hennie Nel (54) 🌍

**Group Finance Director and Chief Financial Officer**

*Qualifications: BAcc (Hons), CA(SA)*

Date of appointment: 17 September 2012 (Resigned: 30 June 2023)

Hennie has been the Group Finance Director and Chief Financial Officer of Santam since September 2012. Prior to his role at Santam, he was a director at PwC where he has worked since 1993. His range of experience within the financial services industry covers general and life insurance as well as banking and investment management. Before Hennie stepped down as Santam's Group Finance Director, he also served as a director on the boards of several entities within the Santam group of companies.



Matthys Lodewikus (Wikus) Olivier (49) 🌍

**Group Finance Director and Chief Financial Officer**

*Qualifications: BAcc (Hons), CA(SA)*

Date of appointment: 1 July 2023

Wikus' expertise includes accounting, finance, financial markets and investments as well as general business and risk management. Prior to joining Santam as the deputy Chief Financial Officer on 1 January 2023, Wikus held several senior executive positions within the Sanlam Group, including serving as acting chief financial officer of Sanlam Limited and Sanlam Life Insurance Limited in 2019/2020, after which he assumed the role of Sanlam's Group executive: corporate strategy. He currently serves on the board of directors of the MiWay group of companies, the Centriq group of companies, the SSI Group of Companies, Guardian National Insurance Company Ltd and Santam Namibia Ltd.

## Group Company Secretary



Ruwaida Eksteen (45) 🌍

**Group Company Secretary**

*Qualifications: BCom (Law), LLB, Masters (Development Finance)*

Date of appointment: 1 July 2022

Ruwaida assumed the role of Group Company Secretary of Santam Ltd in July 2022. She previously served in various senior governance, risk management, compliance, legal, commercial and company secretarial roles in the JSE Listings environment, the financial services industry, the FMCG industry as well as the energy sector before joining the Sanlam Group in 2018.

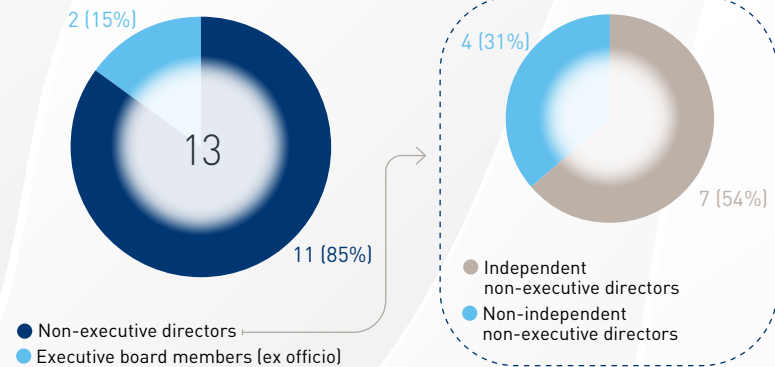
The Board is satisfied that its current composition, mix of knowledge, skills, experience, diversity, and independence are appropriate for it to discharge its governance responsibilities effectively.

## Key facts about Santam's Board as at 31 December 2023

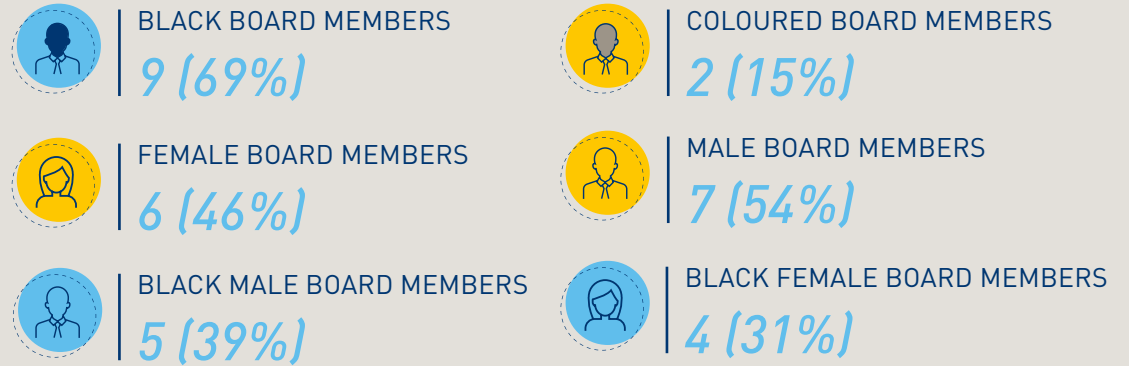
Figure 9: Key facts about Santam's Board as at 31 December 2023

### Composition

NUMBER OF BOARD MEMBERS



### Diversity



### Tenure and age

NEWLY APPOINTED BOARD MEMBERS IN 2023

2 (15%)

INDEPENDENCE CLASSIFICATION OF THE CHAIR OF THE BOARD & THE CHAIRS OF THE 6 BOARD COMMITTEES

100%

AVERAGE AGE OF BOARD MEMBERS

56 years

NUMBER OF BOARD MEMBERS ROTATING IN 2023

4 (31%)

### Board meetings

VOTING RIGHTS PER BOARD MEMBER

7.69%

NUMBER OF BOARD MEETINGS HELD DURING 2023

4

NUMBER OF ESTABLISHED BOARD COMMITTEES

6

TOTAL NUMBER OF BOARD COMMITTEE MEETINGS HELD DURING 2023

30

BOARD STRATEGY SESSIONS HELD DURING 2023

1

## Board matrix

While considering Board members' individual skills, expertise, qualifications, and other board memberships that they are affiliated to, Santam's Nominations Committee uses a matrix to assess and evaluate the composition of the Board at least annually. The matrix below provides a synopsis of some of the most significant evaluation criteria that is being considered when the Board and the respective Board Committees' compositions are reviewed and considered.

Board of directors	Board member classification			Gender		Race		Tenure			Skills and expertise													
	Age (as at 31 December 2023)	Executive director	Non-executive director (NED)	Independent NED	Male	Female	Black	White	<3 years' service	<6 years' service	>9 years' service	Accounting	Financial markets/ investments	Actuarial	General business	International	Reinsurance	Human resources	Marketing and brand management	Risk management	IT	Legal	Sustainability	Empowerment
<b>Director</b>																								
N Moholi (Chair)	63	x	x		x		x		x				x		x	x		x		x	x		x	x
M Fandeso (LID)	65		x	x	x		x			x			x		x				x				x	x
D Marole*	63		x	x		x	x				x			x	x			x	x				x	x
P Speckmann	67		x	x	x		x			x		x	x		x				x	x		x	x	
C Da Silva	58		x	x		x		x			x			x			x		x	x		x		
D Loxton	60		x	x		x		x			x			x			x			x				
M Chauke	44		x	x		x		x			x			x	x			x	x	x			x	x
JJ Ngulube	65		x		x		x			x				x	x		x			x			x	x
P Hanratty	62		x		x				x				x	x	x		x			x			x	
A Mukhuba	44		x			x			x				x	x	x		x			x				
L Mahlangeni	43		x		x		x		x				x	x			x			x			x	
L Swartz**	66		x	x		x		x					x	x	x			x						x
T Madzinga (Group CEO)	45	x			x		x		x				x	x	x		x			x				x
H Nel (previous Group CFO)***	55	x			x			x		x			x	x	x		x			x	x			
W Olivier (Group CFO)****	49	x			x			x					x	x						x			x	
<b>Total (i.e. as at 31 December 2023)</b>		2	11	7	7	6	9	4	8	4	1	5	13	3	13	10	7	4	2	12	2	1	9	7

\* Retired as a member of the Board on 30 September 2023.

\*\* Appointed to the Board on 1 June 2023.

\*\*\* Resigned as a member of the Board on 30 June 2023.

\*\*\*\* Appointed to the Board on 1 July 2023.

# Salient governance-related aspects

## The relevance of “independence”

Independence generally means the exercise of objective, unfettered judgement. To this end, Santam's governing body continues to support and foster independent and unbiased decision making, while mitigating any actual, perceived or implied conflict of interest. This means the absence of “an interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision making” (King IV).

These sentiments underpin Santam's approach towards independence and are echoed in the Companies Act, the JSE Listings Requirements and the Prudential Standards and Framework for Governance and Operational Standards for insurers and insurance groups. The same applies to international best practices such as the International Corporate Governance Network's Global Governance Principles, the OECD Principles of Corporate Governance and the Canadian Corporate Governance Guidelines.

The Board perceives independence (combined with diversity) applied at a Board level, as fundamental and complementary to enhance constructive debate and effective thought processes.

## Our Board's application of independence

Santam's Board is structured so that no individual director has unfettered decision making powers. As a result, the Board is satisfied that its composition at the end of the reporting period reflected an appropriate balance and mix of knowledge, skills, experience and diversity.

The Board believes that appropriate controls and measures are in place to ensure its independence and the exercise of objective decision making powers. The independence status and classification of the respective directors serving on the Board are reviewed and assessed at least once per annum.

During the period under review, each of the directors met the requisite fit and proper requirements, including the criteria for independence. However, this assertion excludes the independence classification of three non-executive directors who were appointed to the Board given their association and affiliation with Santam's majority shareholder (Sanlam Limited), namely Paul Hanratty, Abigail Mukhuba and Lotz Mahlangu.

In addition, Junior Ngulube's non-independence classification remained unchanged during 2023 due to his previous association and representation of Sanlam Limited on Santam's Board of directors. The recent independence review resulted in him continuing to be classified as a “non-independent” director. The Board, however, agreed to retain Junior Ngulube as a non-executive director due to his wealth of knowledge and the expertise that he contributes to the Board as a collective.

Furthermore, both Tavaziva Madzinga (Group CEO) and Wikus Olivier (Group Finance Director) were categorised as executive (*ex officio*) directors serving on the Board.

The Board was satisfied that its majority independence status during the 2023 financial year had been retained.

At the end of the 2023 financial year, the majority of the non-executive directors serving on Santam's Board were classified as “independent”.

## Conflicts of interests

Santam acknowledges the instrumental role and contribution that independence at a Board level fulfils. During the reporting period, the Board continued to implement appropriate measures and protocols to ensure that sound corporate governance practices are applied and maintained in the case of related party transactions and any perceived, actual or implied conflicting interests involving non-executive directors.

These include, among others, the following protocols:

- Each Board member is required to submit a signed declaration of interest form at least every quarter. These are monitored by the Group Company Secretary and reported to the Nominations Committee, which considers each declaration made as part of the individual Board member's annual independence review
- All directors (including the members of the Group Exco, management representatives and any other invitees who participate in or attend a Board or Board Committee meeting) are obliged to divulge any perceived, actual or implied conflict of interest that may occur at the relevant meeting. This is a standing item on each meeting's agenda, and any declarations made at the aforesaid meetings are recorded in the minutes thereof
- From time to time, the Group's external auditors and internal assurance providers review and consider the directors' quarterly declarations, and they also have access to the minutes of meetings that were held
- At Santam, standard practice furthermore requires conflicted directors to recuse themselves from Board or Board Committee deliberations relating to any perceived, actual or implied conflict of interest matter if and when it occurs. For the period under review, no directors had to recuse themselves from any Board or Board Committee meeting. Furthermore, the Board (via the Risk Committee) annually reviews and approves Santam's Conflict of Interest Policy
- The Board of Santam also annually appoints a LID as an impartial resource to facilitate discussions or deliberations involving related party transactions, conflicted engagements, or conflicting issues. The LID is also mandated by the Board to lead any discussions or deliberations that affect, involve, or question the impartiality, objectivity or independence of the Chair of the Board. Furthermore, the LID's Charter is annually reviewed and approved by the Board
- As and when required, the Board and/or Board Committees are at liberty to seek assurance or consult legal counsel

## Quorum requirements

Santam's MOI states that the Board should comprise a minimum of six and a maximum of 15 members. As at the end of the 2023 financial year, the Board comprised 13 directors, the majority of whom were classified as independent. The quorum requirements necessary for transacting the business of the Company are the majority of the appointed directors.

## The selection and (re-) appointment of directors

It is in the interest of the shareholders (and all stakeholders) that Santam's Board is properly constituted and comprises an appropriate balance and mix of knowledge, skills, expertise, diversity and representivity. Therefore, an appointment to the Santam Board is a formal, structured and transparent process. As per the JSE Listings Requirements and the Prudential Standards, Santam's directors are appointed in accordance with a Board-approved policy that details the procedures for the selection and (re-) appointment to the Board. This policy assists and guides the Nominations Committee and the Board in proposing, nominating and (re-) appointing directors.

The abovementioned policy is reviewed annually by the Board and provides for the following:

- The process to nominate and consider prospective candidates for appointment to Santam's Board (i.e. based on their skills, qualifications and expertise as well as their potential to complement and enhance the Board's collective capabilities and effectiveness)
- The screening and background checks that are independently being performed with the objective of investigating and verifying the prospective candidates' qualifications, identification, credit records, references, et al
- Subject to the outcome of the abovementioned, the Nominations Committee will recommend the appointment of an appropriate and suitable candidate to the Board. Each recommendation must be accompanied by the nominee's consent and appropriate evidence of his/her suitability, experience, skills, current directorships, compliance with Santam's fit and proper requirements and his/her qualifications
- Any appointment by the Board is, furthermore, subject to regulatory approval as well as approval by the Company's shareholders at Santam's Annual General Meetings (AGM)
- The Board further continues to ensure and promote diversity in its membership across various attributes to enhance better decision making, constructive debate and effective governance at Board level. This includes areas of expertise, skills and experience, age, culture, race and gender
- The Nominations Committee continually evaluates the composition, range of skills, experience, diversity and expertise of the Board. This is to identify key aspects that will enhance the Board's effectiveness
- Directors must retire by rotation in terms of the Company's MOI but may remain eligible for re-election. Thus, the Company's shareholders have the opportunity to continually participate in the election process for new directors and/or to replace existing directors

## Rotation of directors

In terms of clause 25 of Santam's MOI, at least one-third of the directors serving on the Company's governing body shall retire each year at the AGM. The directors to retire at each AGM shall be those who have been longest in office since their last election. He/she shall continue to act as a director throughout the AGM at which he/she retires. In the interest of good corporate governance, Santam's executive directors are also required to rotate on a voluntary basis as per a pre-determined schedule of rotation. Four non-executive directors are required to rotate at the 2024 AGM. They are:

1. Deborah Loxton (independent non-executive director)
2. Mmaboshadi Chauke (independent non-executive director)
3. Paul Hanratty (non-executive director)
4. Abigail Mukhuba (non-executive director)

The abovementioned members of the Board have made themselves available for re-election at the upcoming AGM given their eligibility. The Board considered and supported these rotations. Shareholders are, therefore, requested to consider and cast a vote in favour of the re-appointment of these Board members. A brief curriculum vitae of each director standing for re-election due to rotation at the 2024 AGM is available on pages 6 to 8. A summary of their respective profiles can also be accessed in Santam's Notice of the 2024 AGM.



## Changes to the Board during 2023

Subsequent to the regulatory approval that was granted by the Prudential Authority, the following changes to the Board occurred during the 2023 financial year:

- Mlondolozzi (Lotz) Mahlangu (appointed to the Risk Committee on 1 January 2023)
- Lucia Swartz (appointed on 1 June 2023)
- Hennie Nel (resigned on 30 June 2023)
- Wikus Olivier (appointed on 1 July 2023)
- Dawn Marole (retired on 30 September 2023)

### Retirements during 2023

- Dawn Marole (an independent non-executive director) retired on 30 September 2023 due to her long-standing tenure on the Board of directors. She previously fulfilled the role as the Chair of the SES Committee and the HRRC. In addition, she also served as a member of the Nominations Committee.

The changes to Santam's Board Committees that followed Dawn Marole's retirement, can be summarised as follows:

- » Lucia Swartz (an independent non-executive director), succeeded Dawn Marole as the new Chair of the HRRC (effective 01 October 2023). Lucia's appointment to the Board, effective 1 June 2023, was primarily made to enhance the overall skill set of the Board and to further strengthen the Board's collective expertise and capability
- » Caroline da Silva (an independent non-executive director) succeeded Dawn Marole as the new Chair of the SES Committee (effective 1 October 2023). She was also appointed as a member of the HRRC with effect from 1 June 2023 with the objective to strengthen the Board's collective expertise and capability
- » Monwabisi Fandesio (an independent non-executive director and Santam's Lead Independent Director) succeeded Dawn Marole as a new member of the Nominations Committee (effective 1 October 2023)

### Resignations during 2023

- Hennie Nel resigned as the Group's Finance Director (FD) and Chief Financial Officer (CFO) on 30 June 2023. This was due to him assuming a new role as the Executive Head: Corporate Finance at the Sanlam Group with effect from 1 July 2023.
  - » He was succeeded by Wikus Olivier who was appointed as Santam's new Group FD and CFO with effect from 1 July 2023
  - » This included Wikus Olivier being appointed as Santam's Debt Officer as well as a member of the Investment Committee and the Risk Committee post Hennie Nel's resignation

The abovementioned changes to the Board and Board Committees have been announced to shareholders via SENS in compliance with the JSE Listings Requirements.

## Succession applied at a Board level

Santam's approach to succession planning at Board level is to a large degree influenced by a suite of applicable regulatory requirements as well as Santam-specific empowerment and talent management strategies. One of the Board's core objectives is to establish and maintain continuity while ensuring the effective transfer of skills as and where required. This is in addition to the Board's composition and size complementing and supporting the execution of Santam's refreshed FutureFit strategy. The Nominations Committee assists the Board in addressing the gaps of current and future Board members (if any) through mentorship and development programmes.

The Nominations Committee, in consultation with the Chairs of the respective Board Committees, review and identify any skills gaps that might occur at Board and/or Board Committee level. It also considers the outcome of the annual Board and Board Committees' performance evaluations. The recent changes that were implemented during the 2023 FY from a succession perspective, includes the developments noted herein above.

## Board training, development, and induction

The Group Company Secretary oversees the induction of new directors appointed to the Board and facilitates the ongoing director training and development requirements. In response to the new Board appointments made during 2023, a Board induction session was held during the second half of the 2023 financial year. This engagement focused predominantly on Santam's Group FutureFit strategy, its operating model and approach towards client centricity, the statutory requirements applicable to the Group, general Board matters, Santam's governance protocols that are in place, the directors' fiduciary duties and responsibilities as well as topical Santam-specific and industry trends.

During the year under review, training continued to be a standing item on the agendas of each Board and Board Committee meeting. This was to ensure that the Board members were able to execute their role, responsibilities and fiduciary duties effectively and efficiently.

In addition, ongoing support and resources are provided to Board members as and when required to expand and refresh their skills, knowledge and understanding of the business and the industry at large. The Board further developed and approved a Director Induction, Training and Development Policy in 2023, which will be reviewed annually. The purpose of the policy is to govern and facilitate Santam's approach towards director development and training interventions. It also aims to clarify the Board's collective responsibility regarding the induction and development of new directors appointed to the Board.

## Diversity management, equity, and inclusivity

As a strategic imperative, Santam's commitment to empowerment and diversity, equity, and inclusivity (DEI) aims to leverage superior and sustainable business results in a competitive environment, through cutting-edge practices. The Group's approach towards DEI and transformation is, for this reason, holistic and integrated across various stakeholder groups, and it is embedded in the Company's ESG objectives and business practices.

The Nominations Committee considers the benefits of all attributes of diversity (including but not limited to) race, gender, culture, age, field of knowledge, religion, skills, and experience to enable the Board to discharge its duties and responsibilities effectively.

Santam's policy that governs the promotion of diversity attributes on the Board assists and guides the Nominations Committee and the Board on its approach towards diversity management and inclusivity principles. This policy, which recognises and embraces the benefits of a diverse Board, is reviewed annually by the Board. It provides, in principle, for the setting and monitoring of targets to increase diversity attributes at Board level.

The Board adopted specific targets to be achieved at the end of the 2023 financial year. This included a target of at least 35% of the Board that needed to comprise women and a minimum of 55% of the Board's composition to reflect a majority of black directors. The objective was also to maintain the Board's majority independence classification of 50% or more.

- *The Board is pleased to report that as at the end of December 2023, the agreed diversity targets had been achieved.*
- *The Board also managed to maintain its majority "independence" status.*

## Board retirement

The Board's retirement policy in terms of Santam's MOI stipulates that directors will cease to hold office at the AGM following their 70th birthday – unless, prior to this date, the majority of the Board reached consensus and agreed to extend the term by one year.

## Annual Board effectiveness evaluations

A close correlation exists between the performance of the Board and the performance of the organisation it oversees. As a result, continuous performance assessments allow the Board to reflect on its role and responsibilities and review and improve its performance.

Board effectiveness evaluations also enable the Board, the Nominations Committee and the Group Company Secretary to identify Board training needs.

During the 2022 financial year, an in-depth Board effectiveness evaluation was conducted with the assistance of an external service provider. The evaluation took the form of an online questionnaire drafted in line with best practices as espoused by King IV. Board members were requested to rate each question on the Board's performance on a scale of 1 (poor) to 5 (excellent). In addition, pre-selected members attended confidential one-on-one interviews with an external facilitator to interrogate and dive deeper into the scoring results and trends. At the time, the Board received an overall score of 4.5 out of 5.0 for the 2022 Board effectiveness evaluation, which was a higher score than the private sector benchmark.

A similar exercise was conducted online during the 2023 reporting period through an internal self-assessment review. The areas of assessment included the Board's role and responsibilities, its composition, key Board role players, the culture at Board level, the effectiveness of the respective Board Committees and an independence review of Santam's non-executive directors. The Board members participated by providing anonymous and confidential feedback. The governance areas reported on in the assessment feedback included a combination of quantitative and qualitative components.

*The Board is satisfied that during the period under review:*

- *It fulfilled each of its responsibilities relevant to the 2023 financial year*
- *It operated optimally and effectively*
- *An appropriate balance of skills and expertise were maintained at Board and Board Committee level*
- *The Board held its majority "independence" classification*
- *The respective Board Committees were appropriately constituted, and the quorum requirements were met*

## External service providers and advisers to the Board

The Board's Charter authorises the Board and its Board Committees to seek (as and when required) independent, external professional advice concerning matters within the scope of their duties – subject to following a Board-approved process. This excludes the Board being at liberty to request documentation from and set up meetings with management as and when necessary.

## The purpose of Santam's Board Committees

From time to time, the Board delegates some of its functional responsibilities to its Board Committees through clearly defined mandates that embrace the principles of sound corporate governance practices. The primary objective of Santam's Board Committees is to assist and support the Board in executing its mandate and responsibilities.

The respective Board Committees regularly report to the Board, as a collective, on their respective deliverables according to each Committee's Board-approved Charter and annual work plan. These charters and annual workplans are as per the norm, reviewed and approved by the Board at least once per annum. This process ensures that the content remains relevant and aligned with the expected deliverables associated with the Board's mandate and the directors' fiduciary duties.

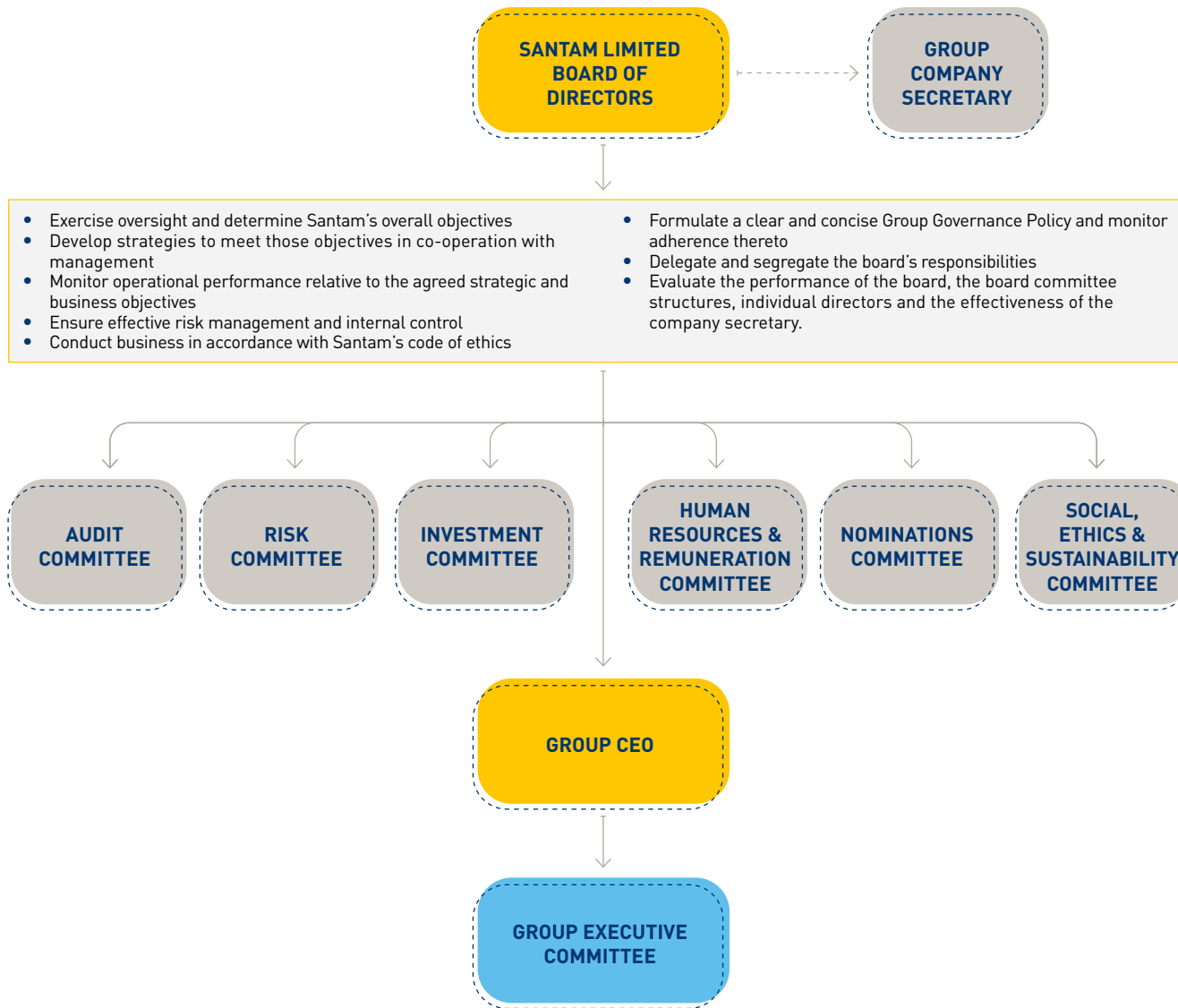
The Board and Board Committees' terms of references seek to outline:

- The Board and the Board Committee's role and responsibilities
- The requirements for its composition
- The process and criteria for the appointment of members
- Meeting procedures and quorum requirements
- The Board and the Board Committee's delegation of authority to management
- The assessment of the effective functioning of the Board and Board Committee
- The respective Board Committees' role in assisting the Board to ensure a balance of power to effectively discharge its duties

A summary of the Board and Board Committees' role and mandates are included in this report on pages 44 to 56.

The diagram below provides a high-level synopsis of Santam's six Board Committees.

Figure 10: An overview of Santam's Board and Board Committees



## Cross Committee membership

Santam's Board members recognise their responsibility to exercise effective leadership by always adhering to their fiduciary duties, collectively and individually. However, it is of critical importance for the Board to ensure that:

- A balanced distribution of power is maintained across the Board Committees at all times
- No opportunity arises for any individual Board Committee member to dominate decision making
- Undue reliance is never placed on any individual Board Committee member

The Board, therefore, provides for effective leadership in its Board Committees by allowing collaboration between Board Committees through cross-membership. It also provides for co-ordinated timing of meetings to avoid duplication or a fragmented functioning between the respective Board Committees.

The various Board Committees may occasionally be required to provide input to other committees on matters relevant to those committees' mandate and scope. The respective committees are then obliged to ensure an appropriate flow of information. In addition, in fulfilment of their duties, Board Committees are authorised to call on the Chairs of other committees and governance forums across the Group, or any of the executive directors, Company officials, the Group Company Secretary or any assurance provider, including any employee within the Santam Group, to assist them with information, at the Company's cost, subject to the relevant Board-approved process.

The Board Committees also have the power to delegate their authority and duties to sub-committees, ad hoc committees or individual members of a particular governance forum as they deem appropriate – i.e. provided that they are not precluded by any legal or regulatory requirement from doing so.

The Chair of the Board has access to, and can attend, any of the Board Committees' meetings as an invitee – i.e. in those instances where she is not appointed as an official member of a particular Board Committee.

## Governance-related milestones and key focus areas of the Board during 2023

During the reporting period, the Board held four meetings and one Board strategy session to consider and deliberate on strategic, financial, governance, risk-related and other relevant matters. Below is a synopsis of some of the salient aspects and material focus areas that were dealt with during the 2023 financial year:

- **A comprehensive review was conducted on refreshing the Group's corporate strategy, implementing Santam's new multi-channel operating model with effect from 1 January 2023 and strengthening the management team** to create and unlock future growth in a sustainable manner. This included reviewing Santam's investment strategy, reinsurance strategy and the Group's enhanced approach to ESG aspects
- **Dedicated resources were assigned to perform a robust review of the Group's shared services operating model.** This included the Group's brand management portfolio, Group marketing, Group sourcing and procurement, human capital, data management and IT
- **Succession planning at Board level and at Group Exco and senior management level** was regarded as critical to identify, monitor and manage the risk by association. Actions were further implemented to mitigate the looming retirement of critical skills and simultaneously manage "key man" risks
- In September 2023, **the transaction to dispose of 10% of the Santam interest in SAN JV** to Allianz Europe BV (Allianz) was concluded. R2 billion of the c. R2.6 billion proceeds from the transaction were subsequently paid to shareholders as a special cash dividend. This was in addition to the interim dividend that Santam declared in August 2023
- **Santam's diversification across market segments, insurance classes and geographical reach continued to receive attention.** It included some recent corrective underwriting actions that were implemented, which resulted in positive outcomes, with further benefits expected from the roll-out of geo-coding, risk management, and other directed measures
- **Extensive work had been done on geo-coding of the property book** to obtain a better understanding of the detailed nature of risks and improve pricing mechanisms, while reducing the cost of claims
- **ESG continued to be a key focus area in alignment with the Group's list of strategic objectives.** This included embedding ESG principles in how Santam conducts its business and rewards performance. As a result, ESG-specific key performance indicators were provided for in the performance measurement criteria of Group Exco and senior management. The implementation thereof is being monitored continuously with Santam's reward strategy aligned to the new performance assessment criteria. Further information in this regard, is available in Santam's 2023 Remuneration Report
- **IFRS17 implementation** – ongoing efforts were made to adjust Santam's systems and processes to ensure compliance with the new reporting requirements. To this end, Santam's IFRS17 transition project was successfully closed in July 2023, followed by ongoing monitoring and reporting. Various training initiatives were undertaken to ensure the affected Santam representatives (including the members of the Audit Committee) were informed and familiar with the stated reporting requirements from an income statement and balance sheet perspective
- **The Board continuously reviewed Santam's strategic portfolio (mergers and acquisitions)** and guided management regarding same
- **Digital adoption and rapidly expanding best practices in insurance** remain an ongoing focus area on the Board's agenda
- **The viability and effectiveness of Santam's response to digital transformation in general and the implementation of the Group's digital strategy and IT roadmap** – i.e. noting the impact on the Group's budget considerations
- Further consideration was afforded to possible **opportunities for mutual collaboration with the Sanlam Group** to create synergies, enhance efficiencies and establish strategic partnerships. One example is the opportunities afforded through cross-selling initiatives
- The Board considered the **impact of volatility on the economy, the impact of climate change and natural catastrophes (e.g. the increased frequency and severity of flood and hail events), the Group's "risk exposure"** and the impact on renewals and Santam's key stakeholders
- Santam's annual **own risk and solvency assessment (ORSA) report was reviewed and approved by the Board.** This included Santam assessing its capital targets to be adequate given the size, business mix and complexity of the Group's operations
- **Santam's risk appetite statement and risk tolerance levels were reviewed and approved by the Board.** This was done in conjunction with the review of the Group's approach to reinsurance and the associated renewal negotiations
- A heightened approach to **client centricity and treating customers fairly** was adopted across the organisation. This includes Santam's reiteration and the awareness that was being created in view of the Group's Human Rights Statement that had been reviewed during 2023. The latter also relates to Santam's diligent attempts to better understand its clients' requirements, needs and expectations
- **A comprehensive policy wording review was also performed during the reporting period.** The objective, among other, was to ensure that the Company (as a trusted financial services provider) responded more effectively to its clients' expectations – by doing business in a more transparent, fair, *good and proper* manner. The review process further aimed to ensure that those risks that are included and provided for (and those that were excluded), were properly documented and clearly communicated to the customer.
- Specific resources were assigned to **improve the disclosure of material and topical ESG-related aspects**
- A review was conducted on the **Group's hybrid operating model, the nature of work to be performed at all levels of the organisation, ways to measure efficiencies and productivity, and the allowance for flexibility and "new ways of work"**

In addition, several **Group governance-related policies and procedures were reviewed and approved** by the Board during the 2023 reporting period. These included the following Group policies, among others:

## Group governance-related policies reviewed during 2023

No.	Policies for Review
1	Group Governance Policy
2	Board Approval Framework
3	Code of Ethics
4	Securities Dealing and Price Sensitive Information Policy
5	Santam Group Policy for the Selection and (re-)appointment of directors
6	Santam's Group Policy re the promotion of diversity attributes at a Board level
7	Santam Group Whistle Blowing Policy
8	Santam Group Conflict of Interest Policy
9	Santam Group Enterprise Risk Management Framework
10	Santam Group Stakeholder Engagement Policy
11	Santam Group Compliance Policy
12	Santam Group Stress Testing Policy
13	Santam Group Capital Management Policy
14	Santam Group Internal Control Policy
15	Santam Group FAIS Conflict of Interest Management Policy
16	Santam Group Reinsurance Policy
17	Santam Group Business Integrity Risk Management Framework
18	Santam Group Business Integrity Risk Management Policy
19	Santam Group Investment Policy
20	Santam Group Foreign Currency Management Policy
21	Santam Group Internal Model Change Policy
22	Santam Group Internal Model Data Policy
23	Santam Group Internal Model Documentation
24	Santam Group Internal Model Validation Policy
25	Santam Group Internal Model Governance Policy
26	Santam Group Information Technology Policy
27	Santam Group Information and Data Policy
28	Santam Group Digital Behaviour Policy
29	Santam Group Cyber Security Policy
30	Santam Group Business Continuity Management Policy
31	Santam Group Outsourcing Policy
32	Santam Group Underwriting and Concentration Risk Policy
33	Santam Group Operational Risk Management Policy
34	Santam Group Third Party Governance and Risk Management Framework
35	Conduct of Business Framework
36	Conduct of Business Committee Charter
37	Santam Group Anti-Bribery and Anti-Corruption Policy
38	Santam Group Facilitation Payments Policy
39	Santam Group Fit and Proper Policy
40	Santam's Director Induction, Training and Development Policy





# 4

## Key roles within Santam's Group governance structures

## Santam Limited's Board of directors – the primary custodian of governance

Santam Ltd is the controlling company with a primary listing on the JSE and a secondary listing on the Namibian Stock Exchange and A2X. Santam is a majority-owned subsidiary of Sanlam Ltd. As at the end of the 2023 reporting period, Santam's Board of directors comprised 13 directors, of which the majority was classified as independent non-executive directors.

The Board's agenda centres largely on the Group strategy, Santam's overall statutory, risk and financial oversight, the execution of capital management, mergers and acquisitions, accounting policies, financial results, Santam's dividend policy, human capital development, the JSE Listings Requirements, the Debt Listings Requirements, risk management, regulatory compliance and corporate governance practices that are applicable to the Group. The Board is also responsible for overseeing the relationship with key stakeholders of the Group.

The Board Charter, reviewed annually, governs and regulates how the Board members (collectively and individually) perform their duties according to the principles of good governance. The delegation of certain responsibilities of the Board to its Board Committees and/or management does not reduce the Board's accountability or fiduciary duties in any way. As a minimum, the Board remains accountable and is required to continue to exercise due care and judgement. The Board must also apply its collective mind to the Company's vision, mission and strategy.

## Designated "key person" roles



### The Chair of the Board

Nombulelo Moholi was appointed to the Santam Board with effect from June 2021. She is an independent non-executive director and assumed her role as the Chair of the Board in 2021. An integral part of her duties includes providing effective leadership to the Board and ensuring it effectively discharges its governance role and responsibilities. She is also responsible for assisting the Board in applying its collective mind to the information, opinions, recommendations, reports and statements presented to it by management. This includes her actively engaging with Board members, building on their strengths, and addressing or developing gaps where necessary. The Chair is a member of the HRRC and has been appointed as the chair of the Nominations Committee. She also has access to and attends all the other Board Committees' meetings as an invitee.



### The Lead Independent Director (LID)

In terms of the JSE Listings Requirements and the King IV, the Board must appoint a senior independent non-executive director as LID to lead the Board where a perceived, actual, or implied conflict of interest occurs and/or is likely to occur. Santam's LID (Monwabisi Fandesio) also serves as a sounding board for the Chair, acts as an intermediary between the Chair and other members of the Santam Board if and when necessary, and occasionally deals with shareholders' concerns.

As per the LID's Board-approved Charter, which is reviewed annually, the Board elects and appoints an independent non-executive director to serve as the Company's LID. The LID's term of office may be more than one year, capped at a maximum of three years if re-elected. His role becomes effective, and he starts serving actively in this capacity, should:

- The Chair be absent from her office
- The Chair be unable to perform her duties for whatever reason
- When the independence of the Chair is debatable or impaired in certain instances. The independence of the Chair would be considered to be impaired in respect of her performance appraisal and/or when the majority of Board members hold this view

Following the annual Board effectiveness evaluation conducted during the 2023 reporting period, the Board reached a consensus on the performance and service delivered by Monwabisi Fandesio. The Board confirmed that it was satisfied that the LID operated effectively, independently, and consistently with the skills, experience and attributes required to execute his delegated mandate.



### The Group Chief Executive Officer

The Group CEO is an *ex officio* member of the Board of directors of Santam. He also serves as the Chair of the Group Exco. In addition, the Group CEO has been appointed as a member of the Risk Committee and the Investment Committee in 2022. He was further appointed as a member of the SES Committee with effect from 1 January 2023. Although he is not a member of the HRRC, the Audit Committee or the Nominations Committee, he attends the committee meetings or parts thereof by invitation to contribute to pertinent issues and to provide information to the respective Board Committees when required.

The Group CEO is accountable to the Board for the successful execution of the Group's refreshed FutureFit strategy and the overall management of Santam's performance. The Board agreed to delegate specific responsibilities and decision making powers to the Group CEO as outlined in the reviewed Group Governance Policy and the Board-approved authorisations framework. The Board annually evaluates the performance of the Group CEO against a set criteria and pre-determined performance measures and targets.



## The Group Company Secretary

The Group Company Secretary is a statutory appointment fulfilled by Ruwaida Eksteen, who assumed her role in July 2022. One of her portfolio's core functions is to support the Board in the execution of its governance role and responsibilities and ensure compliance with the regulatory requirements applicable to Santam and the Board per se. These include the requirements outlined in the Companies Act, the JSE Listings Requirements, the Debt Listing Requirements, the Prudential Standards and Framework for Governance and Operational Standards for insurers and insurance groups, and insider trading. The Group Company Secretary is also responsible for the administration of shareholders and the direct interface between Santam's transfer secretaries, Computershare and Strate.

The Group Company Secretary has an arms-length relationship with the Board and is not a director of the Company. Her role does not include being involved in Santam's day-to-day operations other than providing statutory, company secretarial, governance and compliance services to the Group.

As per King IV, the Board must ensure that the office of the Group Company Secretary is empowered and that the position carries the necessary authority and standing. The Board is also primarily responsible for approving the appointment and removal of the Group Company Secretary. The performance and independence of the Group Company Secretary should, therefore, be evaluated by the Board at least annually.

The Group Company Secretary is further responsible for the compilation and distribution of Board submissions and for filtering them to ensure compliance with the required standards of good governance. Her role includes raising matters that may warrant the attention of the Board and ensuring compliance with all relevant statutory and regulatory requirements, with due regard to the specific business interests of Santam. In particular, the Group Company Secretary must also be familiar with the duties set out in Section 88 of the Companies Act and must assist with carrying out corporate strategies insofar as ensuring that the Board's decisions, resolutions and instructions are documented and communicated to the relevant persons. She also needs to communicate with shareholders from time to time as appropriate and ensure that due regard is paid to their interests.

All directors have unlimited access to the Group Company Secretary. She attends all Board and Board Committee meetings. The Board is satisfied that there are adequate and effective arrangements for accessing professional corporate services with the assistance of the Group Company Secretary, who also oversees the induction of new directors and facilitates the ongoing training requirements of Board members. She furthermore keeps the directors abreast of applicable legislation and regulations, changes to rules, standards, codes, and governance-related developments that could affect the Group's licence to operate.

As required by the JSE Listings Requirements, the Board herewith confirms that it is satisfied that:

- The Group Company Secretary is competent and has the relevant qualifications, skills and experience to fulfil her role
- The Group Company Secretary is not a director of the Company
- The role and responsibilities of the Group Company Secretary are described in the Board's Charter and aligned to the applicable regulatory requirements
- The Board is satisfied with her performance and independence during the reporting period





# Santam's Group Executive Committee (Group Exco)

## Committee composition and role

Santam's Group Exco comprises the Group CEO (Chair), the Group FD and CFO, the heads of the respective client-facing businesses within the Santam Group and the Group office functionalities and enabling services business units. The members of Group Exco have each been designated by the PA as a "key person" under the auspices of sections 14 and 15 of the Insurance Act.

Regular Group Exco meetings are held, which cover, among others, deliberations on Santam's strategic, financial, risk and compliance, operational and governance-related matters.

Group Exco supports and assists the Group CEO with the operational management of Santam, subject to statutory and delegated limits of authority. Although specific deliverables are often assigned and delegated to the members of Group Exco, through the office of the Group CEO, Group Exco's primary responsibilities include the execution of Santam's refreshed FutureFit strategy, co-ordination, performance monitoring and reporting.

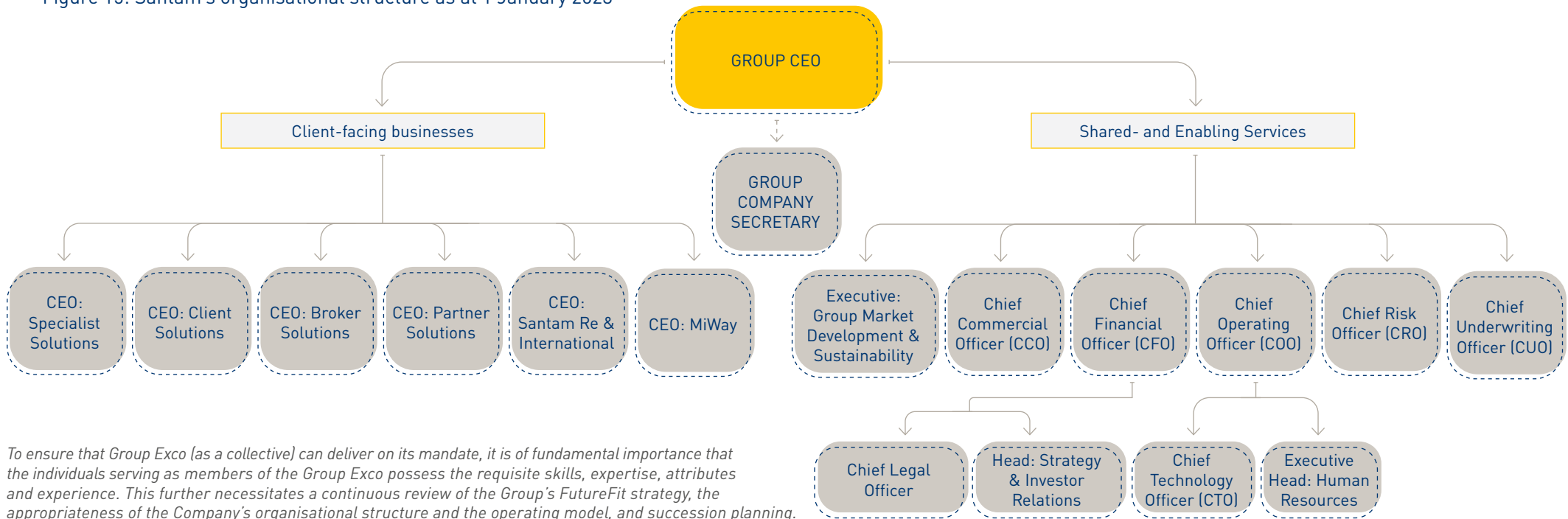
Group Exco comprises a diverse group of skilled and experienced executives. The HRRC appoints each of these executives upon the recommendation of the Group CEO. In addition, the HRRC periodically reviews and assesses the members of Group Exco's performance over time. These performance evaluations are based on a pre-determined set of targets and key performance indicators that are derived from the Group CEO's key performance areas, which in turn are aligned to the execution of Santam's refreshed FutureFit strategy.

One of the most significant changes that occurred during the last two financial years was the incorporation and provision of ESG-related key performance indicators in the performance contracts of the members of Group Exco.

## Santam's new client-facing operating model since 1 January 2023

Below is a synopsis of Santam's new organisational structure that came into effect on 1 January 2023. It underpins and supports the execution of the Group's FutureFit strategy.

Figure 15: Santam's organisational structure as at 1 January 2023












To ensure that Group Exco (as a collective) can deliver on its mandate, it is of fundamental importance that the individuals serving as members of the Group Exco possess the requisite skills, expertise, attributes and experience. This further necessitates a continuous review of the Group's FutureFit strategy, the appropriateness of the Company's organisational structure and the operating model, and succession planning.

## Our executive leadership team as at 31 December 2023

The refreshed FutureFit strategy and new operating model coincided with attracting new executives into Santam's leadership team.


Figure 16: Santam's Group Executive Committee

 <p><b>Tavaziva Madzinga (45)</b> <i>Group CEO</i> Appointed at Santam: 2022 Appointed in this role: 2022</p>	 <p><b>Wikus Olivier (49)</b> <i>Group CFO</i> Appointed at Santam: 2023 Appointed in this role: 2023</p>	 <p><b>Gugu Mtetwa (44)</b> <i>Group COO</i> Appointed at Santam: 2023 Appointed in this role: 2023</p>	 <p><b>Asher Grevler (49)*</b> <i>Chief Underwriting Officer (Acting)</i> Appointed at Santam: 2004 Appointed in this role: 2023</p>	
 <p><b>Atang Matebesi (35)</b> <i>CEO: Client Solutions</i> Appointed at Santam: 2023 Appointed in this role: 2023</p>	 <p><b>Burton Naicker (49)</b> <i>CEO: MiWay</i> Appointed at MiWay: 2021 Appointed in this role: 2021</p>	 <p><b>Charisse Ras (40)</b> <i>Chief Risk Officer</i> Appointed at Santam: 2012 Appointed in this role: 2023</p>	 <p><b>Fanus Coetzee (54)**</b> <i>CEO: Broker Solutions</i> Appointed at Santam: 2001 Appointed in this role: 2023</p>	 <p><b>Gareth Beaver (54)</b> <i>CEO: Specialist Business Solutions</i> Appointed at Santam: 2008 Appointed in this role: 2023</p>


\* Asher Grevler fulfilled the role as Chief Underwriting Officer (Acting) until 31 December 2023. He is succeeded by Michael Cheng, who assumes his new role as Santam's Chief Underwriting Officer with effect from January 2024.

\*\* Andrew Coultts resigned with effect from 30 November 2023. He was succeeded by Fanus Coetzee who assumed the role of CEO: Broker Solutions on 1 December 2023.


## Our executive leadership team as at 31 December 2023 (continued)




**Gloria Tapon Njamo (45)**  
*CEO: Partner Solutions*  
Appointed at Santam: 2019  
Appointed in this role: 2023




**Karl Socikwa (55)**  
*Executive: Group Market Development and Sustainability*  
Appointed at Santam: 2021  
Appointed in this role: 2021




**Norah Sehunoe (43)**  
*Executive Head: Human Resources*  
Appointed at Santam: 2023  
Appointed in this role: 2023




**Quinten Matthew (60)\*\*\***  
*Chief Commercial Officer*  
Appointed at Santam: 2003  
Appointed in this role: 2023




**Ruwaida Eksteen (45)**  
*Group Company Secretary*  
Appointed at Santam: 2022  
Appointed in this role: 2022




**Sam Nkosi (54)**  
*Chief Technology Officer*  
Appointed at Santam: 2023  
Appointed in this role: 2023



**Sory Diomande (51)**  
*CEO: Santam Re and International*  
Appointed at Santam: 2023  
Appointed in this role: 2023



**Thabiso Rulashe (44)**  
*Head: Strategy and Investor Relations*  
Appointed at Santam: 2017  
Appointed in this role: 2023



**Tinyiko Ribisi-Termark (40)**  
*Chief Legal Officer*  
Appointed at Santam: 2020  
Appointed in this role: 2021

\*\*\* Edward Gibbens resigned as Chief Commercial Officer on 30 September 2023. He was succeeded by Quinten Matthew with effect from 1 October 2023.



# 5

## Santam's Board Committees

# Santam's Board Committees and Board member attendance

## Board Committee profiles and composition

Although accountability ultimately resides with the Board of directors, the Board, from time to time, delegate some of its duties and responsibilities to the Board Committees. The six Board Committees, therefore, support and assist the Board in discharging its duties and responsibilities.

The Board Committees report on their activities to the Board every quarter and when ad hoc Board Committee meetings have been held. All Board members have access to the minutes of the respective Board Committee meetings. An effectiveness evaluation is conducted annually, whereby each Board Committee's performance is assessed in alignment with its Board-approved Charter. The Board Committee effectiveness evaluations are also used to identify training opportunities.

Figure 11: Santam's Board Committees' composition as at 31 December 2023





## Audit Committee

### Meetings

The shareholders of Santam Ltd annually appoint the members of the Audit Committee at the Company's AGM in response to the recommendations made by the Nominations Committee and the Board. As a minimum regulatory requirement, all members of the Audit Committee are classified as independent non-executive directors. Certain members of management, and other assurance providers, attend the Audit Committee meetings upon invitation. From a quorum perspective, they do not have veto rights or partake in the Audit Committee's decision making processes. The quorum requirements for the Audit Committee to transact business is the majority of the duly appointed Audit Committee members. The Audit Committee has the prerogative to meet separately with management, the head of Group internal audit, the external auditors and other internal assurance providers at least once per quarter.

To ensure cross-membership and efficiencies, the Chair of the Risk Committee and the Chair of the Investment Committee are both members of the Audit Committee. They are regarded as instrumental in reviewing and disclosing investment, ESG and sustainability-related aspects, internal controls and risk mitigation. In addition, the Audit Committee's role and responsibilities are outlined in its Board-approved Charter, which is reviewed annually.

During the reporting period, four Audit Committee meetings were held.

### Role and responsibilities

The Audit Committee is constituted as a statutory committee and performs its duties in terms of section 94(7) of the Companies Act, the Insurance Act, the JSE Listings Requirements, King IV to the extent that its recommended practices have been adopted by the Company, and the Governance and Operational Standards relevant to Insurance Groups (GOGs) and insurers (GOIs). The Audit Committee has an oversight role over the Company and all its subsidiaries and acts as the statutory Audit Committee for those South African subsidiaries within the Santam Group nominated for this purpose. These entities include MiWay Insurance Limited, Santam Structured Insurance Limited, Santam Structured Life Limited, Centriq Insurance Company Limited and Centriq Life Insurance Company Limited.

Should differences of opinion arise between the Board and the Audit Committee where the Audit Committee's statutory functions are concerned, the Audit Committee's decision will prevail. However, due to the Audit Committee also serving as a sub-committee of the Board for duties assigned to it by the Board over and above its statutory duties, the Board retains ultimate decision making ability on non-statutory matters.

## The Audit Committee's key focus areas during the 2023 reporting period

During the reporting period, the Audit Committee afforded consideration to the following salient aspects:

- It assisted the Board with executing its oversight role over **the Group's governance practices and processes whilst ensuring appropriate, transparent and fair reporting of Santam's financial results**
- The **Dividend Policy was reviewed** by the Audit Committee and **recommendations were made to the Board for the three dividends that were declared** during the 2023 financial year
- The Audit Committee considered and recommended to the Board for its approval, **management's bases for materiality insofar as financial and/or other reporting is concerned**
- It **evaluated the effectiveness of internal risk management processes** aimed at:
  - » Financial reporting risks
  - » Internal financial controls
  - » Fraud risks as they relate to financial reporting
  - » IT risks as they relate to financial reporting
- The **Group's Governance Policy, the Board authorisation framework, and the Group Internal Audit Charter were** reviewed and recommended to the Board for its approval
- **Santam's compliance with mandatory corporate governance principles and disclosure requirements** in terms of the Companies Act, the JSE Listings Requirements, King IV and other applicable laws and regulations that the Company adopted were considered, including non-binding rules, codes and standards
- The Audit Committee was responsible for overseeing the **Group's compliance with the integrated reporting framework and the report that had been produced** in this regard
- There was also an ongoing focus on **solvency and capital management** and the preparation of **the successful implementation of the IFRS17 project**. The Audit Committee is pleased to report that the key objectives of the IFRS17 project had been met. This resulted in a sustainable solution that had been delivered to ensure compliant reporting in alignment with the requisite monthly internal timelines and the applicable statutory requirements
- The Audit Committee **assessed the effectiveness of the Group's internal audit function and evaluated the competence and independence of the chief audit executive**. A similar process was performed to assess the **effectiveness of the external auditor (PricewaterhouseCoopers Inc./PwC) and the Group's finance function**
- A recommendation was made to the shareholder community at **Santam's 2023 AGM to re-appoint PwC for the 2023 financial year as Santam's external auditor on record**. In addition, a further recommendation was made to approve **KPMG's appointment as the new external auditor who will be succeeding PwC with effect from the 2024 financial year**. Given the auditor rotation principles that had been applied, the Audit Committee also exercised oversight over the transition process between PwC and KPMG's appointment for the 2024 financial year
- The **fair value of unlisted investments and the effectiveness of internal financial controls** were also afforded consideration
- The Group's **going concern statement and assumptions** and the solvency and liquidity tests were assessed. In addition, **dividends had been declared, trading updates were issued during pre-determined intervals, and related party and off-balance sheet transactions had been reviewed**
- The Audit Committee approved the **policy, framework and monetary limits relevant to non-audit services** that were provided by the external assurance providers, including the ongoing monitoring thereof to prevent any potential negative impacts on the **external auditors' independence and/or their objectivity**
- **Santam Ltd's (and its subsidiaries') management representation letters and other forms of assurance had been considered** by the Audit Committee. This was to ensure the effectiveness, completeness and adequacy of the assurance that had been provided by the first lines of defence
- The Group's approach towards **combined assurance and the effectiveness and appropriateness thereof** had been reviewed
- In addition, the **summarised annual group internal and external audit plans** and the scope thereof had been considered
- Apart from the performance of the Group FD and the finance function that was evaluated, the Audit Committee also considered **the adequacy and effectiveness of the Group's internal financial controls**
- The Audit Committee was supported by the Risk Committee on **actuarial-related matters** insofar as these related to the execution of the Audit Committee's responsibilities. This included a review of the **capital status report and the regulatory solvency positions of Santam**

*The Audit Committee takes primary responsibility for and has the ultimate decision making authority regarding its statutory duties. To this end, the Chair of the Audit Committee is required to attend all Santam's AGMs.*

*The Audit Committee is satisfied that it executed its mandate (including its fiduciary duties) effectively in accordance with its Board-approved Charter.*

## The Audit Committee report relevant to the 2023 financial year

The Audit Committee comprised four independent non-executive directors. They performed their duties and responsibilities as described in section 94 of the Companies Act and the supplementary functions assigned by the Board. The Audit Committee fulfilled its oversight responsibility and all other relevant aspects relating to the independence of the internal and external auditors and the audit quality in alignment with the JSE Listings Requirements (as amended).

The Audit Committee's roles and responsibilities are outlined in its Board-approved Charter. Some of these functions are elaborated on in this Corporate Governance Report. The Audit Committee evaluated the Company's internal financial controls, and it is satisfied that there were no material breakdowns in these controls during the reporting period, which influences the reasonability of financial reporting to stakeholders. In addition, the Audit Committee confirmed that appropriate financial reporting procedures had been established and that those procedures are operational and have been considered for the consolidated Group IFRS financial statements.

The Audit Committee is also satisfied that the external auditors have considered all significant matters concerning the Group's annual financial statements and how these were considered and addressed by the Audit Committee in response thereto. Furthermore, the Audit Committee expressed its level of comfort with the independence of the external auditors and confirmed that PwC is thereby able to conduct their audit functions objectively without any undue influence from the Company.

The Audit Committee furthermore confirms that it carried out its statutory, regulatory and other responsibilities in alignment with its Charter and annual work plan and that it was satisfied with the competence, qualifications and experience of the Group Finance Director.



**Preston Speckmann**  
Chair: Audit Committee

## Risk Committee

### Meetings

The Risk Committee meets at least every quarter. The Committee's membership includes a combination of executive and non-executive directors, with the majority of the members being independent non-executive directors. Both the Group CEO and the Group FD are appointed as members of the Risk Committee. In addition, the Committee meetings are also attended by several standing invitees – they are the external audit partners, the Group's Chief Risk Officer, the Head: Group Internal Audit, the Head: Financial Risk Management, the Head: Enterprise Risk Management (ERM), the Group Compliance Officer, the Head: Business Conduct, the Head: Business Integrity, the Head of the Actuarial Function, and representatives of Santam's Group Exco.

Although the deliberations of the Committee do not reduce the individual and collective responsibilities of Board members regarding their fiduciary duties and responsibilities, it continues to exercise due care and judgement in accordance with its regulatory obligations. The Board further reviews and approves the Risk Committee's Charter and its annual plan on a yearly basis. This is in addition to the performance assessment that is conducted annually to evaluate the effectiveness of the Risk Committee.

### Role and responsibilities

The Risk Committee is constituted in alignment with the Insurance Act, the Prudential Standards on the Governance of Insurance Groups (GOGs) read with the Prudential Standards on the Governance of Insurers (GOIs, specifically GOI2), and the principles outlined in King IV to the extent that its recommended practices have been adopted by the Company. The Committee's mandate extends to the Company, the Santam Limited insurance group and its subsidiaries that are required to have a Risk Committee.

The Committee has an independent role, operates as an oversight function, and makes recommendations to the Board for its consideration and final approval. The Committee does not assume the functions of management, which remain the responsibility of the executive directors, officers, and other members of senior management. The primary function of the Risk Committee is to provide oversight over the design and implementation of the Group's governance, risk management and compliance management frameworks. Management, in turn, is accountable to the Board for designing, implementing, and monitoring the process of governance, compliance and risk management, as well as its integration into the day-to-day activities of the Group.

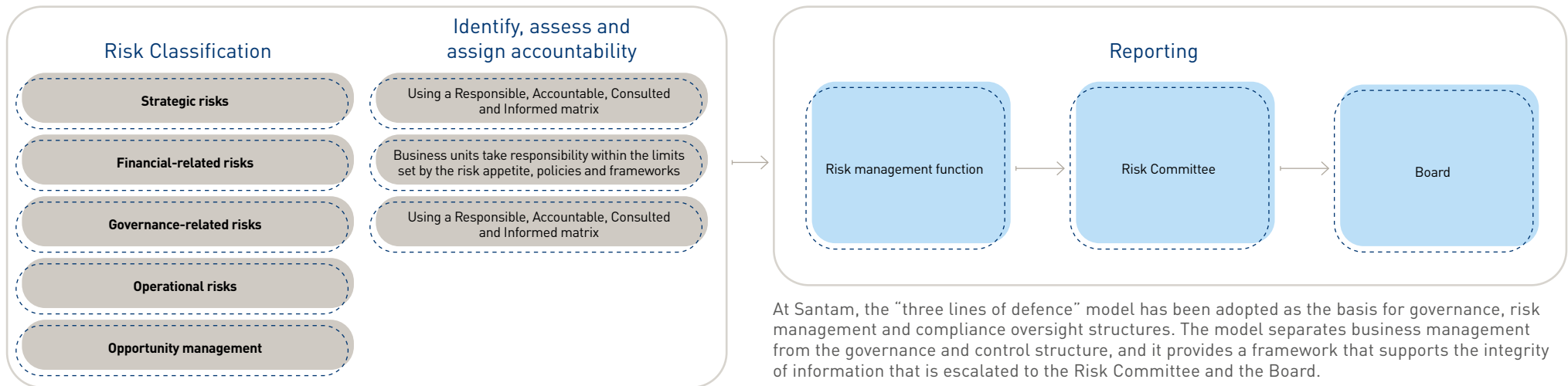


Figure 12: A generic flow of risk management information from the respective businesses within Santam to the Risk Committee and the Board



During the reporting period and beyond, Santam applied a comprehensive risk management system to support the Group's growth and safeguard the interests of its key stakeholders – particularly Santam's clients. Under the auspices of the Risk Committee's mandate, the Group's risk management process supports Santam in building its leadership position from a financial, reputation and market share perspective. At the same time, the Company's objective is to protect Santam's policyholders and its clients' interests.

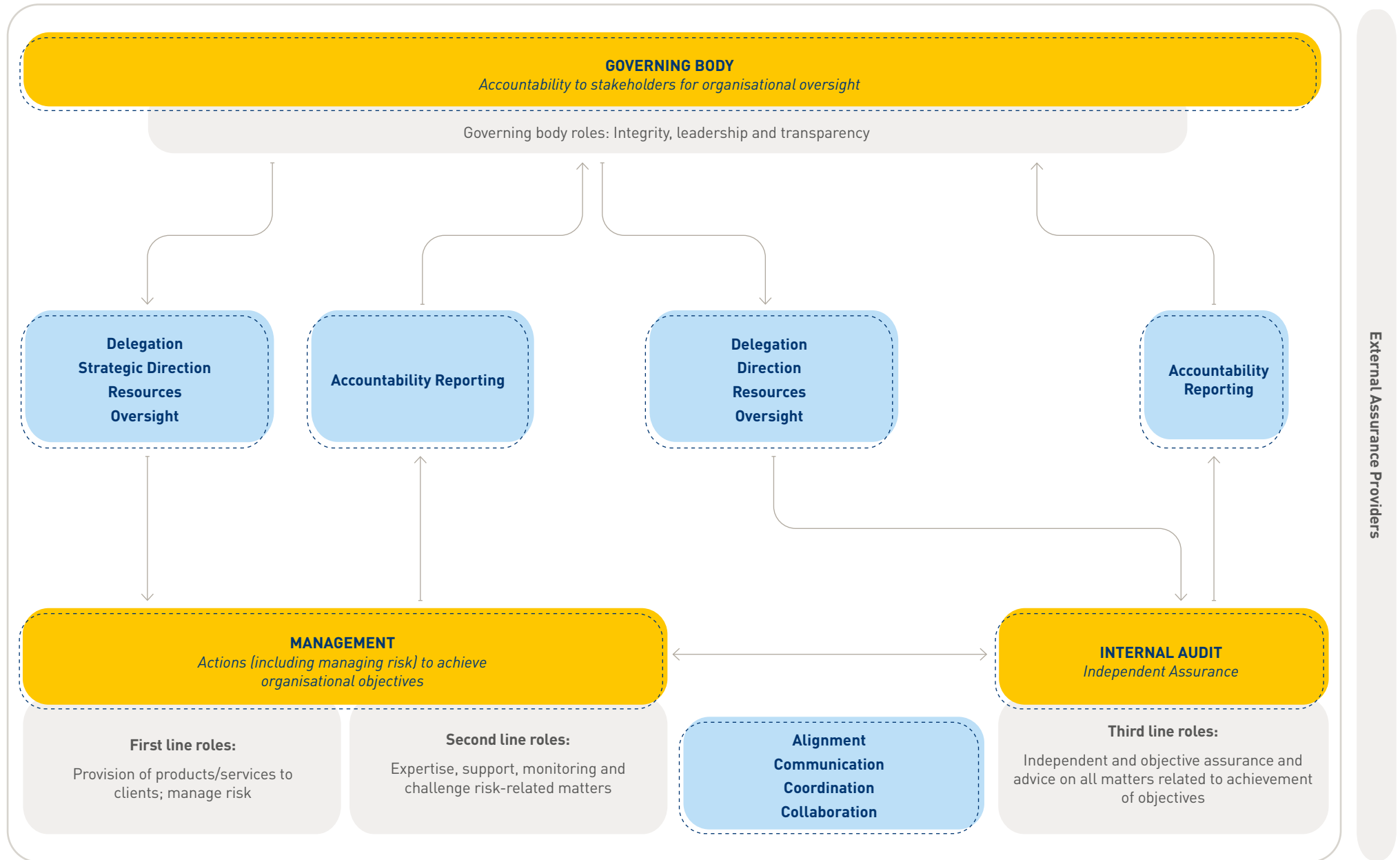
Figure 13: The risk management process that we follow:



At Santam, the "three lines of defence" model has been adopted as the basis for governance, risk management and compliance oversight structures. The model separates business management from the governance and control structure, and it provides a framework that supports the integrity of information that is escalated to the Risk Committee and the Board.

The Board endorses the principle of combined assurance defined in King IV and has aligned Santam's assurance methodology to the ORSA at a Group and (operational) licensed level.

Figure 14: An overview of our "three lines of defence" model



The responsibilities of the Risk Committee further include the following:

- Ensuring that the Group implements an adequate and effective system of control for governance, compliance and risk management that enhances Santam's ability to achieve its strategic objectives (while simultaneously protecting the legitimate interests of the Company's stakeholders and providing adequate protection to clients and policyholders)
- The effective review of the Group's risk profile, including the significant risks to which Santam is exposed
- Monitoring the conduct of business risks and adequately mitigating the necessary by achieving the outcomes of TCF, in alignment with Santam's Group risk appetite
- Recommending to the Board the levels of risk appetite and monitoring the Group's material risks within the Board-approved tolerance levels
- Considering and reviewing the Group's IT Governance Charter to ensure that it is appropriate, aligned and supports the Group's strategy and risk appetite
- Reviewing both the Santam Group's and the Company's ORSA process to support the Board in its overall responsibility to assess its risk management framework, the solvency requirements, and the funds available to meet these requirements
- It provides oversight over outsourcing activities to support the Santam Board in its overall responsibility for any material functions, management functions, control functions or activities that have been (or are planned to be) outsourced
- It reviews Santam's risk exposure as it relates to capital, earnings, market consistent value, and the Group's risk management policies as required by the Insurance Standards
- The Committee assesses the effectiveness of the performance of the various heads of control functions (i.e. risk management, actuarial, compliance and internal audit)
- It also considered the appointment and performance assessment of the Chief Risk Officer during the reporting period

The Risk Committee is also the primary Board Committee responsible for information management and information technology (IIT) governance, overseeing IIT risks and ensuring compliance with IIT-related regulations. The Committee ensures that IIT governance across the Group results in the Group deriving value from using and investing in IIT during the reporting period and beyond.

The Committee furthermore assists the Board in discharging its responsibility for the governance of compliance with applicable laws, regulations and adopted non-binding rules, codes, and standards, as well as adherence to internal policies and procedures by setting the direction for how compliance management should be approached and addressed within the Santam Group. It also oversees the development of policies that

articulate and give effect to its direction. In addition, the Risk Committee reviews and recommends to the Board any changes to the Group's risk management plans, risk-related philosophy, strategy, ERM framework(s), policies and plans.

### The Risk Committee's key focus areas during the 2023 reporting period

- During the previous reporting period, **Santam's ERM processes and function were reviewed against local and international market practices, given applicable regulatory requirements**
- **Several policies, strategy, risk appetite and ERM framework recommendations** were resultantly proposed and recommended to the Board for its approval. These were implemented during the 2023 reporting period with the performance and response by the business monitored on an ongoing basis
- The Risk Committee **reviewed the Group's material risks and opportunities** (i.e. by adopting a "Top Down" approach combined with a "Bottom-Up" approach). This is mainly to ensure alignment with Santam's refreshed FutureFit strategy. More information is available in Santam's 2023 Integrated Annual Report
- One of the objectives during the 2023 reporting period was to **enhance the capacity and effectiveness of the ERM function at the centre and evaluate how ERM principles, in general,** were being implemented and monitored across the Group
- Given the enhanced capacity and effectiveness of the Santam's ERM function, further efficiencies were during the reporting period derived from the Group's standardised risk-based approach
- A focused approach was adopted for the purposes of **geo-coding** – to obtain a better understanding of the Group's property book's risk exposure, among others
- **The Group's IT landscape, digital transformation, data management and Santam's modernisation journey** had been reviewed
- Considerable time and resources were furthermore spent on **Santam's Policy Wording Review Project, the grid failure and reinsurance terms, the 2024 catastrophe retention, climate risk, cyber-related risks,** and the Group's reserve risk appetite and earnings volatility
- In addition, in response to the Group's heightened approach to sound governance practices, **more than 30 Group policies were reviewed and approved by the Board** in response to the Risk Committee's recommendations.

*The Risk Committee confirmed that it is satisfied that it executed its duties and responsibilities that were delegated to it by the Board. In addition, the Risk Committee also agreed that the quality, relevance and completeness of the information that was presented to the Risk Committee by management were adequate and appropriate.*



**Deborah Loxton**  
Chair: Risk Committee

## Investment Committee

### Meetings

During the reporting period, four Committee meetings were held. As per the Investment Committee's Board-approved Charter, standard protocol includes that the Chair of the Committee will at all times be an independent non-executive director serving on the Board. To this end, Santam's LID has been appointed as the Chair of the Investment Committee.

The quorum requirements for the transacting of business of the Investment Committee is the majority of members, of whom at least one should be a non-executive director. Other executives and professional advisers may, from time to time, attend the Investment Committee meetings by invitation only, and they do not form part of the Committee's quorum requirements. The operations of the Committee are governed by a Board-approved Charter, which is reviewed annually.

### Role and responsibilities

The Investment Committee fulfils an independent role and makes recommendations to the Board for consideration and final approval. While it does not assume the functions of management, the Committee's primary objective is to assist and support the Board in executing its investment portfolio and cash investment responsibilities. It also supports Santam's management investment committee (SMIC) on the activities and processes relating to the investment of Company funds. The Investment Committee further advises and assists the SMIC with governance-related aspects such as investment policies and guidelines, including those relating to asset classes, asset allocation ranges, credit, concentration, liquidity exposures, and prohibited and unduly risky investments. It regularly reviews and makes recommendations to the Board on the Group's investment policies and guidelines and its compliance and implementation. The Investment Committee also advises the SMIC on potential hedging programmes and derivative transactions as well as risk management aspects regarding investment activities. In addition, the Committee reviews the performance of Santam's investment managers, and it assists the Board in ensuring that responsible investment is continuously practised by Santam to promote good governance and the creation of value.

### Key focus areas of the Investment Committee during the 2023 reporting period

- The **Investment Committee's Charter** has been reviewed to **ensure its alignment with the recently launched CRISA 2**, which contains five voluntary principles for stewardship and responsible investment as a key component of the South African governance framework
- **A robust review was also performed on the mandate of the investment portfolio managers** with the objective of ascertaining that it continued to be aligned with Santam's requirements
- **An evaluation was conducted on the investment portfolio managers' performance and services that** were rendered during the reporting period. This resulted in certain recommendations being made by the Investment Committee in response to the areas that were identified for improvement
- The Committee further **reviewed the Group's Investment Policy and the Foreign Currency Policy**, which were subsequently recommended to the Board for approval

*The Investment Committee confirmed that it is satisfied that it executed its duties and responsibilities that had been delegated to it by the Board.*



**Monwabisi Fandeso**

*Chair: Investment Committee and Lead Independent Director*

## Social, Ethics and Sustainability (SES) Committee

### Meetings

The SES Committee is constituted as a statutory committee. It performs its duties in terms of Regulation 43 of the Companies Act (as amended), the requirements outlined in King IV, the JSE Listings Requirements, the Insurance Act and the Prudential Governance and Operational Standards for Insurance Groups insofar as these relate to the performance of the statutory functions of the SES Committee.

The SES Committee comprises a majority of independent non-executive directors, one non-executive director and one executive director. The quorum requirement for Committee meetings to be duly instituted is the majority of the SES Committee members, of whom at least one must be an independent non-executive director.

Four SES Committee meetings were held during the year under review in accordance with the SES Committee's annual plan. This was complemented by the Company's heightened approach to ESG related aspects and the associated rationale for the enhancement of ethical business conduct.

### Role and responsibilities

The SES Committee has an independent role with accountability to the Board insofar as it concerns the performance of the statutory functions that have been assigned to the Committee. It is required to report annually to shareholders at the Company's AGM. In addition to the statutory duties assigned to the SES Committee, the Committee has the responsibility to recommend for approval, monitor and advise the Board on all ESG-related issues as defined in the Principles for Sustainable Insurance (to which Santam is a signatory). The latter includes any material and relevant issues that may have a significant impact on the Company and/or its stakeholders. The SES Committee is also required to ensure that the Group's management of ESG issues is aligned with the requirements of the FTSE/JSE Responsible Investment index. These responsibilities are underpinned by the organisational Group ESG strategic themes and serve as focused material issues for Santam.

In addition, the SES Committee's primary role is to monitor Santam's activities regarding ethics and compliance management, social and economic development, good corporate citizenship, stakeholder relations, the Company's response to the environment, the health and safety of Santam's employees, transformation, diversity, and other labour-related aspects. The SES Committee also considers and reviews Santam's social, ethics and sustainability strategies.

### Key focus areas during the 2023 reporting period

- Dedicated efforts were made to ensure **adequate and transparent reporting on the Group's approach to sustainability and material non-financial aspects**
- **A heightened approach was adopted towards governance, ethics management, and compliance and risk management processes**
- The SES Committee reviewed and **endorsed the Group's ethics strategy** which was afterwards approved by the Santam Board of directors. In addition, Santam's ethics office also embarked on a **review of Santam's Code of Ethics** to ensure that it is aligned with leading practices. The Code of Ethics was subsequently also approved by the Board
- **Santam Group Stakeholder Engagement Policy** was reviewed and recommended to the Board for its approval – i.e. subject to ensuring alignment with the revised organisational structure and the Group's client centric approach
- The SES Committee considered the **risks and opportunities that were associated with the Committee's mandate and key deliverables**. This included emerging risks that were linked to the SES Committee's mandate
- Santam's conduct of business had been appraised to ensure **the achievement of the desired TCF outcomes**
- A comprehensive review had been conducted on **Santam's Climate Change Statement and its Human Rights Statement** – these were both recommended to the Board for its approval
- The Committee developed a Coal Position Statement which recognises the role of coal in the South African economy in alignment with the government's Just Transition Framework. The objective of the Coal Position Statement is to guide the Group's approach towards reducing its exposure to coal
- Santam's **ESG performance had been assessed by the FTSE Russel rating agency**. The outcome of the assessment confirmed that Santam's ESG score had improved. To this end, the Company remained both in the Top 30 of the FTSE/JSE's Responsible Investment Index and it continued to be a constituent of the FTSE4Good Index Series
- Santam has made good progress to meet its B-BBEE targets. Due to the robust process that was followed, **the Group maintained its Level 1 B-BBEE verification status** based on its performance during 2023 financial year
- Concerted efforts were made to ensure the Group complied with all the **legal requirements and transformation codes**
- The SES Committee **reviewed the Group's human capital strategic focus areas and initiatives** (including the progress against the employment equity and skills development targets that were agreed upon for 2023)
- The SES Committee also **exercised an oversight role over the Group's "new ways of work" initiatives** and deliberated on **the Company's culture journey assessment** that was conducted in 2022 and repeated in 2023. The insights shared by stakeholders assisted the Group in obtaining a better understanding of Santam's corporate culture to enable and complement the Group's refreshed FutureFit strategy
- The SES Committee fulfilled an instrumental role in **endorsing the Group's investment mandate and its investment policy to ensure Santam practices responsible investment principles in alignment with CRISA 2**. The objectives included promoting good governance principles and decision making and creating value through the companies and initiatives in which Santam invests
- **The development and review of Santam's ESG-related performance measurement criteria remained an ongoing focus area**. This included the incorporation thereof into the key performance areas assigned to the members of Group Exco
- The SES Committee **provided guidance and oversight on the Group-wide climate scenarios analysis exercise** that was conducted

*The SES Committee is satisfied that it executed each of the core responsibilities assigned to it by the Board, as recorded in the Committee's Board-approved Charter and its annual plan.*



**Caroline da Silva**  
Chair: SES Committee

## Our strategic ESG performance

### EMPLOYEES

**6 472**

(2022: 6 339)

### BLACK BROKER PROGRAMME

**603**

(2022: 571)

Certified as a  
**TOP EMPLOYER**  
by the Top Employer  
Institute for the  
**8th**

consecutive year

### GWP WRITTEN THROUGH BLACK INTERMEDIARIES

**R1.2 billion**

(2022: R1 billion)

### SANTAM OMBUDSMAN FOR SHORT-TERM INSURANCE (OSTI) OVERTURN RATIO\*

**11.03%**

(2022: 7.61%)

### MIWAY OSTI OVERTURN RATIO\*

**8.87%**

(2022: 7.5%)

### NPS SCORE

**52**

(2022: 48)

### BBBEE RATING

**Level 1**

(2022: Level 1)

### MUNICIPALITIES SUPPORTED

through the partnerships for risk and resilience (P4RR) initiatives since 2012

**95**

(2022: 82)

Contributions to investment funds with ESG focus:  
**RESILIENT INVESTMENT FUND** that focuses on social impact

**R171 million**

(2022: R150 million)

ASISA FUND:

**R117 million**

(2022: R117 million)

Constituent of  
**FTSE4GOOD INDEX SERIES AND FTSE/JSE RESPONSIBLE INVESTMENT TOP 30 INDEX**

Member to **CLIMATEWISE** and **UN GLOBAL COMPACT**

Signatory to **UNEPFI PSI** and the **TCFD**



*At Santam, our purpose is to safeguard what is important to our clients in a manner that enables wealth creation and protection for all stakeholders. Even in the context of changing weather patterns, we continue to deliver on this purpose, as evidenced by paying out R29.9 billion in claims in 2023.*

\* Source: These results were extracted from the 2022 OSTI Annual Report. This is due to the 2023 OSTI Annual Report that will only be published during the latter part of 2024.



## Human Resources and Remuneration Committee (HRRC)

### Meetings

As per the HRRC's Board-approved Charter and annual plan, the Committee met four times during the 2023 financial year. This excludes the special HRRC meeting that was held in October 2023. In addition to the four members that have been appointed to the HRRC, the Group CEO and other representatives of management also attended the HRRC meetings. However, these individuals participated in the HRRC meetings in their capacity as standing invitees and did not exercise any voting rights or decision making powers. The HRRC's quorum requirements include a majority of members of the Committee.

### Role and responsibilities

The HRRC is predominantly responsible for monitoring and advising the Board on the Group's human and intellectual capital, its approach towards diversity management, and transformation processes regarding its employees. In particular, the Committee approves the executive appointments at a Santam Group Exco level and reviews succession planning and the management of "key man" risk.

The HRRC is further responsible for the remuneration strategy of the Santam Group, the approval of guidelines for incentive schemes, and the annual determination of remuneration packages for members of the Group Exco and the heads of control functions. The Committee also recognises local and international industry trends and benchmarks, and ensures that the Company's incentive schemes aligns with good business practice that rewards excellence and performance. It also makes recommendations to the Board regarding the non-executive directors' remuneration, except for the fee structure applicable to the HRRC (which is attended to by the Nominations Committee due to a direct and actual conflict of interest). The Chair of the Board is a member of the HRRC.

The HRRC is responsible for and has the authority to consider and make recommendations to the Board regarding the following key aspects:

- To determine and recommend to the Board, Santam's general remuneration policy that must be tabled at each AGM for a non-binding advisory vote by shareholders
- The preparation of the Group's annual Remuneration Report
- The development of the Group's remuneration strategy for executive directors and members of Group Exco
- The development of short-term incentive plans for Board approval by setting annual targets, monitoring the progress in response to the agreed targets, and reviewing the incentive plans regularly to ensure a strong link with performance is maintained
- Managing the employment and performance contracts of Group Exco to ensure their terms comply with the principles of best practice
- Developing, monitoring and testing appropriate and key performance drivers for short-term and long-term incentives and developing long-term incentive schemes for Board approval
- Setting individual and group performance hurdles and guidelines for annual allocations and performing regular reviews of the structure of the schemes
- Considering the remuneration of non-executive directors of the Board and its Committees and making proposals to the Board for final approval by shareholders at the AGM
- Planning for succession and managing human capital imperatives

## Key focus areas of the HRRC during the 2023 reporting period

During the year under review, the following were some of the key focus areas and milestones achieved:

- In response to the retirement of the HRRC's previous Chair (Dawn Marole), **Santam appointed Lucia Swartz as an additional independent non-executive director who succeeded Dawn Marole as the Chair** of the HRRC with effect from 1 October 2023
- A **comprehensive benchmarking exercise was conducted on non-executive directors' fees**, after which a recommendation was made to Santam's shareholders for their approval at the 2023 AGM
- **The long-term incentive (LTI) structure was reviewed to simplify and remove any layers of LTI instruments** (i.e. each having a set of performance conditions and pre-determined targets)
- **A review was conducted on internal pay equity across all levels of the Group**
- Another key remuneration decision that was agreed upon in 2022 was implemented in 2023. It entailed the **discontinuation of awards of deferred share plan shares (DSPs) to senior management**. This change was to ensure **alignment to Santam's "pay for performance" principle**
- Continuous efforts were also made to ensure **compliance with the SARS Binding General Ruling 41**, which requires non-executive directors to register for Value Added Tax
- Consideration was afforded to the **draft governance and operational standards for insurers and insurance groups as governed by the Financial Sector Conduct Authority (FSCA), the compliance requirements imposed by the JSE Listings Requirements, and the PA's GOGs and GOIs**. The same principle applies to the recently published proposed amendments to the Companies Act, which included significant proposed changes to the role, functioning and composition of the HRRC
- The **evaluation of Santam's employment equity plan**, which was developed in accordance with the applicable legislative requirements and best practices, had been considered by the Committee. This includes the HRRC noting the recent developments in connection with **the proposed sectorial targets**
- The HRRC also reviewed **the Group's ongoing approach towards "new ways of work"** in response to Santam's ongoing hybrid operating environment
- It facilitated (and had oversight of) the selection **and recruitment processes to appoint new members to Group Exco**
- The **HRRC considered and responded to shareholder recommendations** regarding Santam's Remuneration Policy that was presented for approval at the 2023 AGM
- It **reviewed Santam's corporate values and the outcome of the recent culture survey** that was conducted
- **The HRRC reviewed the Group's reporting and disclosure on remuneration aspects** with the objective to simplify the content while enhancing transparency
- It also ensured that **appropriate steps were taken to attract, recruit, develop and retain the key talent required to enable the Group to execute its Board-approved refreshed FutureFit strategy**. This includes the management of **succession planning, the transfer of skills and talent retention** in response to the Group's organisational and structural changes that came into effect at the beginning of the 2023 reporting period
- In addition to the above, the HRRC continued to **review the Group's key human capital-related risks and the value drivers**. The aim is to ensure incentives are directly aligned with Santam's refreshed FutureFit strategy. The principles of simplification and transparency will inform any forward-looking policy decisions
- The HRRC also **reviewed Santam's Fit and Proper Policy** and the **Committee's Charter**. In addition, the Committee endorsed **Santam's new Secondment Policy**, which provides guidance on governance-related aspects and how Santam's employees' developmental needs would be facilitated in alignment with the Group's operational requirements
- In accordance with the recommendations set out in King IV, **Santam's Remuneration Policy was tabled to shareholders for a non-binding advisory vote at its 2023 AGM**. This vote enables shareholders to express their views on the Group's Remuneration Policies and the implementation thereof. Santam supports the benefit of an advisory vote, which aims to promote constructive dialogue between the Company and its shareholders. It also highlights the compensation criteria that are of interest to investors, such as linking performance and strategy. At the 2023 AGM, Santam's shareholders endorsed the Company's Remuneration Policy. However, Santam continues to invite shareholders to individual engagements to discuss specific concerns or enquiries relating to the implementation report

*The HRRC is satisfied that it executed each of the core responsibilities assigned to it by the Board, as recorded in the Committee's Board-approved Charter.*



**Lucia Swartz**  
Chair: Human Resources and Remuneration Committee

*More information about Santam's remuneration approach, its Remuneration Policy and the implementation of the Group's remuneration practices can be found in the Company's 2023 Remuneration Report, which can also be accessed online at [www.santam.co.za](http://www.santam.co.za)*

## Santam was certified as a TOP employer for the eighth consecutive year.

Notable to highlight is that the Group's ranking improved from 10th place in 2023 to the eighth position out of 135 South African companies who participated in the 2024 certification process.



## Nominations Committee

### Meetings

The Nominations Committee meets at least four times per annum. The Committee comprises three non-executive directors, of which the majority are independent. During the 2023 financial year, Committee meetings were also attended by the Group CEO. However, the Group CEO attended and participated in these meetings as an invitee and did not form part of the Nominations Committee's composition or quorum requirements.

### Role and responsibilities

The Nominations Committee is primarily responsible for reviewing the composition of the Board and the Board Committees. This includes the Committee exercising oversight of the process to select, recruit and (re-) appoint directors to the Santam Board. The Nominations Committee follows a formal and transparent process in evaluating the balance, effectiveness, expertise and diversity attributes of the Board and the Board Committees, and it makes recommendations to the Santam Board as and when required. Apart from the annual Board evaluation to assess the effectiveness of the Board (as a collective) and the respective Board Committees under the auspices of the Nominations Committee's mandate, the Committee is also responsible for ensuring succession planning at a Board level as well as the continuous review of the individual Board members' independence classification.

### Key focus areas of the Nominations Committee during the 2023 reporting period

- **A robust review was conducted on the composition of the Board and Board Committees** – i.e. taking into account the recent changes to the Board that occurred during the reporting period
- The Nominations Committee had **oversight over the selection and recruitment process that resulted in an additional independent non-executive director being appointed to the Board, to succeed Dawn Marole**
- The Committee facilitated the 2023 financial year's **annual Board evaluation process**
- **The Committee considered the independence of Santam's directors, including the LID**
- **The Board members' quarterly declaration of interests** had been considered at every Committee meeting. A similar approach was adopted by the HRRC where it concerns **the requisite annual Fit and Proper declarations**
- Consideration was also given to the **composition of the various governance structures at subsidiary level**
- The Committee also reviewed the **application of Santam's Rotation policy and the policy regarding the Promotion of diversity attributes at Santam Board level** (i.e. in alignment with the JSE Listings Requirements as amended)
- Given the emphasis on **Board Induction** and the need for ongoing training interventions, a policy had been developed to govern Santam's approach to same

### Special Ad Hoc Sub-Committee of the Board

During the reporting period in August 2023, it was anticipated that the disposal of the Group's 10% interest in SAN JV to Allianz would be concluded during the first week in September 2023. Given the Company's projected capital position post the receipt of the disposal proceeds, the Board agreed to the distribution and payment of a special cash dividend of 1 780 cents per ordinary share out of Santam's distributable reserves.

The Board considered the solvency and liquidity of Santam in accordance with the provisions of section 4 of the Companies Act and concluded with reasonable certainty that, following the payment of the special cash dividend, the Company's assets as fairly valued, were equal to and/or exceeded the liabilities on the date of the approval. This was in addition to the assurance that was provided at the time by the Chief Risk Officer. To this end, consensus was reached by the Board to authorise the Chair of the Board, the Chair of the Audit Committee, and the Group CEO ("the Special Ad hoc Committee") to finalise and declare the special cash dividend subsequent to the closing and receipt of the proceeds from the disposal of the SAN JV investment.

*The Nominations Committee is satisfied that it fulfilled its responsibilities during the reporting period in accordance with its Board-approved terms of reference.*



**Nombulelo Moholi**  
Chair: Nominations Committee

## Details of member attendance at Board and Board Committee meetings [1 January 2023 – 31 December 2023]

The attendance at Board and Board Committee meetings during the 2023 financial year can be summarised as follows:

Board membership	Board meetings	Board Strategy session	Special Ad hoc Sub-Committee of the Board <sup>6</sup>	Audit Committee	Risk Committee	Investment Committee	SES Committee	HRRC	Ad hoc HRRC	Nominations Committee
Total number of meetings held in 2023	4	1	1	4	4	4	4	4	1	4
Nombulelo Moholi ( <i>Chair</i> )	<b>C</b> 4/4	<b>C</b> 1/1	<b>C</b> 1/1	<b>I</b> 2/4	<b>I</b> 2/4	–	–	<b>M</b> 4/4	<b>M</b> 1/1	<b>C</b> 4/4
Monwabisi Fandeso ( <i>LID</i> )	<b>M</b> 4/4	<b>M</b> 1/1	–	<b>M</b> 4/4	<b>M</b> 4/4	<b>C</b> 4/4	–	–	<b>I</b> 1/1	<b>M</b> 1/1
Preston Speckmann	<b>M</b> 4/4	<b>M</b> 1/1	<b>M</b> 1/1	<b>C</b> 4/4	<b>M</b> 4/4	–	–	–	–	–
Dawn Marole <sup>1</sup>	<b>M</b> 2/3	–	–	–	–	–	<b>C</b> 3/3	<b>C</b> 3/3	–	<b>M</b> 3/3
Caroline da Silva <sup>2</sup>	<b>M</b> 4/4	<b>M</b> 1/1	–	<b>I</b> 4/4	<b>M</b> 4/4	–	<b>M</b> 3/4 & <b>C</b> 1/4	<b>M</b> 1/1 & <b>I</b> 1/1	<b>M</b> 1/1	–
Paul Hanratty	<b>M</b> 4/4	<b>M</b> 1/1	–	–	–	–	–	<b>M</b> 4/4	–	<b>M</b> 4/4
Debbie Loxton	<b>M</b> 4/4	<b>M</b> 1/1	–	<b>M</b> 4/4	<b>C</b> 4/4	<b>M</b> 3/4	–	–	<b>I</b> 1/1	–
Abigail Mukhuba	<b>M</b> 3/4	–	–	<b>I</b> 3/4	<b>M</b> 3/4	<b>M</b> 3/4	–	–	–	–
Lotz Mahlangu	<b>M</b> 4/4	<b>M</b> 1/1	–	<b>I</b> 4/4	<b>M</b> 4/4	<b>I</b> 3/4	–	–	–	–
Shadi Chauke	<b>M</b> 4/4	<b>M</b> 1/1	–	<b>M</b> 4/4	<b>M</b> 4/4	–	<b>M</b> 4/4	–	<b>I</b> 1/1	–
Junior Ngulube	<b>M</b> 4/4	<b>M</b> 1/1	–	–	–	–	<b>M</b> 4/4	–	<b>I</b> 1/1	–
Lucia Swartz <sup>3</sup>	<b>M</b> 2/2	<b>M</b> 1/1	–	–	–	–	<b>I</b> 1/1	<b>M</b> 1/2 & <b>C</b> 1/2	<b>C</b> 1/1	–
Tava Madzinga	<b>M</b> 4/4	<b>M</b> 1/1	<b>M</b> 1/1	<b>I</b> 4/4	<b>M</b> 4/4	<b>M</b> 4/4	<b>M</b> 2/4	<b>I</b> 4/4	<b>I</b> 1/1	<b>I</b> 4/4
Hennie Nel <sup>4</sup>	<b>M</b> 2/2	–	–	<b>I</b> 2/2	<b>M</b> 2/2	<b>M</b> 2/2	–	–	–	–
Wikus Olivier <sup>5</sup>	<b>M</b> 2/2	<b>M</b> 1/1	–	<b>I</b> 4/4	<b>M</b> 2/2 & <b>I</b> 2/2	<b>M</b> 2/2 & <b>I</b> 2/2	–	–	–	–

<sup>1</sup> Retired on 30 September 2023.

<sup>2</sup> Appointed as Chair of the SES Committee on 1 October 2023.

<sup>3</sup> Appointed to the Board on 1 June 2023 (appointed as Chair of the HRRC on 1 October 2023).

<sup>4</sup> Resigned as a member of the Board on 30 June 2023.

<sup>5</sup> Appointed to the Board on 1 July 2023.

<sup>6</sup> This Committee was established as a one-off, specifically for the purposes of the Special Dividend declaration that took place in September 2023.

**C** Chair      **M** Member      **I** Invitee



# 6

## Ancillary governance disclosures

# Responsible investing

## Investing according to “*the Santam way*” – good and proper

At Santam, the Board has an oversight role and exercises its ethical responsibilities, rights, and obligations through elected representatives in the various companies in which the Group has invested. The Board is ultimately accountable for ensuring the Santam Group promotes good governance by investing responsibly. This objective is achieved through the Investment Committee, the Group Exco and the respective governance structures within each subsidiary. In addition, each of the management executive committees within the Santam Group of companies is responsible for ensuring that Santam’s investments are managed according to Board-approved policies and investment mandates.

Santam subscribes to the Code of Responsible Investing in South Africa (CRISA). CRISA was launched in 2011 to encourage institutional investors and service providers to integrate ESG aspects into their investment criteria and decision making. Since 2011, significant advances have been made in the regulatory and governance sphere relating to responsible investment and stewardship. CRISA 2, which was launched in September 2022, contains the following five voluntary principles for stewardship and responsible investment as key components of the South African governance framework. These are:

Figure 17: Santam’s CRISA – voluntary principles

<b>Principle 1</b>	<b>ESG integration:</b> Investment arrangements and activities should reflect a systematic approach to integrating material ESG factors
<b>Principle 2</b>	<b>Stewardship:</b> Investment arrangements and activities should demonstrate the acceptance of ownership rights and responsibilities, diligently enabling effective stewardship
<b>Principle 3</b>	<b>Capacity building and collaboration:</b> Acceptance and implementation of the principles of CRISA 2 and other applicable codes and standards should be promoted through collaborative approaches (as appropriate) and targeted capacity building throughout the investment industry
<b>Principle 4</b>	<b>Governance:</b> Sound governance structures and processes should be in place (including at all levels of the organisation) to enable investment arrangements and activities that reflect and promote responsible investment and diligent stewardship, including proactively managing conflicts of interest
<b>Principle 5</b>	<b>Transparency:</b> Investment organisations should ensure disclosures are meaningful, timeous and accessible to enable stakeholders to make informed assessments of progress towards the achievement of positive outcomes

The CRISA 2 principles apply primarily to asset owners, asset managers and service providers in the investment value chain who are involved in investment activities and wish to voluntarily align themselves with the principles.

During the year under review, Santam (through its Investment Committee) reviewed and amended its internal governance structures’ terms of reference to ensure alignment with CRISA 2. This included the Board granting its approval in November 2022 of the proposed amendments that were subsequently incorporated in the Group’s Responsible Investing Policy, which currently forms an integral part of the Santam Group Investment Policy.

In addition, Santam and its fund managers also subscribe to the United Nations Principles of Responsible Investment and the Code of Responsible Investing by Institutional Investors in South Africa (“the Responsible Investing Codes”).

*This commitment includes the following – institutional investors agreed to:*

- Incorporate ESG issues into investment analysis and decision making processes
- Be active owners and incorporate ESG issues into its ownership policies and practices
- Seek appropriate disclosure on ESG issues by the entities in which they invest
- Promote acceptance and implementation of the principles within the investment industry
- Work together to enhance their effectiveness in implementing the principles
- Report on their activities and progress toward implementing the principles

The Group has a clearly defined Responsible Investing Policy to ensure alignment between Santam’s investment practices and the principles outlined in the Responsible Investing Codes and King IV.

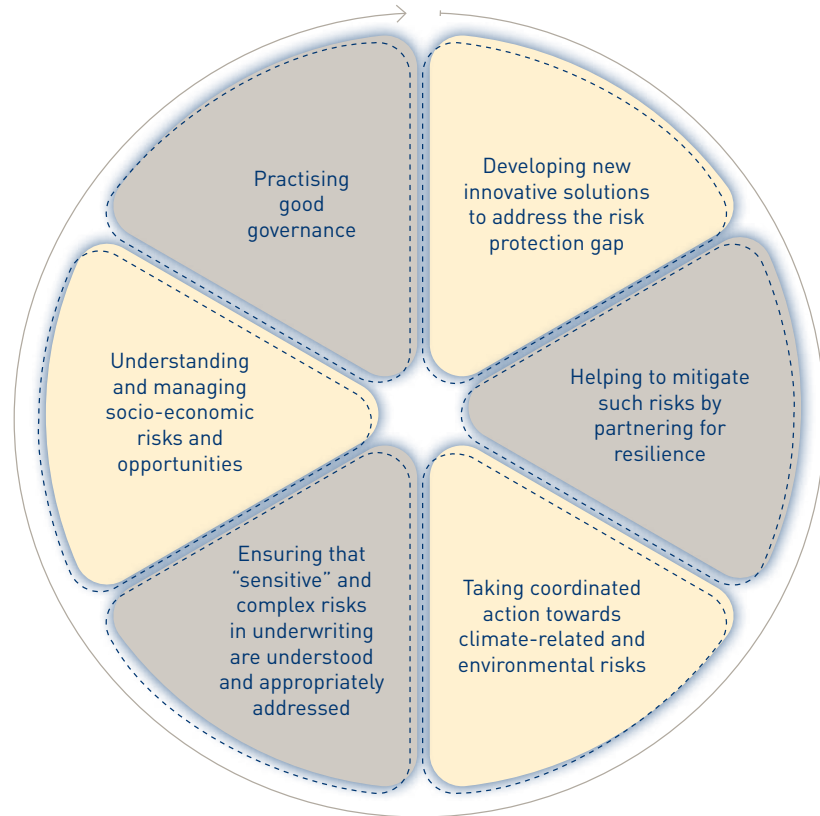
At the same time, Santam’s overall investment objective continues to maximise its after-tax investment returns within the approved Santam Group risk appetite framework – i.e. subject to the Group’s investment management principles. However, it remains key that the Board-approved Group investment strategy considers and protects the interests of the Group’s policyholders and clients at all times.

No strategy that might adversely affect the Santam Group’s ability to repay its insurance obligations, as and when they become due, will be considered.

# Santam's tactical response to climate change

The Group's approach to ESG mainly focuses on the issues that are most important to Santam's key stakeholders and those parties who affect the Company's ability to create long-term financial and non-financial value. These issues include, among others, the following key aspects:

Figure 18: Key aspects



*The aforementioned key aspects inform the Group's ESG strategic focus areas – namely “Running a responsible business”, “Building resilient societies” and “Retaining and nurturing top talent and culture”, which are geared towards contributing to a sustainable and transformed South African economy.*

## The Board's oversight role of climate-related risks and opportunities

As a signatory to the TCFD, Santam recognises the importance of disclosing and being transparent regarding its governance practices around climate-related risks and opportunities. The Board's responsibility is to direct, administer, and control the Group's affairs in a transparent, fair, and responsible manner. The Board, therefore, considers governance to be essential for the long-term success of Santam. Although the Board is ultimately the accountable governing body, it has several Committees that assist it in discharging its duties and responsibilities relating to climate change. These are:

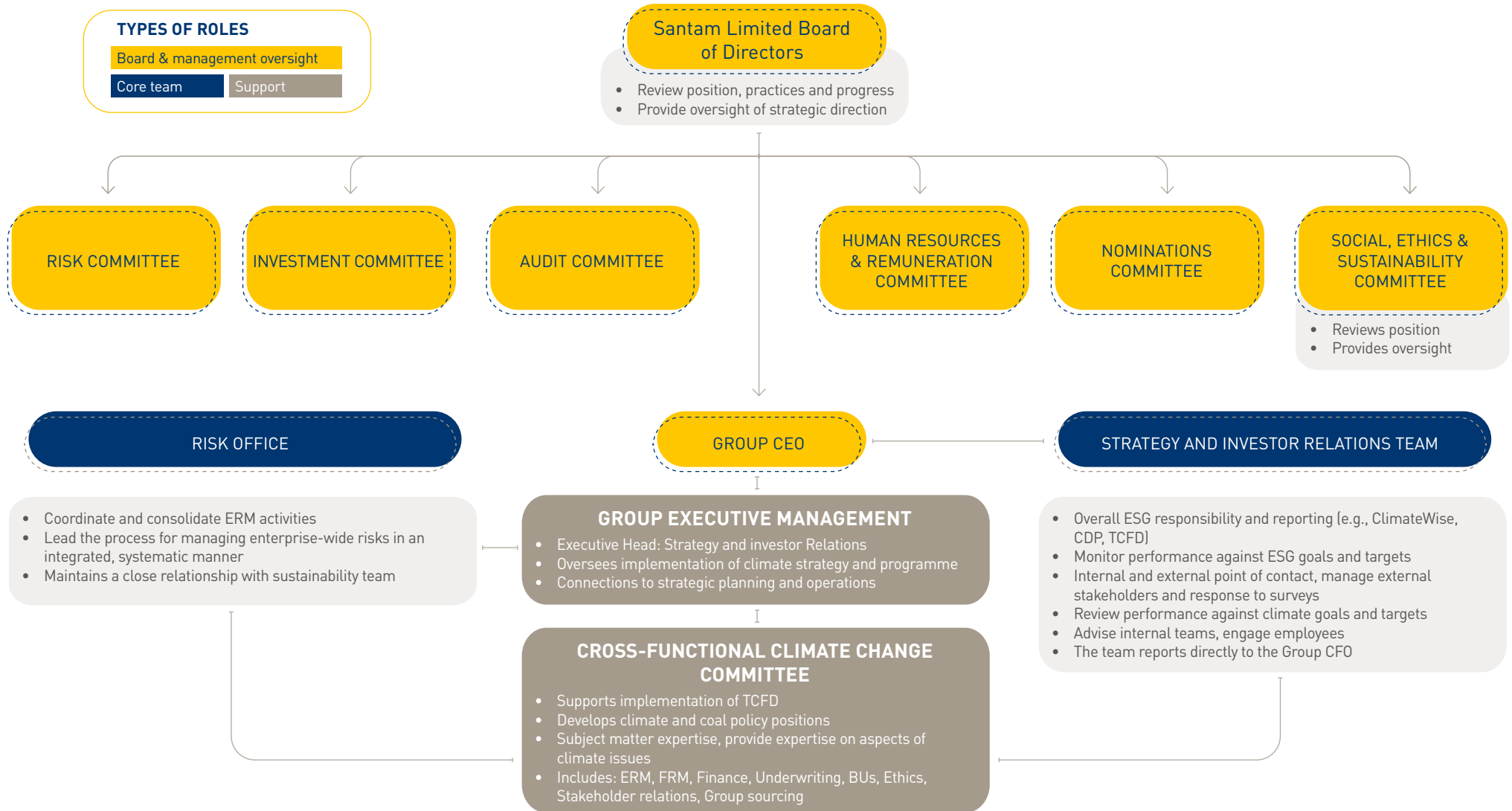
- The **SES Committee** oversees the Group's response to ESG matters and climate-related risks and opportunities
- The **Investment Committee** assists the Board with its oversight of responsible investment practices that promote good governance and value creation in companies in which Santam invests. To this end, the Group's investment policy incorporates ESG considerations that impact the long-term sustainability of Santam's portfolio investments, including climate risk, which has been identified as a material matter for the Santam Group
- The **Risk Committee**, in turn, assists the Board in fulfilling its governance duties from a risk and control perspective, including identifying and evaluating all significant risks to which the Company is exposed. Santam's CRO has an independent line of accountability to the Santam Board through the Risk Committee. As a result, the CRO assists the Board and the Risk Committee with the implementation, review and approval of the Group-wide risk governance framework, including Santam's risk culture, risk appetite, risk limits and the corresponding capital and liquidity needs
- The **HRRC** exercises an oversight role and it monitors the performance of the members of Group Exco and senior management, by linking the ESG key performance indicators to remuneration
- The **Audit Committee** oversees the mandatory disclosure requirements relating to ESG (and in particular, environmental and climate) related aspects. It further ensures the integrity, completeness and accuracy of the information that is being disclosed and reported to Santam's stakeholders

Given the importance of climate change, Santam remains committed to building resilient societies whilst contributing towards reducing the risk protection gap. To this effect, the Santam Board of directors acknowledges that climate change presents both risks and opportunities.

Considering the abovementioned, ESG and climate-related considerations create widespread uncertainties which extend to and/or initiate various other risks. This is why the integration between ESG and climate-risk-related considerations remains fundamental. This is evidenced in the inclusion of ESG-specific key performance indicators in the performance measurement criteria of the Group executives and senior management.

The figure below depicts the governance structure relevant to ESG matters and simultaneously indicates how the various sub-committees are connected to Group Exco and the respective functional teams.

Figure 19: Santam's governance structure relevant to ESG/climate risks



## Group Exco's role in responding to (and managing) climate-related risks

The supervision and oversight over climate-related matters form an integral part of Santam's Group CEO and Group Exco's mandate. In addition, climate change governance is enhanced by the enterprise-wide Climate Change Committee (CCC). The CCC is a senior management governance forum whose primary mandate is to support the Group's climate change activities. This includes assisting Group Exco, the Risk Committee, and the Board in assessing how the Santam Group is evaluating and responding to climate change issues. The Group CEO and Group Exco are collectively also responsible for implementing the refreshed FutureFit strategy (which includes ESG aspects) and providing progress reports to the Board every quarter. The Group's ClimateWise performance and the FTSE Russell's ESG rating and progress on climate and ESG-related policies and statements are, as a minimum requirement, included in the Group's ESG dashboard as key performance indicators.

## Key actions implemented by the Board in 2023

- The Board developed and implemented ESG-related performance measurement indicators for Group Exco and senior management
- It provided quarterly oversight of ESG-related metrics through the SES Committee's ESG dashboard
- The Santam Board presented an overview of the Group's response and management of climate risk to the regulatory authority
- The Investment Committee reviewed and updated the Group's Responsible Investment Policy

During the 2023 reporting period, the Board had two interactions with the PA where Santam had to provide feedback to the regulatory authority regarding the Group's approach towards climate change and climate-related risks. This included a progress update that the Board needed to give on the measures that had been implemented and confirmation of Santam's acknowledgement that climate change was regarded as a material risk to our business. In addition, the members of the SES Committee also received training during the third quarter of 2023 on climate change and what it means to the financial services sector. The aforesaid training intervention was facilitated by a representative of the Just Transition.

## Milestones achieved by the Climate Change Committee (CCC) during 2022 – 2023

- The CCC developed and published a **Coal Position Statement**, which the Board approved
- A **Group-wide climate scenario analysis** was conducted
- The **outcomes of the 27<sup>th</sup> Climate Change Conference of Parties (COP)** have been considered
- The CCC kept abreast of key **ESG regulatory updates and developments (locally and globally)**

The Group strategy and investor relations unit continuously monitors and tracks performance against the refreshed FutureFit strategy, and it presents quarterly dashboard reports to the Board to keep the Board abreast of the progress made over time. In addition, ClimateWise and the FTSE Russell returns are filed annually and submitted on behalf of Santam. The Group strategy and investor relations unit also co-ordinates the collaboration across the Group on ESG-related matters, whereas the executive head of the unit chairs the CCC. The CCC is also responsible for contextual environmental scanning, which includes ESG and climate-related matters, which are afterwards reported to the Board, the Risk Committee, the SES Committee, the Group CEO, Group Exco and other functional peers.

Santam's ongoing commitment towards transparency regarding ESG and climate-related risk also resulted in the Group conducting a comparative analysis between the recently launched ISSB standards, the TCFD and local JSE disclosure requirements. This resulted in the identification of the following key focus areas:

- The need to continuously upskill the Board and Group Exco on climate-related issues
- Presenting and socialising the findings of the Group's climate scenarios
- Integrating climate-related risks and opportunities in the Group's ERM processes
- Developing a response framework to the Taskforce on Nature-related Financial Disclosures (TNFD)
- Continuing to monitor and track the integration and performance of ESG into the Group's refreshed FutureFit strategy by developing a robust climate change response strategy

Further information on Santam's response to climate change is outlined in its climate-related disclosures, including the FTSE/JSE Russell ESG rating, Santam's ClimateWise response and the Group's CDP Report that was submitted with the majority shareholder (Sanlam Ltd) and the annual submission to the UNEP-FI Principles for Sustainable Insurance.

# Compliance management

## Compliance with applicable regulatory requirements

Santam remains committed to conducting its business ethically, responsibly, and in compliance with all applicable legislation, regulations, adopted industry codes and standards, and all internal policies and sound corporate governance principles.

One of the key roles the Risk Committee fulfils is to advise and assist the Board in overseeing the governance of compliance by setting the direction for how compliance should be approached and addressed within the business. The Group has no appetite for deliberate, ignorant, or premeditated violations of applicable legislative requirements or non-compliance with Company standards, internal policies, or governance principles. Santam, consequently, strives to conduct its business with due skill, care, and diligence to minimise violations and non-compliance incidents arising from negligence.

The Board, supported by the Risk Committee, has oversight of the implementation of Santam's corporate culture and business strategies. This includes the Group's compliance strategy and risk appetite in alignment with Santam's long-term interests and viability.

Management is responsible for ensuring the implementation of the business objectives and strategies that are developed in line with the Company's compliance strategy and risk appetite. The Group compliance function is responsible for promoting and monitoring the Company's compliance culture. The Group Compliance Officer (supported by the various compliance functions within the Group of companies) also facilitates the management of compliance by analysing applicable statutory and regulatory requirements and monitoring the implementation and execution thereof. The Risk Committee and the Board, in turn, receive regular reports on material compliance matters through the Group Compliance Officer, who is suitably skilled and experienced. He reports functionally to Santam's Group Chief Risk Officer.

Non-compliance incidents are continuously being monitored at various levels across the organisation. These incidents include reporting obligations to operational management within the businesses, their respective management executive committees, the operational risk committees and the various subsidiaries' Boards of directors. In addition, non-compliance incidents are also recorded within the Group's ERM processes.

## New regulatory developments

Due to the Group's heightened approach to regulatory compliance, dedicated efforts are assigned to ensure the business keeps abreast of all new applicable regulatory developments and the implications thereof for Santam and its licence to operate. For this reason, Santam embraces every opportunity to influence and participate in policy-making processes at an industry and Company level by engaging key regulatory bodies continuously. This ensures the Group's views on topical regulatory issues are properly documented, contextualised and communicated to the relevant enforcement and regulatory bodies.

During the year under review, particular attention was paid to regulatory developments related to cyber security, consumer regulation, data privacy, and ESG. Some of the specific developments included:

- **The Road Accident Fund (RAF) Amendment Bill:** The proposed Bill proposes restructuring the RAF to pay in increments, and not as a lump sum, and it introduces exclusions. The proposed amendments have the potential to increase passenger and third-party liability claims for Santam.
- **Data privacy and competition law:** The interaction between technology and competition has also been a focus of the South African Competition Commission – i.e. considering its latest market inquiries into the distribution of media content on digital platforms and the online intermediation platform market. Santam continues to make employees and Company representatives aware of data privacy implications and competition law
- **ESG standards:** While not regulation and/or promulgated, IFRS introduced voluntary sustainability standards during 2023, which were well received by the market. Santam continues to afford dedicated attention and resources to these aspects.

Monitoring developments and changes to applicable regulatory requirements, therefore, remains a standing item on the Risk Committee and Group Exco's agendas. The Risk Committee assists the Board by frequently updating it on key regulatory developments relevant to the Company and its operations. This includes facilitating and arranging training interventions, as and when required, to update Risk Committee members and the Board at large regarding any prominent or topical changes and developments in the regulatory landscape where Santam operates.



# Information management and information technology (IIT) governance

## IIT governance and digital transformation

Santam acknowledges the fundamental role that IIT governance and digital transformation fulfil in conducting business in a highly competitive environment. IIT is, therefore, regarded as a strategic focus area that supports and underpins Santam’s refreshed FutureFit strategy. The Board, supported by the Risk Committee, is ultimately accountable for the management and governance of IIT. This is why IIT governance is deemed essential for the Group to achieve its strategic objectives and why it is deeply entrenched in how Santam operates.

During the reporting period, dedicated efforts have been assigned to review Santam’s shared services target operating model (TOM) in its entirety. An integral part of the review process included reaching consensus on the key strategic objectives that needed to be delivered through changes in the TOM, which are required to assist the business in executing Santam’s refreshed FutureFit strategy. These can be summarised as follows:

- Improving alignment between IIT and Santam’s business strategies
- Building a scalable platform for direct business
- Optimising the Group’s delivery model
- Re-engineering portfolio management
- Implementing data analytics and artificial intelligence to impact Santam’s performance

The Group’s IIT governance framework and reporting system, which are also being reviewed on a regular basis, further enables the Board to reinforce and verify:

- The value that is being derived through the appropriate use of IIT
- IIT change initiatives are aligned to the business strategies
- The IIT governance framework continues to holistically provide centralised oversight and guidelines in alignment with the broader Group governance framework

## Roles and responsibilities relevant to the governance of IIT

Figure 20: The roles and responsibilities relevant to the governance of IT can be summarised as follows:

<p><b>The Board</b></p>	<p><b>The Board</b> exercises an oversight role over the implementation of IIT governance practices across the Group. It also directs the strategic and operational application and use of technology and information. This is to ensure that benefits are realised in the respective subsidiaries within an acceptable and articulated level of risk.</p>		
<p><b>The Risk Committee</b></p>	<p><b>The Risk Committee</b> is responsible for IIT governance and oversees management’s response to Santam’s material technology and information-related risks. This is assessed frequently based on materiality and aligned with the Group’s risk appetite and ERM framework. The Risk Committee also oversees the development and review of Santam’s technology strategy and the Group’s digital transformation roadmap. It also has oversight of technology architecture and the operational excellence of the Group’s shared IIT infrastructure.</p>		
<p><b>Audit Committee</b></p>	<p>In alignment with Santam’s combined assurance model, all significant technology, governance and information-related audit findings are reported to the <b>Audit Committee</b>. The Audit Committee aims to ensure the integrity of the information disclosed and reported on from time to time from a financial reporting perspective.</p>		
<table border="1"> <tr> <td data-bbox="792 825 1792 1021"> <p><b>Management provides assurance to the Risk Committee and the Board</b> that effective IIT governance practices are in place and that material IIT-related risks are mitigated appropriately.</p> <p><b>Santam’s Group internal audit function</b> exercises oversight of the management of technology and information risks and the effectiveness of the identified controls. The requisite assurance is further provided to the Audit Committee, which satisfies itself as to the effectiveness of the Group IIT governance system and applied controls.</p> </td> <td data-bbox="1792 825 2128 1021"> <p><b>External audit</b> frequently performs reviews and assessments as part of its IIT management and governance audits</p> </td> </tr> </table>		<p><b>Management provides assurance to the Risk Committee and the Board</b> that effective IIT governance practices are in place and that material IIT-related risks are mitigated appropriately.</p> <p><b>Santam’s Group internal audit function</b> exercises oversight of the management of technology and information risks and the effectiveness of the identified controls. The requisite assurance is further provided to the Audit Committee, which satisfies itself as to the effectiveness of the Group IIT governance system and applied controls.</p>	<p><b>External audit</b> frequently performs reviews and assessments as part of its IIT management and governance audits</p>
<p><b>Management provides assurance to the Risk Committee and the Board</b> that effective IIT governance practices are in place and that material IIT-related risks are mitigated appropriately.</p> <p><b>Santam’s Group internal audit function</b> exercises oversight of the management of technology and information risks and the effectiveness of the identified controls. The requisite assurance is further provided to the Audit Committee, which satisfies itself as to the effectiveness of the Group IIT governance system and applied controls.</p>	<p><b>External audit</b> frequently performs reviews and assessments as part of its IIT management and governance audits</p>		

Santam recently embarked on a journey that included reviewing the Group’s technology landscape, its digital strategy, the relevance and effectiveness of its legacy systems, and Santam’s digital architecture roadmap.

The key objectives can be summarised as follows:

- Driving business growth
- Improving operational efficiency
- Delivering “best in class” differentiated digital experiences

## Santam's digital 2.0 and enablement strategy

The following describes and provides a high-level overview of Santam's digital strategy, which comprises three macro-level outcomes:

Figure 21: A synopsis of the Group's reviewed digital strategy

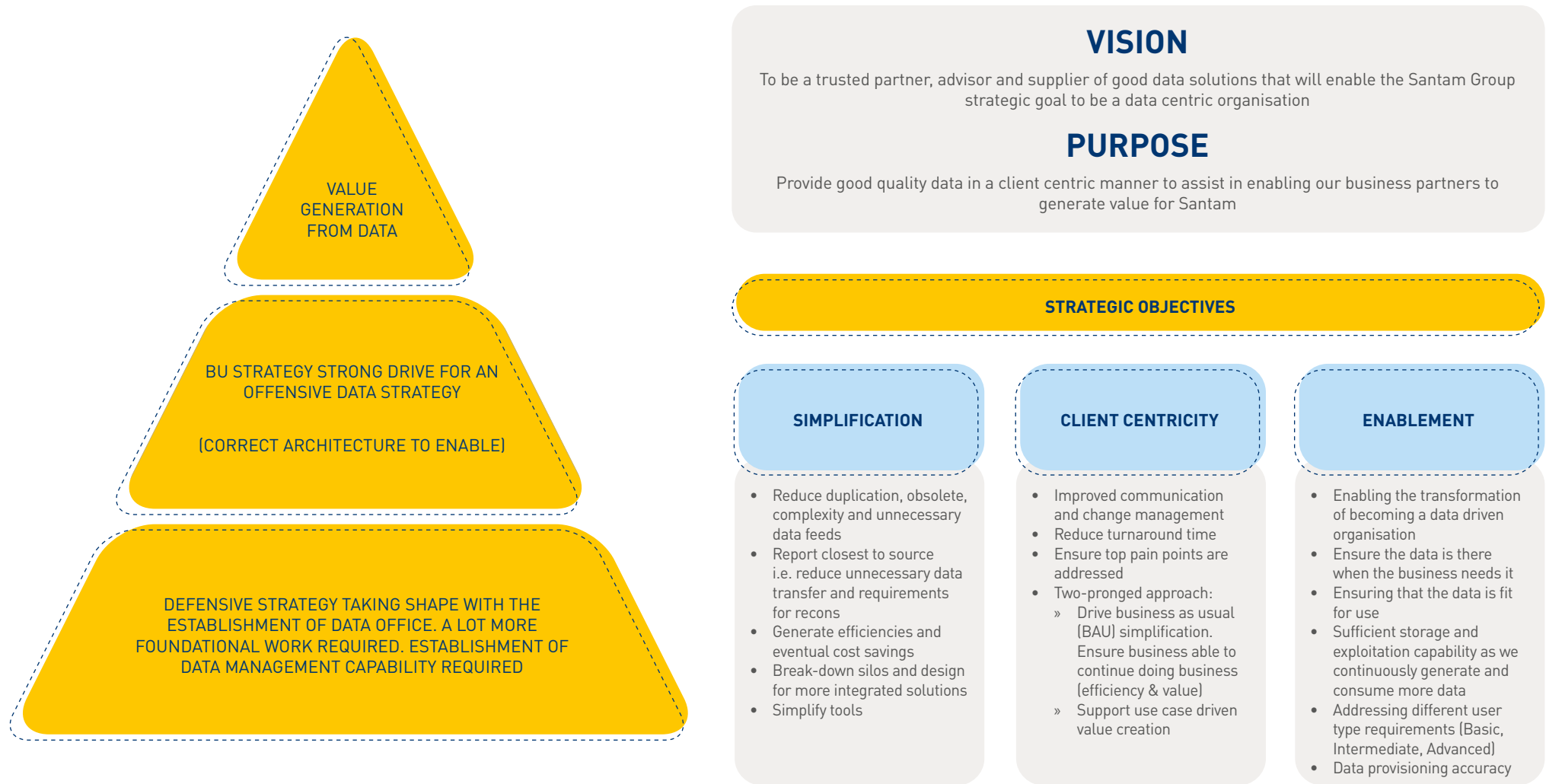


In addition to the abovementioned, some of the key components of Santam's IIT governance framework can be summarised as:

- The implementation of, and alignment with, Santam's business information technology services (BITS) data strategy
- The implementation of the Group's IIT and security policies and standards
- The alignment and adoption of Group architecture for strategic and shared architectural components
- The maximum use of Santam's IIT capability, which includes shared IT infrastructure and applications, the Group's cyber security centre and Group technology and infrastructure (GTI)
- Centralised technology sourcing, with the aim of maximising efficiencies and benefits for the Santam Group of companies



Figure 22: Below is a synopsis of BITS enablement data strategy



The Group policies that are applicable to the IIT environment include, but are not limited to, Santam’s Group IT Policy, the Group Information and Data Policy, Santam’s IT Cyber Security Policy, and our Digital Behaviour and Security Policy.

The Board reviews these policies annually to ensure its content and application remain pragmatic, relevant and value-adding.



# 7

## Santam's shareholders' diary



Financial year-end	31 December
Annual general meeting date	28 May 2024

#### Reports

Announcement of the results for the year ended 31 December 2023	29 February 2024
Integrated reporting suite for the year ended 31 December 2023 <i>(publication date)</i>	11 March 2024
Interim report for the six months ended 30 June 2024 <i>(publication date)</i>	29 August 2024

#### Dividends

Declaration of the dividend for 2023	29 February 2024
Last date to trade cum dividend	18 March 2024
Shares to trade ex-dividend	19 March 2024
Record date for the 2023 dividend	22 March 2024
Payment date of the 2023 dividend	25 March 2024



# 8

## Administration

## Registered Company name

Santam Limited  
(Incorporated in the Republic of South Africa and an authorised financial services provider,  
Licence number 3416)  
Company registration number: 1918/001680/06  
Tax reference number: 9475/144/71/4  
LEI: 37890092DC55C7D94B35  
ISIN: ZAE000093779  
JSE share code: SNT  
NSX share code: SNM  
A2X share code: SNT  
Debt company code: BISAN

## Registered business address

1 Sportica Crescent, Tyger Valley, Bellville, 7530  
P.O. Box 3881, Tyger Valley, 7536  
Tel: +27 (0) 21 915 7000  
Fax: +27 (0) 21 914 0700

## Internet address

<https://www.santam.co.za>

## JSE Sponsors

Equity sponsor: Investec Bank Limited  
Debt sponsor: Rand Merchant Bank (a division of FirstRand Bank Limited)

## Transfer Secretaries

Computershare Investor Services (Pty) Ltd  
Company registered number: 2004/003647/07  
Rosebank Towers  
15 Biermann Avenue, Rosebank 2196, South Africa  
Private Bag X9000, Saxonwold 2132, South Africa  
Tel +27 (0) 11 370 5000  
Fax +27 (0) 11 688 5200  
[santamholders@computershare.co.za](mailto:santamholders@computershare.co.za)

## Non-executive directors

Mmaboshadi Chauke\*, Caroline Da Silva\*, Monwabisi Fandeso (*LID*)\*, Paul Hanratty, Deborah Loxton\*, Lotz Mahlangueni, Nombulelo Moholi (*Chair*)\*, Abigail Mukhuba, Junior Ngulube, Preston Speckmann\* and Lucia Swartz\*

## Executive directors

Tavaziva Madzinga (*Group Chief Executive Officer*) and Wikus Olivier (*Group Finance Director*)

## Group Company Secretary

Ruwaida Eksteen

## Head: Strategy and Investor Relations

Thabiso Rulashe

## Report fraud

Fraud line (South Africa): 0860 600 767  
Fraud line (Namibia): 0800 002 020  
Fraud line SMS: 31640  
WhatsApp: +27 76 921 3347  
Email: [forensic.services@santam.co.za](mailto:forensic.services@santam.co.za)

\* *Independent non-executive director*

# 17648



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[www.santam.co.za](http://www.santam.co.za)

Santam is an authorised financial services provider (FSP 3416), a licensed non-life insurer and the controlling company for its group of companies.